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by City Manager's Office



Memorandum

TO: HONORABLE MAYOR &
CITY COUNCIL

FROM: Debra Figone

SUBJECT: City Manager's Weekly Report

DATE: May 21, 2010

INFORMATION

Following are the key activities to be highlighted this week

Network Maintenance—On May 21, the IT Department will be performing critical maintenance to the City's network from 7 p.m. to 11 p.m. Most services will not be affected. Staff will still be able to make and receive phone calls during the maintenance period; however Call Tree, Voice Mail, and departmental Call Center services will not be available. The City's main Call Center will not be affected, as it is redirected to the "after hours" answering service after 6p.m. If staff experiences problems after the scheduled maintenance period, please report them to the IT Service Desk at 793-6900. Technicians will be available starting at 7:30 a.m. on Monday, May 24 to address any issues. For more information contact Steve Ferguson, Chief Information Officer, at 535-3560.

Labor Negotiations—In November 2009, the City Council approved a goal of a 5% ongoing total compensation reduction for City employees. In approving the Mayor's Budget Message on March 23, 2010, the City Council expanded the goal to include an additional 5% in personnel cost savings, including ongoing or one-time savings, to achieve a total reduction of 10%. The City is currently in negotiations with the majority of the bargaining groups to achieve the reduction of 10% in total compensation. An update on this week's negotiations is attached and is also available on the City's website at: <http://www.sanjoseca.gov/employeeRelations/labor.asp>. For more information, contact Alex Gurza, Director of Employee Relations, at 535-8150.

Medical Marijuana Ordinance Stakeholder Meeting—On March 30, City Council directed the City Manager to develop a draft Medical Marijuana Ordinance to establish regulations for the control and taxation of cooperatives for possible placement on the November 2, 2010 Election, and to conduct community outreach to ensure stakeholder participation and input at key points in the process. On June 7 (from 6 p.m. to 8 p.m. at City Hall), staff will be holding the first in a series of stakeholder meetings to (1) present the framework for the draft ordinance, (2) collect public comment/input, and (3) answer questions. Staff will bring a report to the City Council for its consideration on June 15, and will request a "Sunshine Waiver" at the Rules and Open Government Committee. We ask that Council Offices help disseminate information about this meeting to their constituents. Attached is a copy of the meeting flyer. For more information, contact Deanna J. Santana, Deputy City Manager, at 535-8280.

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Strong Neighborhoods Initiative (SNI) Update—Since November 2009, SNI has been working collaboratively with neighborhood leaders to update the business plan and refocus the organization on four goals:

- Remove barriers to neighborhood action,
- Stabilize neighborhoods in crisis,
- Mobilize neighborhood action, and
- Connect resources to priorities.

On May 17, over 70 neighborhood leaders from across Strong Neighborhood areas attended the fourth and final community meeting on the Strong Neighborhoods Business Plan Update. The meeting was jointly organized with neighborhood leaders and focused on three outcomes:

- Connecting leaders to leaders during a networking pot-luck,
- Informing leaders about the business plan with a focus on how their feedback at the last meeting is being incorporated, and
- Launching a resident led Coalition of Neighborhood Action Coalitions (C-NAC) that will take a leadership role in implementing the four goals of the business plan.

The next step is to present the final draft business plan update to the Neighborhood Services and Education Committee on June 10 which will report out for full City Council/Agency Board approval on June 22. For more information, contact Kip Harkness, Senior Project Manager, at 535-8501.

Plant Master Plan Workshops Draw Public and Media Interest—In May, public input on the Plant Master Plan land use alternatives commenced through five community workshops.

- Saturday, May 1, Milpitas (36 participants);
- Tuesday, May 4, Santa Clara (38 participants);
- Saturday, May 8, San José (18 participants);
- Wednesday, May 12, Alviso/San José (54 participants);
- Wednesday, May 19, Cupertino (51 participants).

Workshop participants were presented a project presentation, reviewed land use alternatives, and gave input using a workbook and open comment sections for qualitative feedback. Media coverage of the workshops was substantial and included *The Mercury News*, *Silicon Valley/San José Business Journal*, *Silicon Valley Community Newspapers*, *The Milpitas Post*, and *Bay Area People*. Public input will continue to be solicited through www.rebuildtheplant.org, which has already received more than 100 responses. For more information, contact Kirsten Struve, Project Manager, at 945-5180.

