

SENT VIA EMAIL

December 9, 2011

Jim Unland
President
San Jose Police Officers' Association
1151 North Fourth Street
San Jose, CA 95112

Robert Sapien, Jr.
President
San Jose Fire Fighters, IAFF, Local 230
425 E. Santa Clara Street, Suite 300
San Jose, CA 95113

RE: Retirement Reform and Ballot Measure Mediation

Dear Jim and Robert:

As you know, on Tuesday, December 6, 2011, the City Council approved a ballot measure for the June 2012, election that would include various proposed changes to the Charter regarding retirement benefits. As part of the direction, the City Council requested that the City's negotiation team invite all bargaining groups to re-engage in mediation regarding all retirement issues, including the related ballot measure.

When the City and IAFF, Local 230 and the POA commenced negotiations regarding retirement, the parties reached an agreement on a framework to negotiate concurrently on the issues of retirement reform and related ballot measure(s). The agreement included the following provision:

The parties agree to meet and confer in good faith and agree to complete the negotiation process by October 31, 2011. If the parties are unable to reach an agreement on retirement reform and/or related ballot measure(s) by October 31, 2011, the parties shall proceed to impasse, pursuant to the procedures outlined in the Employer-Employee Relations Resolution No. 39367. In the event of impasse, the POA and IAFF, Local 230 will participate in the impasse procedures collectively. If the parties proceed to binding interest arbitration, in accordance with the applicable provisions under Charter Section 1111, it is understood that the POA and Local 230 will participate in these proceedings separately. Charter Section 1111 shall not apply to bargaining over ballot measures.

During the Council meeting, some representatives from your bargaining units expressed an interest in continuing the discussions on retirement reform and related ballot measure. The City would be amenable to continuing the discussions regarding all retirement issues, including the related ballot measure, in mediation. This process would include using the same framework that the parties mutually agreed to use earlier, as described above.

As indicated during the Council meeting, the City Council needs to submit the ballot measure to the County Registrar of Voters 88 days prior to the June election, which would be March 9, 2012. Therefore, it is crucial that we move forward as quickly as possible. Please let us know by Tuesday, December 13, 2011, if you are interested in re-engaging in the mediation regarding retirement reform and related ballot measure collectively, using the framework referenced above.

We look forward to hearing from each of you.

Sincerely,



Alex Gurza
Deputy City Manager

c: Gina Donnelly, Deputy Director of Employee Relations
John Tennant, General Counsel, POA
Gregg McLean Adam, Carroll, Burdick & McDonough LLP
Chris Platten, Legal Counsel, San Jose Fire Fighters, IAFF, Local 230