

# Bond Case Briefs

*Municipal Finance Law Since 1971*

---

## Oakland's Municipal Workers Go On Strike.

### ***Unions, city face off over wages; sworn police and fire workers are on the job***

About 3,000 city workers in Oakland, Calif. went on strike Tuesday, shutting down most nonemergency services such as street cleaning, libraries and senior centers in California's eighth-largest city.

Walking off the job were members of the city's two largest unions—the Service Employees International Union, Local 1021 and the International Federation of Professional and Technical Engineers, Local 21.

Sworn police and fire personnel, which are represented separately, aren't striking.

The strike is the latest setback for the working-class city across the bay from San Francisco, as it struggles with rising costs and economic shifts brought on by the regional tech boom.

In recent years Oakland has seen its violent-crime rate fall and its arts and dining scene flourish as property values rise.

But there have been setbacks: Last year, a sex scandal year shook the police department, and a warehouse fire that killed 36 people highlighted the city's rising rents and poor building-code enforcement.

Earlier this year, the city's NFL team, the Raiders, said it would decamp for Las Vegas. And ride-sharing giant Uber Technologies Inc. canceled plans for an extension of its downtown headquarters this year.

Rob Szykowny, chief negotiator for the service employees union, said the city was to blame after it rejected two temporary proposals put forward by his union to avoid a strike.

One of those proposals would have accepted the city's terms for a one-year period, Mr. Szykowny said, and the other would have brought on a former San Francisco mayor to serve as a mediator.

"The city blew it up," he said. "We gave the city two different proposals...they did not agree to either of them."

The city called the strike unlawful, saying it hadn't reached an impasse with the labor unions and that the city hadn't had a chance to present the union offers to the City Council, which is scheduled to meet Wednesday.

"The City cannot unilaterally implement concessions and the unions cannot strike until the completion of those processes, including fact-finding," the city administrator's office said in a statement.

Oakland Mayor Libby Schaaf said the city values city workers but the city "cannot spend more than

we can afford.”

“The union’s decision to strike Tuesday will impact all Oakland residents, and particularly the most vulnerable populations—our families who use libraries, our elders who rely on senior centers, our youth who play at rec centers, and our working mothers and youngest learners who rely on Head Start programs,” she said.

Workers represented by the two unions have been without a contract since June. Both unions said the strike was legal.

In November, the service employees union held a one-day strike.

The city says that it has raised wages for city workers as the local economy has improved, but rising costs, including for employee health care and pensions, have outpaced revenue growth.

The city is offering the unions a wage increase of up to 6%, including a retroactive 4% wage increase, to July 1. The service employees union, which has received a last and best final offer from the city, is seeking a wage increase of 8% over two years.

The professional workers union, which hasn’t received a final offer from the city, had opened negotiations with a 16% increase over a two-year period. That union hadn’t had a chance to respond to the city’s latest offer, said spokeswoman Jessica Bowker, but would conduct a sympathy strike to support service employees.

“As city workers we don’t want to strike,” said Wali Dieu, a member of that union’s bargaining team. “But we are paid less than our counterparts in other jurisdictions and the current proposed wage increase will make us fall even further behind the cost of living.”

The service employees union is also pushing for changes to what the SEIU local describes as unsafe working conditions for city workers handling the city’s homeless population.

The SEIU local also says the city is requiring mandatory overtime for emergency dispatchers and is relying too much on temporary, part-time workers.

## **The Wall Street Journal**

By Alejandro Lazo

Dec. 5, 2017 12:03 p.m. ET

Write to Alejandro Lazo at [alejandro.lazo@wsj.com](mailto:alejandro.lazo@wsj.com)