

CITY OF SAN LUIS OBISPO

Charter Section 1107

ARBITRATION

between

CITY OF SAN LUIS OBISPO

and

SAN LUIS OBISPO POLICE OFFICERS ASSOCIATION

Monday, December 17, 2007

2:13 p.m. - 7:03 p.m.

REPORTED BY JACQLYN M. GRIFFITH

CSR NO. 13122

1 THE ARBITRATION BETWEEN CITY OF SAN LUIS OBISPO AND  
2 SAN LUIS OBISPO POLICE OFFICERS ASSOCIATION  
3 was held at the Embassy Suites, 333 Madonna Road,  
4 San Luis Obispo, California, before Jacquelyn M. Griffith,  
5 a Certified Shorthand Reporter in and for the State of  
6 California, on Monday, December 17, 2007, commencing at  
7 the hour of 2:13 p.m.

8

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9

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23

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25

1    ALSO PRESENT:            Monica Irons - Director of Human  
                                         Resources  
2                                    Karen Jenny - Assistant Director of  
                                         Human Resources  
3                                    Ian Parkinson - Captain San Luis  
                                         Police Department  
4  
5                                    Shaana Lichty - Secretary  
                                         Dale Strobridge - Police Officers  
6                                    Association, President  
                                         Mike Brennler - Labor Representative  
7                                    Chuck Reidel, Police Officer  
                                         Association, Vice President  
8                                    Barbara Sims - Treasurer  
                                         Jim Fellows - Member at Large  
9                                    Chad Pfarr - Association  
                                         Representative

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1 I N D E X

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8	IAN PARKINSON	311	314	319	XX
9	DALE STROBRIDGE	320	330	XX	XX
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FOR THE CITY

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1 San Luis Obispo, California

2 Monday December 17, 2007

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4

5 THE ARBITRATOR: We can go on the record. As a  
6 result of off-the-record discussion in conference, the  
7 parties have reached a resolution with regard to  
8 compensation for the members of the Association prior to  
9 our anticipating this hearing.

10 Mr. Whitmore, would you please read the terms  
11 of that agreement?

12 MR. WHITMORE: Yes. This would apply to board  
13 members involved in these proceedings employed by the  
14 City of San Luis Obispo. For this week, we would keep  
15 everyone whole with no loss of pay. Everyone would  
16 have, of these board members, would have their schedule  
17 flexed to 40 hours for the week participating in these  
18 hearings and not working their regular shift.

19 Those employees, who, this week, were scheduled  
20 for 36 hours, would only be required to pay back four  
21 hours next week, because they'd get credit for 40 this  
22 week and not required to pay back eight next week.

23 Those scheduled for 44 hours this week will be  
24 given credit for -- they'd get full pay, but they would  
25 be given credit for the 40 hours for this week and would

1 not be required to pay back anything next week when they  
2 would be working 36.

3 If the hearings exceed 40 hours, those  
4 employees, who would have been scheduled to work a  
5 44-hour workweek, would receive overtime if they go  
6 over -- if the hearings go over 44 hours.

7 Thirty-six-hour employees scheduled to work 36 this week  
8 will be given credit for 40 hours and will only be  
9 entitled to overtime if the hearings exceed 40 hours.

10 One hour before the hearing and one hour after  
11 the hearing count as hearing hours for these purposes.  
12 The lunch break does not count toward the hours of the  
13 hearing for these purposes.

14 And finally, this is a resolution of a  
15 particular dispute. It is nonprecedential and not a  
16 past practice.

17 THE ARBITRATOR: Is that your understanding of  
18 the agreement that was reached, Ms. Berry Wilkinson?

19 MS. BERRY WILKINSON: That is correct.

20 THE ARBITRATOR: It was my understanding, as  
21 well, and I want to congratulate you on having resolved  
22 this, what I thought was already resolved, but was,  
23 obviously, a very thorny issue that we made.

24 Okay. Ms. Wilkinson.

25 MS. BERRY WILKINSON: In discussions between

1 the last session and this session, Mr. Whitmore and I  
2 came up with an agenda for today. We had agreed that we  
3 were going to take the issues of comparable jurisdiction  
4 and salary, and then to move down the list in order of  
5 all remaining issues after that.

6 So the City was going to begin with a  
7 presentation related to their comparable jurisdictions  
8 that they are proposing, move into, as I understood it,  
9 the salary proposal for the sworn members of the  
10 department.

11 The Association would then present with respect  
12 to its comparable jurisdictions at issue, move into  
13 salary for both sworn and nonsworn, and then the City  
14 would address the nonsworn issue after that.

15 And then we would proceed just in numerical  
16 order related to all remaining issues with the  
17 reservation of Wednesday for testimony, perhaps, taken  
18 out of order from various experts.

19 THE ARBITRATOR: That's fine.

20 MR. WHITMORE: One qualifier on that. I  
21 indicated to Counsel that there was a limited issue  
22 dealing with master police officer and educational  
23 incentive, and the collapsing of the salary step -- it  
24 really affects all three of those -- that we actually  
25 wanted to address first.

1 MS. BERRY WILKINSON: That's correct.

2 MR. WHITMORE: Okay. If we can go off the  
3 record, we'll get the documents ready for that.

4 THE ARBITRATOR: Off the record.

5 (Pause in the proceedings.)

6 THE ARBITRATOR: Back on the record.

7 MR. WHITMORE: I wanted to point out some  
8 documents, and this is a little bit by way of background  
9 on Issue Number 4. This has to do with what's been  
10 called "collapsing the salary steps."

11 Let's go off the record.

12 THE ARBITRATOR: Off the record.

13 (Interruption in the proceedings.)

14 MR. WHITMORE: Back on the record.

15 This is Issue Number 4, a POA proposal to  
16 reduce the number of steps. We have submitted a packet  
17 of materials, and I'd like to briefly walk through them.

18 The first page is a summary of the current  
19 contract language, the City proposal, which is to retain  
20 the current contract language, and the POA proposal,  
21 which is to reduce the number of steps.

22 Exhibit 4-2 is an attempt, first of all, to  
23 summarize the POA proposal, which includes reducing a  
24 number of steps and moving a number of employees up a  
25 step, which would mean they would get an increase in

1 salary. Some employees already at top step would not.

2 The rest of Exhibit 4-2 shows the cost impact  
3 of the issue, and I wanted to explain that there would  
4 be 20 people who would move. It would cost the City in  
5 salary and salary-driven benefits 107,000; a total  
6 bargaining unit cost of 1.65 percent. For those 20  
7 individuals, they would receive a 5.26 increase, and  
8 then if they also receive the POA salary proposal, they  
9 would -- those 20 would get 10.54 percent increase  
10 retroactive to January, 2006.