City of San José Recognized by 13 California Cities Gang Prevention Network—On May 10-11, representatives from San José attended the Annual 13 California Cities Gang Prevention Network event in Sacramento. The Network was addressed by the U.S. Attorney General, Eric H. Holder Jr. During his speech the Attorney General made direct mention and acknowledged the comprehensive and innovative work taking place in San José. Throughout the two-day meeting, best practices were shared while City staff presented the concept of Community Engagement in Work Plan Development. The California Cities Gang Prevention Network, the first of its kind in

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the nation, focuses on successful policies and practices that interweave prevention, intervention, enforcement, and a community's "moral voice" as an alternative to prison-only solutions. For more information, contact Mario Maciel, Recreation Superintendent, at 277-2718.

Federal Site Visit Scheduled—On May 24, staff from the U.S. Attorney General's Office and Delinquency Prevention from Washington, D.C., will visit the City of San José. The purpose of the site visit is to learn first-hand about the various programs, initiatives and protocol that make the City's Mayor's Gang Prevention Task Force (MGPTF) a national model. The City has been selected to be part of the 8 National Cities Gang Prevention Network, modeled after the very successful 13 California Cities Gang Prevention Network. For more information, contact Mario Maciel, Recreation Superintendent, at 277-2718.

San José Municipal Water System Facilities Clean and Well Managed—The California Department of Public Health (CDPH) conducted its annual inspection of the San José Municipal Water System (SJMWS) on March 4 and 16, ESD is happy to report that the "San José Municipal Water System has been commended for maintaining clean and well managed facilities". The wells, reservoirs and pump stations appeared to be in good condition. The Department was pleased to find that many of the storage tanks have been repainted (interior/or exterior) in recent years to address the rusting surfaces noted during prior inspections." The report went on to state that "with the knowledgeable and conscience team of staff at the SJMWS, the Department is confident that SJMWS can provide a safe, reliable and high quality water for current and future needs of your community." For more information, contact Mansour Nasser, Deputy Director, ESD at 277-4218.

Trash Summit Mobilizes Agencies Countywide to Reduce Litter—On May 10, the Santa Clara Basin Watershed Management Initiative, which is co-chaired by Environmental Services staff, co-hosted a Trash Summit for Santa Clara County. The purpose of the event was to bring together representatives from various agencies and organizations concerned with the impacts of litter in our community, on our roadways, and waterways, and to identify priority actions for a Zero Litter Initiative — a collaborative effort to significantly reduce the effects of litter. More than 50 people attended the Summit, including representatives from eight cities, the County, Cal Trans, VTA, Santa Clara Valley Water District, local solid waste haulers and processors, the countywide storm water program, and environmental organizations in addition to City staff. Summit attendees were asked to seek support for a Zero Litter Initiative from their respective organizations. The Initiative's planning committee will propose an organizational structure to provide a forum for formal collaboration and policy support. Staff will bring more information as this effort matures to the Transportation and Environment Committee in fall 2010. For more information, contact Melody Tovar, Deputy Director, ESD at 277-3892.

Annual Speed Coaching & Networking Lunch with the California-International City/County Management Association and the Municipal Management Association of Northern California—On May 12, 21 City Managers and aspiring leaders participated in the annual Cal-ICMA & MMANC Speed Coaching and Networking event at the Santa Clara County Convention Center. City employees ranging from Assistant Department Directors to graduate interns participated with neighboring jurisdictions to build the leadership bench in city government and the public sector. The event's networking opportunities generated new ideas and excitement to help advance the careers of emerging leaders. For more information, contact Eileen Beaudry Human Resources, Training and Development Manager, at 975-1491.

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Mormon Helping Hands Beautify San José—On May 8, volunteers from the Mormon Helping Hands worked side by side with Parks, Recreation and Neighborhood Services (PRNS) staff to enhance trails at Alum Rock Park, clean-up the beach at Almaden Lake Park, weed and replace fiber at Emma Prusch Farm Park, clear weeds and add mulch to Guadalupe River River Park, and weed and clean areas near the Tully Library and ball fields, Coyote Creek and Stonegate Park. Mormon Helping Hands is a priesthood-directed church program providing community service and disaster relief to those in need. This program operates successfully in Latin America, Africa, Asia, Europe, the Pacific, and the United States. Over 3,000 volunteer hours were contributed to our parks' readiness for summer activity. For more information, contact Mollie Tobias at 535-3588.

Upcoming Meetings & Events


Floating Thresholds Art Exhibition—Fridays, May 21 through June 25, from 6:00 p.m. - 8:00 p.m. at Grace Community Center at 484 E. San Fernando Street. An Artist in Residence Program was launched in January at the center with the mission of further connecting local artists. Kristine Idarius is the first Artist in Residence, featuring "Floating Thresholds." For more information, please contact Dr. Lisa Blevins at 794-7592.

Music in the Park Celebrates 22 years—Thursdays, June 3 through August 24, from 5:30 p.m.-9:15 p.m. in Plaza de Cesar Chavez. For more information, please contact Rick Jensen at 279-1775 or www.sjdownatown.com.

