

“Working Together Works”

IFPTE – 21 ♦ City of Oakland Chapters



Bargaining Bulletin #18

-April 30, 2009-

City threatens IMPASSE

Late on Friday, April 24, Local 21 received a letter from Jonathon Holtzman, the City's Chief Negotiator, advising us that the City believes we are on the verge of impasse on the key economic issue of wage and benefit concessions.

The City sent the letter after receiving Local 21's first written economic proposal on Monday, April 20, where we responded in detail to the City's laundry list of economic demands. Rather than offering a counter proposal at our next scheduled bargaining session, the City threatened impasse.

Our proposal was based on Local 21's principles of shared sacrifice and being part of a comprehensive solution to the City's budget crisis. In response to the City's request that employees pick up the remaining 5% contribution to retirement, we offered a substantive proposal – reducing hours in a pay period by 4%, which is a savings to the City equivalent to the 5% pension pickup, in return for time off. We also rejected most of the City's takeaway proposals, which hurt many of our members without yielding much savings for the General Fund.

The City didn't start bargaining seriously with us about MOU provisions until late January – that was 10 months *after* we sat down at the table, because the City was too preoccupied with making one excuse after another for not engaging in meaningful negotiations. We have

finally been making progress on non-economic issues. To declare impasse now, just as we've gotten into serious discussions about economic issues, is outrageous and premature! The City is more interested in attacking labor than in finding shared solutions.

What happens next?

On Tuesday, May 5, Holtzman will go to the City Council's closed session to ask for authority to issue a “*last, best offer*” to Local 21. This means the City is threatening to end bargaining and unilaterally impose the terms of this “*last, best offer*” on us.

What Would This Mean?

- Pay cuts of 10% or more (including 5% pension pickup and more shutdown days)
- Hundreds of layoffs
- Eliminating overtime pay & more takeaways

The City's move is clearly driven by the fiscal crisis and economic downturn. However, it is using these events as a pretext to take a meat cleaver to our hard earned wages, benefits, and rights. We've always stated our willingness to be a part of the solution, but we need to see everyone play a part in solving the problem in a comprehensive way.

We understand the City's fiscal crisis is real. The \$83 million shortfall was the impetus for forming a Budget Work Group with SEIU 1021, the Central Labor Council, and Bob Brownstein of Working Partnerships, so collectively we

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could scour the budget for expenditure savings and revenue recommendations to help save jobs and public services.

These recommendations have been incorporated into an alternative budget that we presented to City Administrator Dan Lindheim, and will also be presenting to City Council members. The alternative budget offers real solutions to the City's fiscal shortfall, and is supported by the "Coalition to Fix Oakland" – a group of labor, faith, and community organizations dedicated to improving Oakland. See Local 21's Oakland chapters webpage at www.ifpte21.org/chp_oak.shtml for more details!

Call to Action!

Tell the Mayor and Council to support our alternative budget and avoid drastic cuts to public services, jobs, benefits, and our rights! Join us at the Special Council meeting on Tuesday, May 5 at 3:45pm.

Oakland City Council is holding a Special Meeting on Tuesday, May 5 from 4 - 6pm where the Mayor's FY 2009 -2011 Budget will be formally rolled out to the City Council, the public, and labor. Local 21 members from across the City will be converging on City Hall and speaking out in Open Forum, urging Council members to support our alternative budget. Please plan to attend and wear your UNITY or union T-Shirts, buttons, and stickers!

At 6pm, the Council will hold a regular meeting where the Early Retirement Incentive report will be heard and voted on. This is an important part of the budget solution – to shrink the City's workforce through attrition instead of layoffs.

Want to speak out?

Sign up online at:

www.oaklandnet.com/cityclerk/speaker_instructions.cfm

(Special meeting of the Council and ORA, items 3 and 4)

What does the Alternative Budget look like?

Oakland's alternative budget is comprised of actions the Council, voting public, and City employees can take to help generate revenue and save jobs and services while promoting a budget that prioritizes fairness, quality of life, public safety, and Oakland's most vulnerable citizens. Below are some highlights from the budget:

Steps the City Council can take:

- ✚ \$ 28 million Suspend repayment of funds the city owes to itself for 3 years.
- ✚ \$1.7-6.1 million Modest increases in parking, false alarm penalties and serious parking violations.
- ✚ \$23 million: Federal stimulus funds available to insure that Police are protected from layoffs.
- ✚ \$7-10 million Encourage employees to take early retirement.
- ✚ \$1-5 million Freeze contracts for outside work except for health and safety.
- ✚ \$100,000 - ? Renegotiate lower costs for current city contracts with commercial vendors.
- ✚ \$6 million Restructure city debt to take advantage of lower interest rates.

Actions the voters can take in the July 21 special election:

- ✚ Medical marijuana dispensary tax \$300,000-\$1M
- ✚ Hotel Tax on visitors \$2M
- ✚ Compromise on children's funding \$3M

Actions City employees can take:

- ✚ Everyone has to pitch in. We're all in this together. The city, the community and employees all have to do their share as part of a comprehensive solution.
- ✚ FYI City workers have already taken a 5% cut this year.