BALLOT V MEASURE V

City of San José



Vote by mail ballots will begin to be distributed the week of October 4, and the election will be held on Tuesday, November 2.

Currently, whenever the City and one of its Police or Fire unions has an unresolved dispute over wages, hours or working conditions, the dispute must be submitted to a three person Arbitration Board, with one of the three being a neutral arbitrator appointed from a list provided by the State of California Conciliation and Mediation Service. Both sides are required to accept the decision of the outside Arbitration Board majority.

Measure V would change the arbitration procedure and would also require the Arbitration Board to prioritize factors such as the City's ability to pay for compensation without reducing other services.

Changes in Procedure – Measure V would change the arbitration procedure as follows:

- If the two sides cannot agree on the neutral arbitrator, then either party may request the Santa Clara County Superior Court to appoint a retired Superior Court judge as the neutral arbitrator.
- Arbitration hearings would be open to the public and documents submitted would be public records, unless provided otherwise by law.
- State law governing arbitrations would apply only to the extent that they did not conflict with the Charter section that covers arbitration.

Changes in Factors to Consider – While the Charter identifies "...the financial condition of the City and its ability to meet the cost..." as a consideration of an arbitration decision, it does not currently define those terms, nor does it provide any guidance for how the Arbitration Board should prioritize this factor and any other factor that might be considered. Under the proposed changes, "...the City's financial condition and... its ability to pay for employee compensation from on-going revenues without reducing City services" would be the primary factor that the Arbitration Board must consider when making a decision. In making a decision, the Arbitration Board would also have to give substantial weight to the rate of increase or decrease in compensation for other City employees.

In addition, the Board could not issue an award that:

- increases the projected cost of compensation at a rate that is more than the 5-year average increase for sales tax, property tax, utility tax, and telephone tax
- retroactively increases or decreases compensation (other than base wages) for service already rendered
- · creates a new unfunded liability for the City, or
- interferes with the discretion of the Police or Fire chiefs to make operational or staffing decisions.

If a court were to find that any part of the revised Charter section is not valid or enforceable, there would be no compulsory arbitration for Police and Fire.

