

**SENT VIA EMAIL**

October 31, 2011

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

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

**RE: Draft Proposed Ballot Measure**

Dear Yolanda and LaVerne:

On June 3, 2011, the City notified you of its intent to place a measure on the ballot that would include various proposed changes to the Charter regarding retirement benefits for new employees, current employees and current and future retirees. The terms of the proposed ballot measure were delineated in the memorandum dated May 13, 2011, that we provided you on June 3, 2011. The City provided you drafts of the proposed ballot measure on July 6<sup>th</sup>, September 9<sup>th</sup>, October 5<sup>th</sup>, October 20<sup>th</sup> and October 27<sup>th</sup>. Since June 2011, the City has been available to meet and confer with CEO and MEF regarding any changes to the draft proposed ballot measure.

On July 19, 2011, CEO and MEF requested to meet and confer regarding the proposed ballot measure. Meetings were scheduled for July 21, 2011 and August 3<sup>rd</sup>. The City offered to schedule additional sessions, however, CEO and MEO provided no response. To date, CEO and MEF have not made any proposals regarding the proposed ballot measure.

As we have repeatedly noted, the retirement reforms contemplated by the City Council are designed to address a critical financial problem which, if not addressed in time for the coming fiscal year, will result in devastating cuts to public services and loss of jobs. For that reason, the City Council has determined that the retirement measure will be considered by the voters at a

special election in early March 2012. Based on state and local election laws, the measure must be finalized and submitted approximately 90 days before the election. This requires the meet and confer process to be completed by the end of October and any impasse procedures requested to be completed in early November. This is an immutable deadline given the urgency of the measure and the planned special election timelines.

Based on the above, it appears that CEO and MEF have waived its right to meet and confer over the proposed ballot measure or the parties have reached impasse. In either event, the City is amenable to participating in mediation. The City intends to schedule mediation sessions utilizing the State Mediation and Conciliation Service for November 1, 2011 through November 14, 2011. If CEO and MEF wish to participate in mediation, please notify me no later than Thursday, November 3<sup>rd</sup> by 5:00 p.m. and provide your availability for mediation during the dates referenced above. If you fail to do so, we will assume that you intend to waive mediation.

Sincerely,



Gina Donnelly  
Deputy Director of Employee Relations

c: Alex Gurza, Deputy City Manager  
Charles Allen, AFSCME