



FOR IMMEDIATE RELEASE – **SEPTEMBER 19, 2008**

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MOTION FOR LEAVE TO APPEAL FILED IN BANKRUPTCY CASE

Late yesterday, attorneys representing the Vallejo Police Officer's Association, the International Association of Fire Fighters and the International Brotherhood of Electrical Workers filed a Motion for Leave to Appeal in the City of Vallejo chapter 9 bankruptcy case. The motion seeks permission to appeal the Order for Relief entered on September 8, 2008 by Judge Michael McManus.

The City of Vallejo is confident that the ruling that the City is eligible for chapter 9 relief is correct and will be upheld on appeal. Judge McManus, a distinguished, independent bankruptcy judge, found that the evidence of insolvency and good faith was overwhelming.

The City is dismayed that the appeal will cause both sides to incur even more legal fees. The funds that the City will expend to fight the appeal would be better spent on salaries and other General Fund obligations.

The unions' filing in no way impacts the ongoing bankruptcy case. For example, the schedule set by Judge McManus on September 8th with respect to the City's motion to reject the collective bargaining agreements will not change, and the hearing on that motion remains set for December 2nd.

More information regarding the City of Vallejo bankruptcy can be found on the city website at www.ci.vallejo.ca.us