

Association of Legal Professionals

June 14, 2010

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San Jose City Clerk

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Aracely Rodriguez
Senior Executive Analyst
200 East Santa Clara Street
San Jose, CA 95113

Re: 10% Compensation Reduction Proposal by ALP

Dear Ms. Rodriguez:

I received your letter sent earlier today rejecting ALP's counter proposal made on June 11, 2010. ALP now makes the following offer as an alternative to your Last, Best and Final offer. This offer – which is supported by a majority of ALP's membership - provides the 10% reduction in total compensation demanded by Council.

- A. **Agreement Term:** July 1, 2010 through June 30, 2011.
- B. **10% Total Compensation Reductions:** ALP would agree to the following:

5% "One-Going" Concessions (from City's Last, Best and Final Offer)	Concession Savings
Accept Proposal #2 (Pay) Accept Proposal #3 (Health Insurance Cost Sharing) Accept Proposal #4 (Healthy Insurance HMO Plan Design) Accept Proposal #5 (Health Insurance Dual Coverage) Accept Proposal #6 (Health and/or Dental In Lieu) Accept Proposal #11 (Disability Leave Supplement)	5%
5% "One-Time" Concessions	
1 furlough day per month for a total of 12. (Percentage savings based on OER information that 6 furlough days equals 1.65% savings.)	3.30%
One-time reduction in base pay equal to 1.7% of total compensation <u>to be automatically restored at the end the agreement term.</u>	1.7%
TOTAL CONCESSION SAVINGS	10%

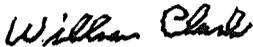
C. Conditions: The above concessions are subject to the following 2 conditions.

- The preservation of 3 filled attorney positions in our Office. The City initially represented that concessions from ALP would result in the preservation of 3 filled attorney positions. ALP asks the Council to honor that representation.
- If the City negotiates, imposes or is otherwise limited to taking concessions of less than 10% from the other non-sworn bargaining units with open contracts, then ALP's concessions would be reduced accordingly.

In addition to benefiting employee-employer relations and preserving City services, ALP's proposal offers advantages over the 7.5% payment to retirement that is part of the Last, Best and Final Offer. ALP did not offer the 7.5% percent payment to the unfunded retirement liability and imposition of this provision is one of the provisions of the Last, Best and Final Offer that raises legal questions. ALP's proposal avoids these issues while still meeting the targeted 10% compensation reductions. Moreover, Council would not be limited to using the savings from the concessions to pay the unfunded retirement liability.

ALP makes the above proposal because it believes reaching a compromise is most beneficial to employee-employer relations and helps minimize layoffs. ALP hopes that the Council also feels reaching a compromise is better than imposing terms of employment on ALP – especially because ALP is offering a 10% reduction in total compensation.

Very Truly Yours



William Clark
President
Association of Legal Professionals

cc: Honorable Mayor and City Council
Debra Figone, City Manager
Richard Doyle, City Attorney