11 Exhibit 4-3 is a detailed analysis of those  
12 20 employees marked by a number. If you'll look at the  
13 far bottom right-hand corner, it says 112,000, and  
14 you'll notice that that's different than 107,000 on page  
15 4-2. And the reason is, this includes the POA proposed  
16 increase and the roll-ups associated with it. I point  
17 that out in case somebody has a question, because when I  
18 read it, I did.

19 Following that, starting at 4-4, transcripts  
20 from our October 15 hearing in this matter, this year.  
21 We wanted to highlight, and therefore, I have underlined  
22 and would like to read into the record certain testimony  
23 from Mr. Strobridge at the October 15 hearing.

24 THE ARBITRATOR: Mr. Whitmore, why don't we  
25 just go off the record real briefly while we do this.

1 (Pause in the proceedings.)

2 MR. WHITMORE: Back on the record.

3 THE ARBITRATOR: Back on the record.

4 MR. WHITMORE: I wanted to read into the record  
5 some excerpts from the transcript of October 15, and  
6 then we have some later documents as part of this  
7 packet.

8 Exhibit 4-5, the second page in the transcript,  
9 testimony from Mr. Strobbridge, "The effect of master  
10 police officer, what it did initially is add two extra  
11 steps, and it not only added two extra steps, but it  
12 added restrictions where you had to serve so much time  
13 at step six before you could progress to the new step  
14 seven requirements, so, whereas, a journeyman level  
15 police officer was now, basically, locked inside of this  
16 box where they were artificially suppressed on being  
17 able to obtain a markup of salary steps."

18 City Exhibit 4-7, line 4, "Yes, you and I" --  
19 let me go back to the question at line 2.

20 "The Association agreed to master police  
21 officer; right?"

22 "Yes. You and I know, oftentimes, without  
23 having an arbitration available to you where you might  
24 have outside assistance at a fair agreement, sometimes  
25 employee associations run out of funds, exhaust their

1 avenue of negotiations. It's either an imposed contract  
2 or an agreement. And in a sense, when the master police  
3 officer was created, in 1991, that was through very  
4 contentious negotiations and a mediation that we agreed  
5 to it."

6 4-9, line 4, "Quite frankly, it was a  
7 disadvantage to the police officers. It did not earn  
8 them more money over the course of their career. It  
9 cost them money."

10 4-10, at line 13, "Yes, but look at what  
11 happened here. This was not only a disadvantage to  
12 police officers, but this was a tremendous disadvantage  
13 to the City, because now we had master police officers  
14 at the top pay step, whether it be step eight or step  
15 nine, who no longer had to engage in special  
16 assignments. So the City lost the benefit of their  
17 service. So we had literally 20, 25 police officers who  
18 refused to participate in the specialty assignment  
19 program anymore."

20 At 4-11, we have the document from 1988 which  
21 reflects at 4-15, the fact that the master police  
22 officer program, as described by Mr. Strobridge in the  
23 preceding testimony was a proposal from the Association,  
24 not from the City.

25 And if you go back to 4 -- hang on. Let me go

1 back.

2 At 4-16, as part of the Association proposal,  
3 the bottom quarter of the page, the paragraph numbered  
4 1, "The proposal from the Association was all  
5 assignment, education pays, paid to police sworn  
6 personnel will be relinquished and canceled."

7 Moving back through the rest of the package to  
8 4-27, this is the City's counterproposal, whereby the  
9 City accepts the master police officer program proposed  
10 by the Association.

11 I don't have anything further on this exhibit.

12 THE ARBITRATOR: Okay. Alison, how do you want  
13 to proceed about this? Because Mr. Whitmore's  
14 presentation doesn't necessarily lead itself to  
15 cross-examination or anything, I'm wondering how you  
16 would like to deal with this.

17 MS. BERRY WILKINSON: You're correct in that it  
18 doesn't lend itself to cross-examination.

19 THE ARBITRATOR: I mean, essentially, he just  
20 pointed out --

21 MS. BERRY WILKINSON: What the documents --

22 THE ARBITRATOR: -- what the documents are,  
23 so...

24 MR. WHITMORE: That's right.

25 MS. BERRY WILKINSON: I would appreciate a

1 description of where the documents were located, and by  
2 whom, in case I have any questions later, but I haven't  
3 had an opportunity, really, to sufficiently digest these  
4 almost 30 pages worth of documents --

5 THE ARBITRATOR: Okay.

6 MS. BERRY WILKINSON: -- to be able to respond  
7 at this point, so I'd reserve that right, but it would  
8 be just as a point of interest.

9 THE ARBITRATOR: All right.

10 MR. WHITMORE: We'll call Karen Jenny.

11 I assume you're not talking about the  
12 transcript from the prior proceedings.

13 MS. BERRY WILKINSON: I think I know where you  
14 got that. That part I figure I can --

15 MR. WHITMORE: You got it, too.

16 MS. BERRY WILKINSON: A trained investigator,  
17 such as myself can --

18 MR. WHITMORE: You got it, too.

19 THE ARBITRATOR: All right. Off the record.

20 (Discussion held off the record.)

21 THE ARBITRATOR: We're back on.

22 State your full name, please.

23 THE WITNESS: Karen Jenny.

24 THE ARBITRATOR: What is your position with the  
25 City?

1 THE WITNESS: Risk manager.

2

3 KAREN JENNY,

4 having been first duly sworn, was

5 examined and testified as follows:

6

7 DIRECT EXAMINATION

8

9 BY MR. WHITMORE:

10 Q Karen, we have submitted some documents that  
11 include -- I'm trying to find the page number for the  
12 record -- starting at 4-11, a negotiating -- what  
13 purports to be a negotiating proposal from the Police  
14 Officers Association. Are you familiar with that?

15 A Yes, I am.

16 Q Where did that come from?

17 A I located that in the City's negotiations file  
18 from 1988.

19 Q Okay. And where are those files kept in the  
20 City?

21 A They are kept in an off-site storage for the  
22 City.

23 Q With regard to the Association -- or strike  
24 that -- the City's counterproposal, where -- are you  
25 familiar with that?

1 A Yes, I am.

2 Q Did you locate that?

3 A I did.

4 Q Where did you get it?

5 A That was in the same negotiations file from  
6 1988.

7 MR. WHITMORE: I don't have anything further.

8 THE ARBITRATOR: Any questions?

9 MS. BERRY WILKINSON: Not at this time. I'll  
10 reserve my right to respond.

11 THE ARBITRATOR: All right. Thank you very  
12 much. Witness is excused. And I take it this goes  
13 behind tab 4 in your binder?

