

August 2, 2011

Tom Brim  
President  
Association of Building, Mechanical and  
Electrical Inspectors  
c/o PBCE Department  
200 East Santa Clara Street  
San Jose, CA 95113

LaVerne Washington  
President  
Confidential Employees' Organization,  
AFSCME Local 101  
c/o City Attorney's Office  
200 East Santa Clara Street  
San Jose, CA 95113

Yolanda Cruz  
President  
Municipal Employees' Federation,  
AFSCME Local 101  
c/o Library Department  
150 E. San Fernando Street  
San Jose, CA 95112

Dan Rodriguez  
Business Agent  
International Brotherhood of Electrical  
Workers, Local No. 332 (IBEW)  
2125 Canoas Garden Ave, Suite 100  
San Jose, CA 95125

Bill Pope  
Business Representative  
Operating Engineers, Local No. 3  
1654 The Alameda, Suite 110  
San Jose, CA 95126

**RE: Retirement Reform Negotiations**

On July 29, 2011, we had a retirement reform negotiation session in which representatives from ABMEI, CEO, IBEW, MEF and OE#3 were in attendance. In addition, AFSCME invited a representative from its organization. During this meeting, the Unions provided a 2<sup>nd</sup> Tier Retirement proposal to the City.

The AFSCME representative described the proposal in some detail. The City asked if the Unions had any estimated savings projections or costing information on the 2<sup>nd</sup> Tier retirement proposal it had provided. The Unions did not have an estimated cost to provide the City.

We appreciate the proposal ABMEI, CEO, IBEW, MEF and OE#3 provided regarding 2<sup>nd</sup> Tier retirement benefits. We would appreciate it if the Unions would provide the estimated Normal Cost of its proposal dated July 29, 2011.

Sincerely,

A handwritten signature in black ink, appearing to read "Gina Donnelly", written in a cursive style.

Gina Donnelly  
Deputy Director of Employee Relations

c: Charles Allen, AFSCME  
Frank Crusco, IBEW