December 13, 2011

VIA EMAIL & HAND DELIVERY

Gina Donnelly, Deputy Director CITY OF SAN JOSE Office of Employee Relations 200 East Santa Clara Street San Jose, CA 95113

RE: Ballot Measure Negotiations

Dear Gina:

We are in receipt of your letter dated December 12, 2011. The coalition of non-management, rank-and-file Unions agrees to participate with the City in mediation. We do this in good faith and in the hope that we can come to a mutually satisfactory resolution that would allow all of us to devote our energies to serving the citizens of San Jose. Our participation does not constitute a waiver of our rights nor should it be read as agreement to any of the assertions contained in your December 12 letter.

We do not believe that the City satisfied its obligation to meet and confer, and that the history the City describes is both one-sided and inaccurate. We remind you that the City declared impasse, not because of the Unions "decision not to avail itself of the opportunity to meet and confer over the ballot measure," but rather because the City had a desire to complete the process by an arbitrary self-imposed deadline and entered negotiations with an immutable and foregone position. This did not allow for true, serious, good faith negotiations to occur because in fact our "negotiations" were guided by the City's political agenda; namely an anti-worker ballot measure.

While we urge the City to reassess the position it has taken, we of course will not forgo the opportunity to continue to meet and confer with the assistance of a mediator, and hope that through such process we will receive a response to our comprehensive money-saving package proposal dated November 15, 2011. Therefore please include us in the scheduling of mediation, and contact us to arrange the earliest date possible for us to begin.

Ms. Gina Donnelly October 22, 2011 "Non-Management Retirement Coalition Proposal for Opt-In Plan" Page 2 of 2

Sincerely,

Yolanda A. Cruz President, AFSCME-MEF LaVerne S. Washington President, AFSCME-CEO

Tom Brim President, ABMEI Bill Pope Business Agent, OE-3

Dan Rodriguez Business Agent, IBEW

> Cc: Charles E. Allen, Business Agent, AFSCME Gregory C. Ramirez, Business Agent, AFSCME Non-Management Retirement Coalition Bargaining Team

Teague P. Paterson, Beeson Tayer & Bodine