14 MR. WHITMORE: It does. Thank you.

15 THE ARBITRATOR: All right.

16 MR. WHITMORE: Prepared to proceed to the  
17 comparable agency issue that Counsel mentioned as one of  
18 the ones we would deal with earlier on today.

19 We can go off the record and get the documents.

20 THE ARBITRATOR: Okay. Off the record.

21 (Pause in the proceedings.)

22 MR. WHITMORE: We can go back on the record.

23 Just some housekeeping back on Issue Number 4,  
24 the documents we introduced. Is there any objection to  
25 those being received into evidence?

1 MS. BERRY WILKINSON: No.

2 THE ARBITRATOR: All right. Those documents  
3 are received.

4 MR. WHITMORE: Okay. Issue 38 is an issue of  
5 the agencies which are to be used as comparables. The  
6 issue has been unresolved for a number of years as to  
7 what list of agencies is appropriate.

8 I would point out, and we'll argue in our  
9 closing, as part of our final proposals, the language  
10 that both parties agree should continue. And that is  
11 the language, the current language, last sentence, that  
12 the survey, meaning the comparable agencies, shall only  
13 be one of the considerations used to determine  
14 compensation.

15 The Association has proposed, as is reflected  
16 on the POA proposal at the bottom of 38-1, a list of  
17 agencies, the City -- and therefore a change in the  
18 existing language, although they retain the language  
19 that says this is only one of the considerations used to  
20 determine compensation.

21 The current language says the list that shall  
22 be used is the same as the City uses for other City  
23 employees.

24 The City's proposal is to use the list that is  
25 used in negotiations with the firefighters. Therefore,

1 although we have clarified that in our proposal, we are  
2 not proposing any language change in the way it  
3 currently reads. We will argue the relevance of using  
4 the same list for firefighters, safety employees, and  
5 the like.

6 That is our proposal, but we have also put  
7 together an analysis using two other lists that are used  
8 for other city employee purposes whether negotiations or  
9 not.

10 And I'd like to recall Karen Jenny who compiled  
11 this to discuss these lists.

12

13 DIRECT EXAMINATION

14

15 BY MR. WHITMORE:

16 Q Karen, if you'd go to 38-3, there is an  
17 analysis of comparison cities. Could you just in  
18 general terms describe the first -- the 2007  
19 compensation study list, what is that?

20 A The 2007 compensation study list is a list of  
21 cities that was used for a compensation study of  
22 management and general, nonsafety employees.

23 Q Who used the list?

24 A Um, the human resources director, city manager.  
25 It went to the City Council.

1 Q How was the list selected?

2 A The list was selected with the help of a  
3 consultant, but selected by a group of both management  
4 and rank file employees.

5 Q If you go to 38-4, this is the second of the  
6 columns; correct?

7 A Yes, that is correct.

8 Q That's the one you're just describing?

9 A Uh-huh.

10 Q Now, the next one is a, it's called "Measure Y  
11 Benchmarks." What is Measure Y, and where does that  
12 list come from?

13 A Measure Y is a one-half cent sales tax  
14 initiative that was undertaken by the City in 2005.

15 Q Approximately?

16 A Approximately. And as part of the -- the City  
17 going forward with the need for a sales tax increase,  
18 questions were asked of the City's finance director,  
19 "How do we compare to other cities?"

20 And so the City's finance director chose this  
21 list of cities to compare to and published a report that  
22 was given to the City Council.

23 Q And on 38-4, this is the third column over;  
24 correct?

25 A Yes, that is correct.



1 CROSS-EXAMINATION

2

3 BY MS. BERRY WILKINSON:

4 Q Ms. Jenny, with respect to the Fire list, how  
5 was it that those particular jurisdictions were chosen?

6 A I do not know. Those jurisdictions -- a  
7 similar list has been in the Fire MOA since before I  
8 came to work for the City. We made a few tweaks to the  
9 list in 2006, but I don't know where the origin of that  
10 particular list is.

11 Q Do you know what the tweaks were that were made  
12 in 2006?

13 A Not off the top of my head, no.

14 Q Do you know which of these agencies previously  
15 were used by Fire and for how long?

16 A Well, the list that -- I said they were minor  
17 tweaks in a couple of cities. So I don't know how long  
18 this has --

19 Q So you don't know which of the agencies on this  
20 Fire list are new agencies which have -- or for what  
21 length of time any of these have been on the Fire list?

22 A I could not say for certain. I am reasonably  
23 sure Petaluma is a new addition. I'm not sure about the  
24 others.

25 I do know that Chico, Davis, Monterey and Napa,

1 Santa Cruz and Santa Maria have definitely been on there  
2 for a long period of time.

3 Q Do you know what the criteria was for selection  
4 of these agencies on the Fire list?

5 A No, I do not.

6 Q Now, the compensation study in 2007, was  
7 that -- did that result in a report that was prepared  
8 and presented to Council?

9 A Yes.

10 Q I'm going to show you --

11 MS. BERRY WILKINSON: I'll show you first.

12 THE ARBITRATOR: So we're not making that an  
13 exhibit, I take it?

14 MS. BERRY WILKINSON: No, I just wanted to  
15 identify whether or not this is the report.

16 Q Ms. Jenny, and please forgive my reach here.  
17 I'm handing you a document that's marked "Benchmark  
18 Comparisons Report, 2007." I would just like you to  
19 identify whether that is the report from which this  
20 second column on City Exhibit 38-4, if that's the report  
21 you were referring to.

22 A Yes.

23 Q Okay. Now, you referenced with respect to the  
24 column on City Exhibit 38-4 a report that was prepared  
25 in connection with the Measure Y, which resulted in

1 these benchmarks. I'm handing you a report dated  
2 January of 2006 entitled "Measuring our Performance."

3 Is this the report that you were referring to?

4 A It's been a while since I've looked at this  
5 report. Let me see. Yes, this is the report.

6 Q Thank you. Now, with respect to the Measure Y  
7 benchmarks that were used that are reflected in the  
8 third column on City Exhibit 38-4, do you know what  
9 criteria were used to determine that those particular  
10 agencies were comparable?

11 A I do not know, but I believe the finance  
12 director outlines in his report the criteria that he  
13 used.

14 Q And do you know what purpose the Measure Y  
15 benchmarks were established for?

16 A My understanding is the purpose was to show to  
17 the community, especially the media who had asked  
18 questions as to how does the City of San Luis Obispo  
19 compare.

20 Q Compare in what way?

21 A Compare in the various ways that the City --  
22 the finance director used -- showed comparisons on the  
23 report. Salary and benefits was just one component.

