

December 7, 2011

Tom Brim
President
Association of Building, Mechanical and
Electrical Inspectors

LaVerne Washington
President
Confidential Employees' Organization,
AFSCME Local 101

Yolanda Cruz
President
Municipal Employees' Federation,
AFSCME Local 101

Nancy Ostrowski
Senior Business Representative
IFPTE, Local 21

John Mukhar
President
Association of Engineers and Architects,
IFPTE, Local 21

Dale Dapp
President
Association of Maintenance Supervisory
Personnel, IFPTE, Local 21

Cay Denise MacKenzie
President
City Association of Management Personnel,
IFPTE, Local 21

Bill Pope
Business Representative
Operating Engineers, Local No. 3

Dan Rodriguez
Business Agent
International Brotherhood of Electrical
Workers, Local No. 332 (IBEW)

Vera Todorov
President
Association of Legal Professionals

RE: Retirement Reform and Ballot Measure Mediation

As you know, on Tuesday, December 6, 2011, the City Council approved a ballot measure for the June 2012, election that would include various proposed changes to the Charter regarding retirement benefits. As part of the direction, the City Council requested that the City's negotiation team invite all bargaining groups to re-engage in mediation regarding all retirement issues, including the related ballot measure.

On December 5, 2011, IFPTE Local 21 provided the Mayor and City Council a letter supporting continued mediation regarding retirement reform. The letter (enclosed) includes a framework for the mediation and provides a commitment to waive any impasse procedures so the parties can engage in discussions in an effort to reach a negotiated agreement on retirement reform

and related ballot measure in time for the June election. As indicated in the letter, the City Council needs to submit the ballot measure to the County Registrar of Voters 88 days prior to the June election, which would be March 9, 2012.

During the Council meeting, several bargaining units expressed an interest in continuing the discussions on retirement reform and related ballot measure. Since all of you represent employees in the Federated City Employees' Retirement System, the City believes it would be beneficial to participate in mediation over the issues of retirement reform and the related ballot measure collectively, and is hereby extending an invitation to re-engage in mediation on these issues, using the framework provided by IFPTE Local 21 in the enclosed letter.

It is crucial that we move forward as quickly as possible. Please let us know by Friday, December 9, 2011, if you are interested in re-engaging in the mediation regarding retirement reform and related ballot measure with other bargaining units representing employees in the Federated City Employees' Retirement System, using the enclosed framework.

We look forward to hearing from each of you.

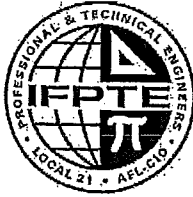
Sincerely,



Gina Donnelly
Deputy Director of Employee Relations

Enclosure

c: Debra Figone, City Manager
Alex Gurza, Deputy City Manager
Charles Allen, AFSCME
Frank Crusco, IBEW



PROFESSIONAL & TECHNICAL ENGINEERS, LOCAL 21, AFL-CIO
An Organization of Professional, Technical, and Administrative Employees

December 5, 2011

Honorable Mayor and City Council
City of San Jose
200 East Santa Clara Street
San Jose, CA 95113

**RE: Consideration of Action on a Ballot Measure on Pension Reform
Item 3.4**

Dear Mayor and Council,

IFPTE Local 21 is supportive of many elements contained within the memorandum written by Councilmembers Rocha and Pyle. We are certainly interested in continuing mediation as was written in the editorial pages of the Mercury News today.

As such, we wanted to assure you that we are understanding of your desire to place a pension reform measure before the voters in June and not have any undue delay in that respective timeline. To ensure that does not happen we are providing you with the following commitment:

IFPTE Local 21 waives additional impasses procedures that would inhibit our ability to continue mediation and work toward a negotiated agreement on retirement reform and related ballot measure. Specifically we would waive any right to utilize AB 646 as part of these continuing negotiations and we understand that a June 2012 election would require any agreement to be voted on in the form of a ballot measure by the city council 88-days prior to said June 2012 election.

A negotiated agreement is the best solution to enact lawful pension reform that will improve our collective ability to provide quality services to San Jose residents.

Sincerely,

Nancy J. Ostrowski
IFPTE Local 21 Senior Staff
Chair of the San Jose Coalition

Cc: AEA Bargaining Team
AMSP Bargaining Team
CAMP Bargaining Team
Christopher Platten, Esq.
Alex Gurza