

SENT VIA EMAIL

September 23, 2011

William H. Pope
Business Representative
International Union of Operating Engineers, Local Union No. 3 (OE#3)
1654 The Alameda, Suite 110
San Jose, CA 95126

RE: Proposed Ballot Measure

Dear Bill:

Thank you for agreeing to meet with the City on Tuesday, September 27, 2011, and Friday, September 30, 2011, for the purposes of negotiating the proposed ballot measure. As we have communicated to OE#3 previously in our letters of June 3, 2011, June 8, 2011, June 22, 2011, July 6, 2011, July 19, 2011, July 21, 2011, and September 9, 2011, the City has been, and continues to be, available to meet with OE#3 to negotiate this matter. In prior communications with the City, as well as during our meetings on July 29, 2011, and August 31, 2011, you indicated that OE#3's position is, and continues to be, that ballot discussions occurring now are "premature."

As we conveyed in our letter of August 5, 2011, the retirement reforms contemplated by the 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 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 will require that meet and confer be completed by the end of October and any impasse procedures requested be completed in November. This is an immutable deadline given the urgency of the measure and the planned special election timelines.

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The City has a duty to provide notice of an intention to place a matter on the ballot that falls within the scope of bargaining, and provide the opportunity for you to meet and confer. Whether you chose to avail yourselves of that opportunity is entirely your choice, however, by failing to meet and confer on the measure, you are waiving your opportunity to do so.

If you have any questions or concerns regarding this information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Gina Donnelly". The signature is fluid and cursive, with a large loop at the end.

Gina Donnelly
Deputy Director of Employee Relations

c: Alex Gurza, Deputy City Manager