24 Q Now, are there any other comparative cities or  
25 groupings of cities that are used for establishing

1 salaries for city personnel?

2 A Not that I'm aware of, no.

3 Q And for what reason is it that you consider the  
4 Fire list to be the list most applicable to the police  
5 unit?

6 MR. WHITMORE: Well, I would object that she is  
7 the person on behalf of the entire City to say this is  
8 the most applicable list, if she knows. She was the  
9 person who just compiled data for us. Having qualified  
10 it that way, if she can answer, go ahead.

11 Do you know why the City has put the Fire list  
12 out there?

13 THE WITNESS: It's another -- a list of public  
14 safety.

15 BY MS. BERRY WILKINSON:

16 Q So I take it here, Ms. Jenny, your purpose in  
17 testimony is just basically to identify these exhibits  
18 and not to explain the rationale behind the various  
19 different groupings of --

20 A At this time.

21 Q Yes. Okay. In putting together this grouping  
22 of comparison cities, did you examine the list used for  
23 every bargaining unit within the City?

24 A Yes.

25 MR. WHITMORE: Well, actually, I'll object that

1 that's misleading. She's already testified there aren't  
2 any other lists used for other bargaining units.

3 THE ARBITRATOR: Right. Well, maybe it's a  
4 foundational question.

5 BY MS. BERRY WILKINSON:

6 Q Yeah, did you --

7 MR. WHITMORE: Did you look?

8 BY MS. BERRY WILKINSON:

9 Q My question was: Did you examine whether there  
10 were any other lists used for other bargaining units  
11 within the City?

12 A Define -- I guess define the time frame.  
13 Within the last five years, this is what I found.

14 Q Could you explain to me what steps you took to  
15 do that, what you reviewed?

16 A Looking through the negotiations file.

17 Q And for which unit did you check the  
18 negotiations file?

19 A For -- I looked at Fire. Fire Battalion  
20 Chiefs, Police Staff Officers, and the general unit.

21 Q Did you look at any management?

22 A I did look at management. That's not a formal  
23 bargaining unit.

24 Q You looked at what they used for purposes of  
25 determining management salary, even though it's not a

1 technical bargaining unit?

2 A Yes.

3 Q Any other groupings of employees that you  
4 reviewed?

5 A I looked at confidential. We have a grouping  
6 called "confidential employees." I don't think we've  
7 done any salary surveys in that area, but I did look at  
8 that, yes.

9 Q And did you say the period of time in which you  
10 went back to look was five years?

11 A About five years.

12 Q And who would be the person who maintained the  
13 files that you looked at?

14 A I'm not sure how to answer that. They're  
15 maintained in our office, so human resources staff.

16 Q So they're maintained by human resources?

17 A Uh-huh, either in our office or off site.

18 MR. WHITMORE: Off the record.

19 (Discussion held off the record.)

20 THE ARBITRATOR: We're back on.

21 MS. BERRY WILKINSON: I have nothing further.

22 MR. WHITMORE: Can we go off the record for a  
23 minute?

24 THE ARBITRATOR: Off the record.

25 (Recess.)

1 THE ARBITRATOR: We're back on the record.

2

3 REDIRECT EXAMINATION

4

5 BY MR. WHITMORE:

6 Q Ms. Jenny, I noticed in looking at the  
7 document -- in looking at the Measure Y document, it has  
8 on the cover "January, 2006." And you indicate on  
9 38-3 that Measure Y was November, 2006. So we have,  
10 although in the same year, different months. Can you  
11 explain that difference?

12 A Yes, the actual vote for the sales tax  
13 initiative was in November of 2006. The benchmark study  
14 was prepared several months earlier in January of 2006  
15 in order to gain support for the passing measure.

16 Q Okay. That's all I wanted to do is clarify the  
17 timing of that, because I had a question.

18 Last question, and I think this is clear in the  
19 record, but the City's proposal to use the list of  
20 agencies used in Fire negotiations, that list, has it  
21 been agreed upon by both the Firefighters Association  
22 and the City; correct?

23 A Yes, that is correct.

24 MR. WHITMORE: Nothing further.

25 MS. BERRY WILKINSON: I have nothing further.

1 THE ARBITRATOR: I just have one clarification.  
2 On 38-3, there is a statement made about Davis. Is that  
3 your words about why Davis should be on the list, or is  
4 that somebody else?

5 THE WITNESS: I prepared this analysis, yes.  
6 Those are my words.

7 THE ARBITRATOR: So you looked into their  
8 demographics, their population, their student  
9 population?

10 MR. WHITMORE: No, I don't believe that's what  
11 this says. This is just which cities are on which list.

12 THE ARBITRATOR: Except that there's some  
13 rationale putting Davis on there, and I want to know if  
14 that's her rationale.

15 MR. WHITMORE: Oh, I apologize.

16 THE ARBITRATOR: Did you put together the  
17 rationale as stated on 38-3?

18 THE WITNESS: I did put together that, yes.

19 THE ARBITRATOR: So did you actually make the  
20 comparisons that are stated in this paragraph?

21 THE WITNESS: I did not personally. Davis is  
22 one of the cities that was used in the compensation  
23 study in 2007, and those were some of the demographics  
24 that the committee used to choose Davis for the  
25 compensation study, and I was just attempting to make an

1 analysis that...

2 THE ARBITRATOR: Is that expressed anywhere by  
3 them?

4 THE WITNESS: I believe it's in the -- the  
5 study that -- the report that went to the City Council.

6 THE ARBITRATOR: Okay. That's all I have.

7

8 RECROSS-EXAMINATION

9

10 BY MS. BERRY WILKINSON:

11 Q Which report that went to the City Council?

12 A On the compensation study.

13 Q The 2000- -- you showed --

14 A The 2007.

15 Q The 2007?

16 A Yeah, that's the compensation study.

17 Q So when you say here, "It has consistently been  
18 used for comparisons," in what way has it consistently  
19 been used?

20 A If you look at City Exhibit 38-4, Davis not  
21 only is used in the compensation study from 2007, but  
22 it's on the Fire list, and it's also on the Measure Y  
23 benchmark.

24 Q So when you're referring to consistent use,  
25 you're referring to its use in Fire, its use in the

1 2007 comp study, and its use for Measure Y?

2 A Yes.

3 Q Are you referring to any other use besides the  
4 three of those?

5 A No, the intention of the comments, the analysis  
6 on 38-3 was to speak to the list of cities on 38-4.

7 Q To your knowledge, has Davis ever appeared on  
8 any other list than the three that appear on 38-4?

9 A I don't know.

10 Q And when I asked you earlier about how the  
11 agencies -- or the criteria used for the agencies  
12 appearing on the list, you indicated that you did not  
13 know that. Here on 38-3 you've listed population and  
14 various other factors. Where did those factors come  
15 from?

