CBM CARROLL, BURDICK & McDONOUGH LLP

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

415.989.5900
415.989.0932 Fax
www.cbmlaw.com

July 24, 2014

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

VIA E-MAIL AND FACSIMILE

Alex Gurza
Deputy City Manager
Office of the City Manager, City of San Jose
200 E Santa Clara St
San Jose, CA 95113
Email: alex.gurza@sanjoseca.gov

Re: Demand for Arbitration – Retirement Board Governance
File No.: 040507

Dear Alex:

The POA is in receipt of Charles Sakai's letter of the 23rd. While it does not in and of itself constitute a response to the grievance, it makes clear that such a response is forthcoming and will deny the grievance. The City refuses to accept that the proposed language would effectuate change(s) within the scope of bargaining. Even when it acknowledged that previous drafts of the ballot language *were* within the scope of bargaining, it refused to meet and confer with any group – preferring instead the charade of "stakeholder" meetings.

Accordingly, we have a dispute, and the POA exercises its rights under the MOA to arbitrate this dispute.

While there is time sensitivity to this issue, the POA will not, at this time, exercise the "immediate arbitration" provision of the MOA. Rather, the undersigned will reach out to Charles Sakai and try to agree on an arbitrator and a statement of the issue as contemplated by sections 25.5.2-4.

Very truly yours,

CARROLL, BURDICK & McDONOUGH LLP

Gregg McLean Adam

GMA:jo
cc: Ed Shikada, City Manager
Richard Doyle, City Attorney
Jennifer Schembri, Deputy Director Employee Relations
Charles D. Sakai Esq., Renne Sloan Holtzman & Sakai
Jim Unland, President, San Jose POA
John Robb, Vice President, San Jose POA
Christopher E. Platten Esq.