

**SENT VIA EMAIL**

November 2, 2011

Nancy Ostrowski  
Senior Business Representative  
IFPTE, Local 21  
4 N. Second Street, Suite 430  
San Jose, CA 95113

Dale Dapp  
President  
AMSP, IFPTE Local 21  
c/o DOT  
200 E. Santa Clara Street  
San Jose, CA 95113

John Mukhar  
President  
AEA, IFPTE Local 21  
c/o ESD  
700 Los Esteros Road  
San Jose, CA 95134

Cay Denise MacKenzie  
President  
CAMP, IFPTE Local 21  
c/o OES  
855 N. San Pedro, Room 404  
San Jose, CA 95110

**RE: Sick Leave Payout Negotiations**

Dear Nancy, Dale, John and Cay Denise:

On September 30, 2011, we sent you a letter regarding the City's interest in commencing negotiations regarding the sick leave payout benefit. We previously agreed to conduct these negotiations in a coalition setting with AEA, AMSP and CAMP. The City requested that IFPTE, Local 21 provide proposed dates to commence these negotiations.

On October 3, 2011, you responded and indicated that the City was in receipt of IFPTE's proposal on issues regarding retirement benefits, inclusive of sick leave payout. You further indicated that you were prepared to discuss the issue of sick leave payout in the context of ongoing negotiations over retirement benefits. However, IFPTE's most recent retirement proposal dated September 28, 2011, does not provide any specific proposal regarding sick leave payout.

As you know, we reached an agreement with AEA, ASMP and CAMP on March 23, 2011, that included a side letter to negotiate over the sick leave payout benefit. This side letter is separate and apart from any side letter related to retirement issues. As such, the City wishes to proceed with negotiations related to sick leave payout.

The City provided you a proposal on sick leave payout on September 30, 2011. The City is interested in moving this process forward and is available to meet on Friday, November 4, 2011, at 8:30 a.m. to meet and confer on this matter. Please confirm IFPTE's availability for this meeting.

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