16 MR. WHITMORE: It's been asked and answered.  
17 She got it from the compensation study.

18 MS. BERRY WILKINSON: I didn't understand that  
19 to be her answer.

20 MR. WHITMORE: Oh.

21 BY MS. BERRY WILKINSON:

22 Q And that would be the 2007 compensation study?

23 A Yes.

24 Q So you didn't do any independent analysis?

25 A No.

1 Q Now, this 2007 compensation study that was  
2 done, you had indicated that there was some  
3 participation in it, if I understood your testimony  
4 correctly, by various other groups of City employees?

5 A Uh-huh, yes.

6 Q And except that the police did not participate;  
7 is that correct?

8 A The police chief participated on the committee,  
9 but the study did not include police department --  
10 Police Officer Association positions.

11 Q And why is that, to your knowledge?

12 A I cannot answer that question. I don't know.

13 Q Now, you also had indicated that the fire chief  
14 participated in that, 2007, report. But that would  
15 not -- would only be the fire chief, not the fire rank  
16 or the fire --

17 MR. WHITMORE: I thought she said police.

18 THE WITNESS: Police chief and fire chief.

19 MR. WHITMORE: Thank you. Sorry.

20 THE WITNESS: Because they were department  
21 heads.

22 BY MS. BERRY WILKINSON:

23 Q Do you know why the Fire -- the groupings of  
24 Fire employees below fire chief were not included in  
25 that 2007 study?

1           A       We recently did a salary survey for them as  
2 part of the negotiations.

3           Q       So the Fire was not included in the 2007 study  
4 because their analysis was conducted elsewhere?

5           A       As part of their negotiations, yes.

6           MS. BERRY WILKINSON: Okay. Thank you.

7           THE ARBITRATOR: Anything further?

8           MR. WHITMORE: Nothing further.

9           THE ARBITRATOR: Thank you. Ms. Jenny, you're  
10 excused.

11          MR. WHITMORE: Off the record.

12                   (Discussion held off the record.)

13          THE ARBITRATOR: We're back on the record.

14                   Just let me restate for the record what has  
15 been the understanding of everybody here, and that is,  
16 unless there is an objection raised to the submission of  
17 a document, the document will be automatically admitted.  
18 So therefore, the documents that were submitted in  
19 conjunction with Issue 38 by the City are admitted under  
20 that rule and all subsequent documents are subject to.

21          MR. WHITMORE: Thank you. The first issue we  
22 wanted to address with regard to proceeding on salary  
23 was Issue Number 5. Issue Number 5 deals with what we  
24 understand to be a POA proposal to use for all  
25 classifications in the bargaining unit, the benchmark of

1 top step police officer. What we have done with 5-1 is  
2 list the current language, the City's proposal that  
3 there be no change, and then the -- what we understand  
4 to be the POA proposal that all the classifications in  
5 the unit utilize police officer as benchmark.

6 5-2 is a list of agencies. I will represent  
7 that this was again compiled by Karen Jenny. It is all  
8 of the agencies on all of the lists that were discussed  
9 in Section 38 -- Issue 38. The Fire list, the police  
10 proposed list, Measure Y, and the compensation study.  
11 It's a comprehensive.

12 And what it reflects is that the salary  
13 increases in only one agency, Gilroy, are determined by  
14 police. The nonsworn gets the same. There are two.  
15 Hang on.

16 Can we go off the record?

17 THE ARBITRATOR: Sure. Off the record.

18 (Pause in the proceedings.)

19 THE ARBITRATOR: We're back on.

20 MR. WHITMORE: Back on the record.

21 On 5-2, there is a listing of whether or not  
22 the police bargaining unit includes, in these various  
23 agencies, nonsworn classifications.

24 In some number, the answer is yes. In a  
25 slightly smaller number, the answer is no. It isn't

1   unprecedented to have nonsworn in the same unit, but  
2   with regard to whether or not nonsworn receive the same  
3   salary increases that sworn receive, as 5.2  
4   demonstrates, only two agencies, Gilroy and Santa Cruz,  
5   provide for that. The majority of those who have  
6   nonsworn in the unit do not have the raise the same.

7           And then, of course, there's a substantial  
8   number, since they aren't in the unit anyway, that are  
9   just not applicable.

10           And as I mentioned, this is a list of all of  
11   the agencies. Did I get this one right? All of the  
12   agencies in all of the lists we submitted as part of  
13   Issue Number 38. That's all I have with regard to Issue  
14   Number 5.

15           THE ARBITRATOR: Okay.

16           MS. BERRY WILKINSON: It was Ms. Jenny who  
17   prepared this?

18           MR. WHITMORE: It was. Do you want to ask her  
19   some questions?

20           MS. BERRY WILKINSON: Yes, please.

21           MR. WHITMORE: Karen, could you -- and for the  
22   record, you have a copy of the document in front of you?

23           THE WITNESS: I do.

24           MR. WHITMORE: Okay.

25    \\

1 DIRECT EXAMINATION

2

3 BY MS. BERRY WILKINSON:

4 Q Ms. Jenny, it is my understanding from  
5 Mr. Whitmore's presentation that what's been marked as  
6 City Exhibit 5-2 was prepared by you?

7 A Yes.

8 Q Could you explain the process that you went  
9 through to answer these questions?

10 A I looked through the Memorandum of Agreement or  
11 Understanding for each of the cities for either sworn,  
12 or, if necessary, nonsworn personnel.

13 Q Okay. And for example, with respect to Gilroy,  
14 I take it you looked at their most recent Memorandum of  
15 Understanding?

16 A Yes.

17 Q And from that, did they list separately the  
18 actual raises to be given to nonsworn, or was it --

19 A Yes, I believe so. That's what I recollect.

20 Q Okay. So I take it, then, by your description,  
21 that what you did was you looked at the MOU, and you  
22 looked at what was actually specified in the MOU as to  
23 the wage increase that was due and owing to the various  
24 different classifications, and then you determined  
25 whether they were the same; is that fair?

1 A Yes.

2 Q Did you contact any of these agencies to ask  
3 them further, or did you just look at the --

4 A No, just looking at the MOU.

5 Q So beyond the MOU -- reviewing the plain terms  
6 of the MOU, did you take any steps whatsoever to verify  
7 the information contained in the MOU?

8 A No, I just reviewed the MOU.

9 Q Did you contact any of these agencies listed to  
10 determine what benchmark they specifically used for the  
11 nonsworn classification?

