CITY OF
SAN JOSE
CAPITAL OF SILICON VALLEY

Office of the City Manager
EMPLOYEE RELATIONS

December 20, 2010

William Clark
President
Association of Legal Professionals (ALP)
c/o City Attorney's Office

RE: City/ALP Negotiations

Dear Bill:

As you know, the City is again facing a significant budget shortfall for Fiscal Year 2011-2012. On November 18, 2010, at a Special Council meeting, the City Council approved the following direction for labor negotiations. As noted at the Council meeting, negotiations over these items are subject to the meet and confer process.

- An additional 5% ongoing total compensation reduction upon expiration of the 5% one-time total compensation reduction for Fiscal Year 2010-2011
- Sick Leave Payout Reform
- Compensation Structure Reform
- Retirement Reform

In addition to this direction, the City Council also approved the following guiding principles for labor negotiations. More detailed information regarding these guiding principles can be found at http://www.sanjoseca.gov/clerk/Agenda/20101118/20101118_0303a1sup.pdf.

1. Commence Negotiations in January 2011
2. Continue Using a Total Compensation Approach
3. Savings Must be Achievable & Verifiable in Fiscal Year 2011-2012
4. Reductions in City Jobs and Services Do Not Reduce Per Employee Costs
5. Avoid Adverse Impact to Retirement Systems
6. Consider Inter-Relationship of Variations by Bargaining Unit
7. Transparency in Negotiations
8. Availability of Information Requests and Responses to be Public
9. Inclusion of Operational and Other Contractual Issues

Pursuant to the current agreement between the City and ALP, which expires on June 30, 2011, it is mutually agreed that the first meeting of the parties will be held in January 2011 after the City or ALP receives notice from the other requesting to commence negotiations. Please note a separate communication will be sent regarding negotiations over retirement benefits.

Given the significant issues that we will be discussing in negotiations, we would like to begin as early as possible in January. We propose that the first meeting occur the week of January 10th. Since it will be our first meeting, we propose scheduling the meeting for two hours. Please let us know your availability during the week of January 10th.

As you may be aware, the City's Employer-Employee Relations Resolution provides for paid release time for up to three (3) representatives to attend these negotiation meetings. Please let us know the names of the employees that will be participating in the negotiations. We will ensure the employees are provided release time to attend the scheduled meetings.

Should you have any questions, please let me know.

Sincerely,

Gina Donnelly
Deputy Director