

July 21, 2011

Tom Brim
President
Association of Building, Mechanical and
Electrical Inspectors (ABMEI)
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

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

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

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

RE: Retirement Reform

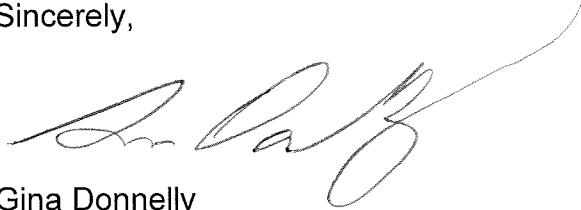
During our meeting on July 6, 2011, the City was notified that ABMEI, CEO, IBEW and MEF were interested in proceeding with retirement reform negotiations collectively in a coalition setting. The City is amenable to this proposal. OE#3 was not present at this meeting, however, it was indicated that an invitation would be extended to OE#3 to participate in the retirement reform negotiations as well.

The City is interested in commencing retirement reform negotiations as soon as possible. We understand from AFSCME that the unions share an interest in commencing these negotiations as well. In a meeting we had with AFSCME, we proposed, and AFSCME agreed to schedule a meeting between the City and all five unions on Friday, July 29th at 3:00

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PM in the City Hall Tower, Room 1734, to begin our discussions on retirement reform. We would appreciate it if each union would confirm their attendance for this meeting.

Sincerely,

A handwritten signature in black ink, appearing to read "Gina Donnelly", with a long, sweeping flourish extending to the right.

Gina Donnelly
Deputy Director of Employee Relations

c: Charles Allen, Business Agent, AFSCME
Frank Crusco, IBEW