12 MR. WHITMORE: I'm sorry, for which agencies?

13 MS. BERRY WILKINSON: Any of the agencies  
14 listed here.

15 MR. WHITMORE: Okay.

16 THE WITNESS: No.

17 BY MS. BERRY WILKINSON:

18 Q Did any of those specifically indicate in their  
19 Memorandum of Understanding what their benchmark was for  
20 determining wages?

21 A I do not recall.

22 Q Did you undertake any effort to determine  
23 whether the total package of compensation to the sworn  
24 and nonsworn classifications was identical for each  
25 agency?

1 A No.

2 Q Looking at this, the listing for San Luis  
3 Obispo County, on City Exhibit 5-2, it says, "Does the  
4 bargaining unit include nonsworn classifications?"

5 The answer is "Yes."

6 And then, "If nonsworn are included, do they  
7 receive the same salary increases as sworn?"

8 Do you see that there where it says "no"?

9 A Yes.

10 Q When you say San Luis Obispo County, I'm  
11 assuming you mean the Memorandum of Understanding for  
12 the Deputy Sheriffs' Association?

13 A Yes.

14 Q Did you look at any other Memoranda of  
15 Understanding for San Luis Obispo County?

16 A No.

17 Q And with respect to each of the other agencies  
18 here, Gilroy, Santa Cruz, Davis, did you look at the  
19 MOUs solely for the rank in the file organization?

20 A I'm not sure I understand.

21 Q Police Officers Association, not the Police  
22 Management Association or...

23 A No, I did not look -- I still don't understand  
24 the question.

25 Q My question was: With respect -- you indicated

1 in your testimony that you looked at the Memoranda of  
2 Understanding in order to answer these two questions on  
3 your list. With respect to -- and that's correct?  
4 That's what you did; right?

5 A That is correct, yes.

6 Q And with respect to that, did you only look at  
7 the Police Officers Association Memoranda of  
8 Understanding, that which has the rank in file unit like  
9 the San Luis Obispo Police Officers Association?

10 A Yes.

11 Q Did you look at any other memoranda for the law  
12 enforcement or public safety units beyond the rank in  
13 file unit?

14 A No.

15 MS. BERRY WILKINSON: Okay. Thank you. I have  
16 nothing further.

17 MR. WHITMORE: Nothing further.

18 THE ARBITRATOR: Thank you.

19 MR. WHITMORE: Next issue we'd like to address  
20 is arbitration Issue Number 6. I'd like to explain the  
21 first couple of pages, and then apologize for letting  
22 Karen Jenny sit down, because I'm going to bring her  
23 back again.

24 MS. BERRY WILKINSON: She's getting good  
25 exercise today back and forth.

1 MR. WHITMORE: Yeah, she's getting used to  
2 this.

3 The first page, as with our others, describes  
4 the current language of the contract, the City's  
5 proposal in the middle and the POA's proposal, as best  
6 we understand it. We have a number of questions about  
7 the POA proposal, and how it would work. We have tried  
8 to cost as best we can, but if we've done anything  
9 wrong, it's because we have misinterpreted it in some  
10 way.

11 The POA proposal, as you can see from the  
12 bottom of 6-1 and the top of 6-2, is for two years. The  
13 issue of term is still unresolved.

14 The City's proposal, you will see on 6-1,  
15 provides for five increases over four years totaling  
16 19 percent with the first raise retroactive to the  
17 expiration of the last contract, and then, of course,  
18 there would be raises in July, '06, and July, '07, which  
19 would also be retroactive given where we are now in  
20 these proceedings.

21 So that's the essence of what the first two  
22 pages, 6-1 and 6-2, cover. 6-3 goes into some of the  
23 analysis that Karen has done, and so I would recall  
24 Karen Jenny as a witness.

25

1 DIRECT EXAMINATION

2

3 BY MR. WHITMORE:

4 Q Karen, you have document 6-3 in front of you?

5 A Yes.

6 Q In summary, could you describe what is  
7 reflected on 6-3?

8 A These are summary charts of salary comparisons  
9 for police officers. This is salary and including the  
10 PERS pick up; the 9 percent employee contribution. The  
11 first set of boxes is comparison as of January, 2006,  
12 and these are comparisons from the average.

13 Q On the various lists we've --

14 A On the various lists that we have talked about,  
15 yes. So the first column is the Fire list. The second,  
16 the compensation study, Measure Y, and the POA proposed  
17 list.

18 Q Second set of boxes there?

19 A Second set of boxes is the comparison as of  
20 January, 2007, and the bottom set of boxes is the  
21 comparison as of July, 2007.

22 Q Okay. And the two columns at each date segment  
23 with the City's proposed increase, with the POA proposed  
24 increase; correct?

25 A Yes, that is correct.

1 Q And this is salary only; salary plus PERS pick  
2 up?

3 A Yes, that is correct.

4 Q Turn to page 6-4. This is not just salary and  
5 PERS pick up, is it?

6 A No, this is not. This is a representation of  
7 total compensation, if you will. Those elements of  
8 total compensation that we're including are the salary,  
9 the PERS pick up, the cafeteria contribution, education  
10 incentive and uniform allowance. So this is the total  
11 of those elements of compensation.

12 Q Are those elements the ones that have been used  
13 in the past when total compensation analyses have been  
14 done in police negotiations?

15 A No.

16 Q Okay. How does it differ?

17 A We have not come to agreement as to what would  
18 be included in total compensation.

19 Q Okay. In any event, you've listed the items  
20 you included here --

21 A That we --

22 Q -- specifically?

23 A Yes.

24 Q Same sort of analysis on the three time frames?

25 A Yes, that is correct.

1 Q Okay. Turn, if you would, to 6-5. Describe  
2 that document, first, in general terms, and then how you  
3 came to compile it.

4 A This is a chart looking at the salary increases  
5 for City of San Luis Obispo bargaining group --  
6 bargaining groups, the latest Memoranda of Agreement,  
7 and I compiled this information by looking at the MOAs  
8 and listing the salary increases, and the time frames  
9 that those salary increases are to go into effect with  
10 the total in the final column on the right.

11 Q And this is internal --

12 A Internal, yes.

13 Q -- raises?

14 The tally on the far right side is the  
15 cumulative effect of the raise; the total of the raises  
16 for each bargaining unit, firefighters, general  
17 employees, et cetera?

18 A Yes, that is correct.

19 Q Do I read this right, the City's proposal would  
20 give the police officers as big a raise as anybody got  
21 in the City under current Memorandum of Understanding?

22 A Yes, that is correct.

23 Q No one has received more than what the City is  
24 proposing to give to the Association?

25 A That is correct.

1 Q 6-6, describe that.

2 A This is a chart listing the consumer price  
3 index, or CPI, change for the prior 12 months at four  
4 periods of time. First, December, 2005. Then October,  
5 2006, December, 2006, and August, 2007.

