

SENT VIA EMAIL

February 21, 2012

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

RE: Proposed Ballot Measure

Dear Bill:

As you know, on December 6, 2011, the City Council approved placing a measure on the ballot for the June 2012 election that included various proposed changes to the City Charter regarding retirement benefits. In addition, the City Council requested that the City's negotiation team re-engage in mediation with all bargaining groups regarding all retirement issues, including the related ballot measure, in an effort to see if an agreement could be reached that could have resulted in revisions. The City and OE#3 re-engaged in mediation but, unfortunately, we did not reach an agreement on the ballot measure or on the other retirement-related issues discussed during mediation.

As we have indicated, the City Council needs to submit the ballot measure to the County Registrar of Voters 88 days prior the June election, which would be March 9, 2012. In order to provide time for the ratification process and for publication of a Council memorandum, we had hoped to reach an agreement by today.

Although we did not reach an agreement that would revise the ballot measure approved by the City Council on December 6, 2011, enclosed please find a revised

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proposed ballot measure that will be considered by the City Council at the March 6, 2012, Council Meeting for a June 2012 ballot. This version of the ballot measure contains the changes we proposed in mediation and is identical to the draft we provided you on February 13, 2012.

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: Alex Gurza, Deputy City Manager

Enclosure