

July 18, 2011

Vera Todorov
President
Association of Legal Professionals
c/o City Attorney's Office
200 E. Santa Clara Street
San Jose, CA 95113

RE: Draft Proposed Ballot Measure

Dear Ms. Todorov:

We are in receipt of your letter dated July 14, 2011, in response to the letter we sent you on July 7, 2011. As you know, the City Council has the ability to include ballot measures in an election on any issue, including issues involving hours, wages and working conditions. The City Council has indicated an intention to place retirement related measure(s) on the ballot. The City expressly reserves the right to propose other charter amendments pertaining to retirement issues, or to make changes to the draft proposed ballot measure we provided you.

The City understands its meet and confer obligations regarding the various elements of the draft proposed ballot measure that we provided you on July 6, 2011, and has offered to meet with you to discuss these changes. These obligations differ from any agreement the City has with ALP. We do not believe the draft proposed ballot measure falls within the subject matter of the reopener language that we reached on May 27, 2011, as you assert. The City remains in compliance with the Agreement we reached with ALP on May 27, 2011.

We want to reiterate that the City has not exercised the reopener provision of the City/ALP agreement regarding retirement reform. We had hoped that we could reach an agreement on a potential framework for concurrent negotiations on the issues of retirement reform and related ballot measure. Since we were unable to reach an agreement, the City will proceed with the negotiations over the draft proposed ballot measure separate and apart from the retirement reform negotiations.

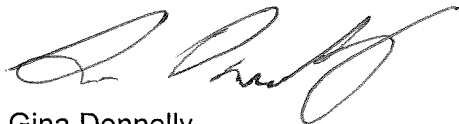
In your letter you indicate that ALP has no current obligation to meet and confer with the City over the draft proposed ballot measure. And, in a sense, you are correct. The City has a duty to provide notice of an intention to place a matter on the ballot that falls within the scope of bargaining, and provide the *opportunity* for you to meet and confer. Whether you choose not to avail yourselves of that opportunity is entirely your choice, however, by failing to meet and confer on the measure, you will have waived your opportunity to do so. The City Council intends to include the draft proposed ballot measure in the March 2012 election, therefore, if you wish to meet and confer on the language

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of the proposed ballot measure, it is imperative that the parties commence the negotiations as soon as possible.

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 initial "G" and "D".

Gina Donnelly
Deputy Director of Employee Relations