6 Q Why those dates?

7 A I believe Mr. Goldberg requested that we  
8 provide CPI information at those dates; the date of the  
9 close of the contract; the date when impasse was  
10 declared, which was midway between when  
11 San Francisco, Oakland reports, and then when we went  
12 into mediation.

13 Q Okay. Starting with 6-7 and following, are  
14 these -- excuse me -- the Bureau of Labor Statistics CPI  
15 indexes that you used to compile the totals that appear  
16 on 6-6?

17 A Yes, that is correct.

18 Q Backup data, if you will.

19 A Yes.

20 Q All right. If you could turn to 6-11.

21 Did I skip one? Sorry.

22 Off the record.

23 (Discussion held off the record.)

24 MR. WHITMORE: Back on.

25 Q Instead of going to 6-11, let's go to 6-10, and

1 what I want you to do is identify in the numerous  
2 following sheets, just identify what that page is. I  
3 don't need you to talk about it, but this, in essence,  
4 is backup for what appeared earlier?

5 A Yes, this is backup for the charts that were  
6 showing on pages 6-3 and 6-4.

7 Q Okay. All right. Let's start with 6-10. What  
8 is that, very quickly?

9 A 6-10 is the salary comparison, salary and the  
10 PERS pick up, as of January, 2006, using the Fire  
11 cities.

12 Q And this is the proposal the City has made to  
13 use the Fire list; right?

14 A Yes, that is correct.

15 Q And this is with the proposed increase that the  
16 City has submitted?

17 A Yes.

18 Q And that would be reflected in the second to  
19 last column up there at the top in the red?

20 A Yes.

21 Q 6-11, same time frame, January, 2006; what is  
22 this?

23 A Yes, this is the same time frame, same cities,  
24 Firefighter Association cities, and this is total  
25 compensation, salary plus PERS pick up, health, ed

1 incentive, uniform, and then the PERS pick up on the  
2 incentive and uniform.

3 Q And this is with the City's proposed increase?

4 A Yes, that is correct.

5 Q 6-12.

6 A 6-12 is the salary and PERS pick up comparison,  
7 again, for the Fire cities this time as of  
8 January, 2007, and includes all of the City's proposed  
9 increases to that date.

10 Q 6-13.

11 A 6-13 is the total compensation, again, for the  
12 Fire cities as of January, 2007.

13 Q At the bottom, there is a note, on the right  
14 side, 85th percentile of total comp. Describe that.  
15 What is that, and why is that there?

16 A This is my best estimate at understanding the  
17 POA's proposal. What -- the number that is reflected  
18 there, 8,640, is an Excel formula that takes the last  
19 column, the total comp number, for all of the cities  
20 from Chico through Santa Maria. And it magically does a  
21 calculation to come up with the 85th percentile. Then,  
22 from that number, I backed in, understanding the --  
23 POA's proposal is 85th percentile of total comp. If  
24 86.40 needs to be the total comp number, then I backed  
25 in the salary number to come up to that total comp.

1 Q Let me -- and then figured the average based on  
2 that?

3 A Yes.

4 Q Let me just spend a second with you on that.  
5 The proposal from the Association is for 85th percentile  
6 of total compensation; right?

7 A Yes.

8 Q Do we know, on the City's side, whether or not  
9 the adjustment that would call for would be an  
10 adjustment in salary, or in some other aspect of total  
11 compensation, or do we know?

12 A We do not know.

13 Q Here you used salary; correct?

14 A Correct.

15 Q All right. 6-14.

16 A 6-14 is the firefighter cities as of July,  
17 2007. This is salary and PERS pick up with the City's  
18 proposed increases.

19 Q 6-15?

20 A 6-15 is the total compensation listing. Again,  
21 Firefighter Association cities, July of 2007.

22 Q This does not have the 85th percentile box at  
23 the bottom; why not?

24 A It does not, because my understanding of the  
25 POA's proposal is that the 85th percentile calculation

1 and increase would come in January of 2006, and nothing  
2 was proposed for July of -- I mean, excuse me, January  
3 of 2007. Nothing was proposed for July of 2007.

4 Q Okay. So that's the firefighter list.

5 Starting at 6-16, what is that?

6 A Okay. This goes back. The time frame, again,  
7 is January, 2006. This is salary and PERS pick up for  
8 the general management compensation study that was done  
9 in 2007, and, again, the City's proposed increases.

10 Q 6-17.

11 A 6-17 is the compensation study cities.

12 January, 2006, total compensation with the elements  
13 we've discussed.

14 Q 6-18.

15 A 6-18 is January, 2007. The compensation study  
16 cities of salary and PERS pick up.

17 Q 6-19.

18 A 6-19 is the compensation study cities as of  
19 January, 2007, with total compensation using the same  
20 formula on the 85th percentile.

21 Q And the same --

22 A And the same methodology.

23 Q Same methodology. 6-20?

24 A 6-20 is the compensation study cities, salary  
25 and PERS pick up as of July of 2007 with the City's

1 proposed increases.

2 Q 6-21?

3 A 6-21 is the compensation study cities,  
4 July, 2007, total compensation.

5 Q 6-22?

6 A 6-22 is the Measure Y benchmark cities. As of  
7 January, 2006, salary and PERS pick up with the City's  
8 proposed increases.

9 Q 6-23?

10 A 6-23, Measure Y benchmark cities. As of  
11 January, 2006, total compensation.

12 Q Just to interrupt for a second, you mentioned  
13 that these were the documents that supported what was  
14 back at the beginning of this section with the totals.  
15 I think it was 6-3 and 6-4.

16 A Yes.

17 Q So this breaks out everything that you looked  
18 at and the numbers you came up with to reach those  
19 totals; correct?

20 A Yes, correct.

21 Q Okay. 6-23.

22 A 6-23, Measure Y benchmark cities. As of  
23 January, 2006, total compensation.

24 Q 6-24.

25 A Measure Y benchmark cities. As of

1 January, 2007, salary and PERS pick up with the City's  
2 proposed increases.

3 Q 6-25?

4 A 6-25 is Measure Y benchmark cities. Total  
5 compensation as of January, 2007.

6 Q With the same methodology for the 85th  
7 percentile analysis there at the bottom; correct?

8 A Yes, that is correct.

9 Q 6-26?

10 A Measure Y benchmark cities. As of July, 2007,  
11 salary and PERS pick up with the City's proposed  
12 increases.

13 Q 6-27?

14 A 6-27 is Measure Y are benchmark cities. Total  
15 compensation as of July, 2007.

16 Q And 6-28, this would be the POA's proposed  
17 list; right?

18 A Yes, that's correct.

19 Q Describe what this is.

20 A Okay. This is the POA's proposed comparable  
21 cities as of January, 2006, with the City's proposed  
22 increase. This is salary and PERS pick up.