Story Road Tamale Festival—Saturday, June 5, from 10:00 a.m.- 6:00 p.m., at Emma Prusch Farm Park, 647 S. King Road. For more information, contact Frank Chavez at 888-582-6252 or frankchavez@earthlink.net.

Dia de Portugal Festival— Saturday, June 12, from 10:00 a.m. -6:00 p.m., at Kelley Park/History Park, 1650 Senter Road. For more information, contact Pam Watson at 918-1055 or pwatson@historysanjose.org.

Wonders of Our Water Works Bus Tour—Tour your local Water Pollution Control Plant and adjacent wildlife refuge and learn how wastewater is cleaned and about our plans to sustainably rebuild the Plant. Tours occur Thursdays and Saturdays, June through October 2010. To make a reservation, call 975-2556 or visit www.rebuildtheplant.org.


for
Debra Figone
City Manager

Attachment

WEEKLY LABOR RELATIONS UPDATE
Week of May 17, 2010

Monday, May 17, 2010

Association of Building, Mechanical and Electrical Inspectors (ABMEI)

Association of Engineers and Architects (AEA)

Association of Maintenance Supervisory Personnel (AMSP)

City Association of Management Personnel (CAMP)

International Association of Firefighters, Local 230 (IAFF)

International Brotherhood of Electrical Workers, Local 332 (IBEW)

San Jose Police Officers' Association (POA)

On Monday, May 17th, seven of the City's eleven bargaining units held a press conference at City Hall announcing proposals that they stated would save \$25 million dollars.

The City previously received some of these proposals at the bargaining table, while others had not yet been received.

An initial review of the written proposals has been completed. A one page summary of that review is attached. This initial review may be subject to change based upon further analysis and discussions at the bargaining table with the applicable unions.

Tuesday, May 18, 2010

International Association of Firefighters, Local 230 (IAFF)

The City team met with the Local 230 on Tuesday, May 18th, and obtained clarification from the union regarding their proposal discussed at the press conference on Monday May 17th. Local 230 also verbally discussed other elements of the package proposal. Local 230 will be providing a complete written package proposal.

International Union of Operating Engineers, Local #3 (OE#3)

The City team met with OE#3 Tuesday May 18th. OE#3 provided the City a proposal regarding discipline arbitration and a package proposal. The proposals have been posted on the City's website at: <http://www.sanjoseca.gov/employeeRelations/oe3.asp>
The City has declared impasse. The next steps are governed by the impasse procedures which include mediation.

Wednesday, May 19, 2010

City Association of Management Personnel (CAMP)

The City team engaged in mediation with CAMP on Wednesday, May 19th. The mediation sessions did not result in an agreement and mediation was concluded.

Association of Engineers and Architects (AEA)

The City team engaged in mediation with AEA on Wednesday, May 19th. The mediation sessions did not result in an agreement and mediation was concluded.

Thursday, May 20, 2010

Association of Maintenance Supervisory Personnel (AMSP)

The City team engaged in mediation with AMSP on Thursday, May 20th. This mediation session did not result in an agreement. Mediation will continue next week.

San Jose Police Officers' Association (POA)

The City team met with the POA on Thursday, May 20th, and obtained clarification from the union regarding their proposal discussed at the press conference on Monday, May 17th. A written package proposal was also received by the City's team following the press conference. The proposal provided by the POA has been posted on the City's website at: <http://www.sanjoseca.gov/employeeRelations/poa.asp>. The POA indicated that they would be notifying the City team if there will be any additional elements included in their package proposal.

ADDITIONAL INFORMATION

Additional information regarding the City's labor negotiations can be found at: <http://www.sanjoseca.gov/employeeRelations/labor.asp>.

Information regarding pension and retiree healthcare benefits and costs can be found at: <http://www.sanjoseca.gov/employeeRelations/RetirementBenefits.asp>.

Attachment: Initial Review of Proposals from 7 City of San Jose Bargaining Units
(Updated May 21, 2010)

Initial Review of Proposals From 7 City Bargaining Units

During a press conference on May 17, 2010, seven of the City's eleven bargaining units announced a proposal that they stated would save approximately \$25 million. The City appreciates the proposals received from the seven bargaining units, some of which were previously received at the bargaining table. The City has not yet reached agreements with any bargaining unit on the City Council's direction for a 10% total compensation reduction.

Based on a review of the written proposals, the estimated savings is approximately \$18 million (all funds) in Fiscal Year 2010-2011. In comparison, the City Council direction of a 10% total compensation reduction equates to approximately **\$50 million** (all funds) for the six of the seven bargaining units currently in negotiations. The savings from each of these proposals are all temporary and do not provide ongoing reductions in compensation costs.

