



August 30, 2012

44 Montgomery Street
Suite 400
San Francisco, CA
94104-4606

415.989.5900
415.989.0932 Fax
www.cbmlaw.com

Los Angeles
Sacramento
Walnut Creek

Gregg McLean Adam
Direct Dial: 415.743.2534
gadam@cbmlaw.com

VIA EMAIL AND REGULAR MAIL

Charles D. Sakai, Esq.
Renne Sloan Holtzman & Sakai
350 Sansome Street, 3rd Floor
San Francisco, CA 94104

**Re: Request for Dismissal Without Prejudice Submitted for Filing
in *San Jose Police Officers' Association v. City of San Jose*,
Santa Clara County Superior Court, No. 1-12-CV-220146
File No. 034862**

Dear Charles:

Based upon our discussions over the last few weeks and months, it appears that the parties are in agreement that they will proceed to interest arbitration concerning primarily new retirement benefits and other post employment benefits for future police officers. I believe the City also has a workers compensation proposal. Additionally, the SJPOA reserves the right to propose to the arbitrator new retirement benefits for current employees. We understand that the City is unwilling to allow any proposal to move to CalPERS be submitted to the arbitrator.

Accordingly, we have submitted for filing to the Santa Clara County Superior Court a Request for Dismissal without prejudice of our Petition to Compel Arbitration.

Let us continue our discussion about selecting the arbitration panel. Pursuant to our recent electronic exchange, let us try to bring the parties together to discuss how to proceed with the arbitration. It has been some months since these issues were discussed.

It would be helpful if prior to such a meeting, the City would produce an estimate of the normal costs for its current new employee retirement benefit proposal (i.e., the last proposal on the new tier submitted before Measure B was submitted to the voters). Additionally, we would ask the City to produce the normal cost for a 3% at 55 benefit.

Charles D. Sakai, Esq.

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In your most recent letter, you did not respond to the SJPOA's suggestion that the parties make a joint written submission to the Attorney General regarding the *quo warranto* action. We will assume that this means the City is unwilling to make such a submission.

Very truly yours,

CARROLL, BURDICK & McDONOUGH LLP



Gregg McLean Adam

Dictated by him, but signed in his absence.

GMA:jo

cc: Jim Unland, President, SJPOA
John Robb, Vice President, SJPOA
Franco Vado, Chief Financial Officer, SJPOA