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Unions bash coziness of city, chamber

By Josh Baugh

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San Antonio's police and firefighters unions on Tuesday retaliated against the San Antonio Chamber of Commerce for its support for reducing health care benefits for public safety personnel, questioning the cozy relationship between the business group and City Hall.

The unions' angst cropped up on a particularly productive day of negotiations between the San Antonio Police Officers Association and the city's bargaining team. The two sides spent several hours discussing how to rein in health care costs that city leaders have said are unsustainable, and police union negotiators unveiled a proposal they say could save the city $1.4 billion between now and 2040.

Still, moments after the day's negotiations concluded, the two unions issued a blistering news release taking the city and the chamber to task.

The chamber is headquartered in the heart of downtown on city-owned property for which it pays no rent.

“It should be noted the Chamber of Commerce receives free rent in excess of $450,000 per year from city taxpayers. Their prime downtown office space has been worth millions of dollars to the chamber's bottom line over the years,” the unions stated in a joint release. “If there is a looming crisis and all should be treated equally with an eye towards responsible taxpayer spending, then perhaps the chamber should be treated as equals to all other chambers and forgo this corporate welfare by contributing the cost savings back to the city.”

Union leaders said they're upset by the position the chamber took last week when it called for removing uniform health care from collective bargaining and place public safety personnel on the same health care plan as civilians, who on average pay about 30 percent of their health care costs. Public safety personnel pay no premiums and about 9 percent of health care costs.

Richard Perez, the chamber's chief executive officer, said he isn't sure how the unions arrived at the $450,000 annual rent. Several decades ago, the chamber raised the funds for the building, which was constructed by the business group before HemisFair '68. The city owns the land beneath the building, but the chamber owns the structure and receives no tax dollars to maintain it.

Though firefighters have yet to begin negotiations, talks between the city and the police union are well underway. The police union's proposal is a counteroffer to the city's desire to place

uniform personnel on the civilian health care plans.

Attorney Ron DeLord, who has taken over police negotiations for the union, told city negotiators that his clients want the city to consider giving up management of health care for public safety personnel and simply contribute funds to a health care trust fund that could be managed by the police and fire unions.

“We're looking for a way to set costs on a fixed path,” DeLord said.

Under the proposal, the city would deposit a percentage of base pay and longevity pay into a trust fund, which would handle insurance costs for public safety personnel and their families. The trust would be obligated to manage the fund, ensuring its solvency from year to year. Historical data show health care costs for public safety personnel have risen dramatically. Those rising costs are at the crux of negotiations for new contracts between the city and its public safety personnel. Both contracts expire Sept. 30.

Jeff Londa, one of the city's negotiators, balked at the proposal, though he said he would discuss it with city officials.

The union's proposal based its initial figures on the per-capita amount the city currently spends on health care for public safety — about $12,000 a year per uniform employee.

City negotiators are pushing to reduce that amount to about $7,000, which is the per-capita cost for civilian employees.

Whether the two sides can find consensus on a funding formula remains unclear. Londa said he was concerned about what would happen if the trust failed. While the city wouldn't be legally liable to bail out a failed trust, he said, its moral obligations differ.

Tuesday's meeting marked the first time the police union has put forth a significant proposal since negotiations began.

“I think it ends the deadlock of us arguing back and forth,” DeLord told the city negotiators. “We think it's going to save the city millions in the short term and a billion in the long term.”

The two sides will continue negotiations next week.