Bargaining Unit	Term	Ongoing Savings	One-Time General Fund Savings 2010-2011	One-Time All Funds Savings 2010-2011	% of Total Comp	10% Total Compensation Reduction (All Funds)
POA	2 Years	\$0	\$ 7,909,402	\$ 7,909,402	3.21%	\$ 24,677,652
IAFF	3 Years	\$0	\$ 4,304,281	\$ 4,304,281	3.19%	\$ 13,478,025
CAMP	2 Years	\$0	\$ 1,379,669	\$ 2,953,120	5.29%	\$ 5,586,605
AEA	2 Years	\$0	\$ 325,472	\$ 1,756,275	5.29%	\$ 3,322,980
IBEW	2 Years	\$0	\$ 230,703	\$ 571,696	5.23%	\$ 1,092,820
AMSP	2 Years	\$0	\$ 194,293	\$ 556,946	5.18%	\$ 1,074,792
ABMEI ¹	2 Years	\$0	\$ 306,124	\$ 381,806	5.27%	\$ 724,057
TOTAL		\$0	\$14,649,944	\$18,433,526		\$ 49,956,931

Notes:

- No ongoing savings. The proposals are for two years, and the additional retirement contributions end after the second year. This is also called a "sunset" clause.
- No changes to base pay. Employees will remain at the same base salary under these proposals.
- Employees eligible for automatic 5% wage ("step") increases will still receive them.
- No retirement cost mitigation reopener. The proposals do not include an agreement to continue discussions regarding retiree healthcare benefits for future employees, a medical reimbursement program for future retirees, and pension benefit/costs for current and future employees.
- For those contracts that have "zipper clauses," two year contracts would preclude the City from making any changes to the terms contained in the contracts for the full two years regardless of the City's fiscal situation.
- No changes to healthcare costs, sick leave payout, and disability leave supplement benefits.
- The proposal from the Firefighter's union does not include an agreement that firefighters will pre-fund retiree healthcare benefits, as has been achieved with all other bargaining units.
- The proposal from the Police union includes a guarantee of no layoffs for two years. Because the POA's proposal would not generate enough savings to cover the cost of no layoffs, the additional savings needed to avoid all police layoffs for two years would have to come from elsewhere.
- The proposals from most of the other unions include a provision that the savings would go to preserve jobs within their own bargaining unit only.
- The proposal from the Firefighter's union includes a significant change in firefighter work schedules in which firefighters would be regularly assigned to work shifts of 48 consecutive hours followed by four days off in a row.
- The proposal from the Firefighter's union includes allowing employees to place union decals on Firefighter apparatus (fire trucks) and helmets in agreed upon locations.
- The proposal from the Police union includes changing the current promotional process by reducing the number of candidates eligible to be selected for promotion.
- The proposal from the Firefighter's union includes the ability to sell back vacation and the union will be providing specifics about this proposal.
- Both the Police union and the Firefighter's union indicated that they would be providing information about any other proposals they would include in their package proposal.
- It is important to note that the estimated cost savings referenced in this document are based on the Fiscal Year 2010-2011 Base Budget and are subject to change based on the City Manager's 2010-2011 Proposed Operating Budget as amended/approved by the City Council in June 2010.

¹ For ABMEI, a 5% ongoing total compensation reduction was implemented by the City Council on April 27, 2010, that results in savings of approximately \$362,000 in Fiscal Year 2010-2011.

Stakeholder Meeting

**Monday, June 7, 2010
6:00 P.M. – 8:00 P.M.
City Hall – Council Chambers
200 East Santa Clara Street
San Jose, CA 95113**

Background: At the March 30, 2010, the City Council directed the City Manager to develop a draft Medical Marijuana Ordinance to establish regulations for the control and taxation of cooperatives for possible placement on the November 2, 2010 Election.

Meeting Purpose: It is the City's experience and belief that timely and informed community involvement promotes meaningful public discussion resulting in public policy and decisions. The purpose of this meeting is to ensure stakeholder participation and input at key points in the process. At this meeting, City staff will be **(1) presenting the framework for the draft ordinance, (2) collecting public comment/input, and (3) answering questions.**

Parking Instructions:

For your convenience, please use the Fourth Street Parking Garage, located right next to City Hall (Wing). Parking validation will be available at the meeting. Please bring your parking ticket with you.

ADA Access:

To arrange accommodations under the Americans Disabilities Act to participate in this public meeting, please call Alexandra Orogas at (408) 535-8100 or (408) 294-9337 (TTY) at least three (3) business days before the meeting.