

MINUTES OF THE SPECIAL CITY COUNCIL MEETING
THURSDAY- -APRIL 18, 2013- -7:00 P.M.

Acting Mayor Ezzy Ashcraft convened the meeting at 7:07 p.m. Councilmember Chen led the Pledge of Allegiance.

ROLL CALL – Present: Councilmembers Chen and Daysog and Acting Mayor Ezzy Ashcraft – 3.

Absent: Councilmember Tam and Mayor Gilmore - 2.

ORAL COMMUNICATIONS, NON-AGENDA

(13-188) Ken Peterson, Alameda, discussed height limit regulations.

AGENDA ITEMS

(13-189) Recommendation to Receive a Summary of the Proposed Budget for Fiscal Years 2013-14 and 2014-15.

The City Manager, Assistant City Manager and Controller gave a Power Point presentation and addressed Council questions.

The City Auditor made brief comments; stated the presentation paints an accurate picture; provided background information on the budget and Pension Task Force; urged costs be controlled.

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Councilmember Chen left the dais at 9:47 p.m. and returned at 9:49 p.m.

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Discussed parking meter rates: Al Wright, Alameda.

Encouraged including debt in budget figures: Ken Peterson, Alameda.

Encouraged all departments be required to make cuts and questions be asked regarding Recreation Department cuts; inquired about Payment In Lieu Of Taxes (PILOT) and Fire Station 3 funding: Jane Sullwold, Alameda.

Discussed future pension cost increases: former Councilmember Doug deHaan, Alameda.

Expressed concern over increasing expenses, cuts in Recreation and kicking the can down the road: Joe Van Winkle, Alameda.

The City Manager and Controller responded to comments.

The Controller responded to questions raised by Councilmembers Chen and Daysog.

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Acting Mayor Ezzy Ashcraft called a recess at 10:22 p.m. and reconvened the meeting at 10:27 p.m.

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(13-190) Recommendation to Approve and Appropriate \$250,000 from the General Fund and an Additional \$250,000 from All Other Funds for the Administrative Voluntary Layoff Program.

The Assistant City Manager gave a brief presentation; noted since the report was published, staff learned that Firefighters are not eligible to participate in the program due to the SAFER grant.

Councilmember Daysog inquired whether the Firefighters not being eligible changes the staff report estimate.

The Assistant City Manager responded the estimate would not change.

Councilmember Chen inquired whether Police Officers can participate in the program, to which the Assistant City Manager responded in the affirmative.

In response to Councilmember Chen's inquiry about the number of eligible employees, the City Manager stated 10 employees could be funded under the General Fund and 10 employees could be funded through other funds; noted the program pays for itself because the City would not allow the position to be filled for three months.

The Assistant City Manager noted the number of employees could be higher depending on salary.

Councilmember Chen inquired whether the \$1/2 million would pay for approximately 20 employees, to which the Assistant City Manager responded in the affirmative.

In response to Councilmember Chen's inquiry regarding percentage, the Assistant City Manager stated the City has 500 employees, of which approximately are 100 Fire employees; therefore, 400 employees would be eligible, which is 80%.

Councilmember Chen inquired whether unused funds would remain set aside and be used to pay for involuntary layoffs or whether the funding is separate.

The Assistant City Manager responded the funding is separate.

Acting Mayor Ezzy Ashcraft inquired what would happen to unused funds, to which the City Manager responded if fewer employees participate, the funds would not be spent and there would be no savings.

The Assistant City Manager stated staff brought the matter to Council for approval to spend the funds as needed.

The City Manager noted employees who want to participate in the program cannot be denied and then be involuntarily laid off.

Acting Mayor Ezzy Ashcraft stated the staff report indicates there would be limited cost to the City; inquired what the limited costs would be.

The Assistant City Manager responded the sentence was included because prior to learning that Fire employees are not eligible; the Fire positions would have been required to be back filled immediately.

Councilmember Daysog inquired whether the budget presentation included savings which would occur from the program, to which the Assistant City Manager responded in the negative.

The City Manager stated the program is an example of staff's efforts to cut costs.

Councilmember Daysog stated the savings generated should be set aside for Fiscal Year 2015-16.

Councilmember Chen inquired whether employees could apply for the position after it is vacant for three months.

The Assistant City Manager responded the employee would not have reinstatement rights; however, the employee could apply.

The City Manager stated the employee would be changing their mind about the position.

Councilmember Chen stated an employee who reapplies for the same position would have received a three month vacation.

The City Manager stated that he does not believe said situation will occur; noted the position would be filled at a lower level.

Acting Mayor Ezzy Ashcraft requested a legal explanation.

The City Attorney stated the City cannot prevent someone from applying for a position.

The City Manager noted three months is the minimum amount of time the position would remain vacant; stated employees out of the CalPERS retirement system for six months return at a lower rate.

Councilmember Chen stated the employee should not have the first right to the position and should be considered terminated.

The City Attorney noted termination does not prevent employees from applying.

Discussed CalPERS: Ken Peterson

Expressed concern that the program differs from typical incentive programs; suggested specific positions be identified: former Councilmember Doug deHaan, Alameda.

Councilmember Chen stated that he likes the direction staff is headed, but would like to avoid rehiring employees; that he does not support the current language.

Acting Mayor Ezzy Ashcraft clarified the proposed action; stated the matter is time critical because bargaining units have to be notified before the voluntary layoffs can take place, which affects when the budget would move forward.

Councilmember Chen stated that he does not want to delay the matter.

Acting Mayor Ashcraft inquired about Councilmember Chen's concern.

Councilmember Chen responded that he would like language added to prevent an employee from being rehired for the same position.

Acting Mayor Ashcraft stated the City Attorney indicated the City cannot legally do so.

The City Attorney stated addressing the matter with the unions does not work with the timeline proposed by the Assistant City Manager.

In response to Acting Mayor Ezzy Ashcraft's inquiry about what would be done with additional time, the City Attorney stated research could be done to determine if there is a way to add language.

The Assistant City Manager stated the unions asked about employees being able to apply for any position with an open recruitment, but did not ask about employees coming back to the same position; unions were informed that the employee could apply, but there would be no guarantee the employee would be hired; regular separation requires reinstatement if the position becomes open, which is being waived.

Councilmember Chen stated employees would not receive preferential treatment when applying for a different position; inquired whether preferential treatment would be given if the employee applies for the position left.

The Assistant City Manager responded in the negative.

Councilmember Chen expressed that the program is acceptable since employees would not be given preference.

Councilmember Daysog moved approval of the staff recommendation.

Councilmember Chen seconded the motion, which carried by unanimous voice vote - 3.
[Absent: Councilmember Tam and Mayor Gilmore – 2.]

CITY MANAGER COMMUNICATIONS

None.

COUNCIL COMMUNICATIONS

None.

ADJOURNMENT

There being no further business, Acting Mayor Ezzy Ashcraft adjourned the meeting at 10:57 p.m.

Respectfully submitted,

Lara Weisiger
City Clerk

The agenda for this meeting was posted in accordance with the Sunshine Ordinance.