23 Q 6-29?

24 A 6-29 is total compensation. As of  
25 January, 2006, POA proposed comparable cities.

1 Q 6-30?

2 A 6-30 is POA's proposed comparable cities. As  
3 of January, 2007, salary and PERS pick up with the  
4 City's proposed increases.

5 Q 6-31?

6 A 6-31 is total compensation. As of  
7 January, 2007, for the POA's proposed comparable cities.

8 Q With the 85th percentile analysis down below?

9 A Yes, same methodology.

10 Q Thank you. 6-32?

11 A 6-32 is the POA's proposed comparable cities.  
12 As of July, 2007, with the City's proposed increase.  
13 That's salary and PERS pick up.

14 Q 6-33?

15 A 6-33 is the total compensation as of July,  
16 2007, for the POA's proposed comparable cities.

17 Q Okay. Thank you for going through that. There  
18 may well be questions, but -- from the Association, but  
19 those were all of the charts you utilized to come up  
20 with the analysis of percentage ahead or percentage  
21 behind the average; correct?

22 A Yes, that is correct.

23 Q All right. Going to 6-34, where I think there  
24 may be -- at least in mine, there was a typo. It said  
25 6-31.

1 A 6-34. I think you've got the typo.

2 Q I got the typo, and I got the gray-and-white  
3 version of the printout.

4 MS. BERRY WILKINSON: You got to go to Hawaii.

5 MR. WHITMORE: I was on vacation when all the  
6 work was being done.

7 Q 6-34, then, and 6-36, two newspaper articles.  
8 What are they?

9 A These are articles from local newspapers  
10 showing recent contract settlements with police officer  
11 associations. The first one is the City of Lompoc.  
12 This came from the Santa Maria Times newspaper website.

13 Q It says 2007, 10-17. Does that mean it was  
14 October?

15 A Yes.

16 Q Okay. And then Morro Bay, 6-36?

17 A 6-36, this is a photocopy from the actual  
18 newspaper.

19 Q Okay. Date November 13; correct?

20 A Yes.

21 Q And I would just state these are offered only  
22 as general information. They are not on any of the  
23 comparability lists. It's just some recent settlements  
24 in the area in the last two months.

25 All right. If you could turn to 6-38, this is

1 a chart. Did you prepare it?

2 A Yes, I did prepare this chart.

3 Q First of all, describe what the two halves of  
4 it are, and then describe how you went about putting it  
5 together.

6 A Okay. The first chart is turnover statistics  
7 looking at all positions within the POA. And the second  
8 chart has to do with recruitment statistics just for  
9 officer and cadet.

10 Q So the top one would include dispatcher and,  
11 what, records?

12 A Records clerk.

13 Q Yeah. And sworn officer?

14 A Yes.

15 Q And the bottom one is officer and cadet only;  
16 correct?

17 A Yes, that's correct.

18 Q Dealing with the top half, the turnover  
19 statistics, describe what this shows, and how you put it  
20 together.

21 A This is a year-by-year comparison looking at  
22 the reasons for leaving, and the reasons are listed in  
23 the far left-hand corner. And then each year is in the  
24 subsequent column, and then each year is in subsequent  
25 columns. This information was derived from information

1 in our payroll system about why people left.

2 Q Assessed by you to prepare this chart?

3 A Yes.

4 Q So it wasn't someone else? You, in person, did  
5 this analysis; correct?

6 A Yes.

7 Q Okay. The third column down, "Resignations to  
8 go to other police departments." Do I understand that's  
9 what that reflects?

10 A Yes.

11 Q And if I understand it correctly, since 2003,  
12 no one has left to go to another police department?

13 A That is correct.

14 Q Was there one employee who followed a spouse to  
15 the Sierra Foothills and joined a police department  
16 there?

17 A Yes.

18 Q And that's not reflected here?

19 A No, that is reflected in resignation move.

20 Q With regard to the next column down,  
21 "Resignation, other job, local, private." How would  
22 you -- how would you determine that that's where  
23 somebody went in looking at City information?

24 A We look at the -- the personnel action form,  
25 when a person leaves, is coded, and that's one of the

1 reasons that the department uses when they give us a  
2 personnel action form to notify us that an employee is  
3 leaving.

4 Q Okay. So the totals for '03, '04, those  
5 numbers that appear kind of in the middle there, those  
6 were the total departures from the department in those  
7 respective years; correct?

8 A Yes, that is correct.

9 Q Now, below that, it says "resignations." Now,  
10 are those different than what appears up above, or it is  
11 just another analysis of something that appears up  
12 above?

13 A It is another analysis of what appears above.  
14 It is looking at just the resignations. It does not  
15 count service retirement, disability retirement and  
16 terminations.

17 Q Okay. Now, so the totals under "total  
18 resignation" would be resignations from the police  
19 officer bargaining unit, zero in '03, two in '04, three  
20 in '05, one in '06, zero in '07. Do I understand that  
21 right?

22 A Yes, that is correct.

23 Q And those are, if you will, voluntary  
24 resignations; right?

25 A Yes, that is correct.

1 Q Okay. And the next column says "turnover."  
2 That is calculated based only on the resignations;  
3 right?

4 A That is correct.

5 Q What are those percentages?

6 A That is a percentage that divides the total  
7 number of resignations by the number of authorized  
8 positions in the bargaining unit.

9 Q Okay. And then "Citywide turnover," the last  
10 column in the box, is that resignations only?

11 A Yes, that is also just resignations.

12 Q Okay. And what do those percentages reflect?

13 A They reflect the number of resignations divided  
14 by the number of authorized positions in the budget.

15 Q Okay.

16 A Citywide.

17 Q So do I understand this correctly that turnover  
18 in the police department bargaining unit is lower than  
19 it is -- is lower every year than it is in the rest of  
20 the City?

21 A Yes, that is correct.

22 Q What's the bottom box?

23 A The bottom box looks at where new hires have  
24 come from. First, looking at police officer, in 2006,  
25 we hired one officer from another local, public agency,

1 another police department. And in 2007, we hired three.

2 In 2006, we hired three from out of the area, other  
3 public agencies. In this case, it would be a police  
4 department. And in 2007, that number is one.

5 Q Okay.

6 A And the same information for cadet.

7 Q Now, explain the cadet. You've got "inhouse  
8 and local other." What local other public agency?  
9 Describe what the cadet columns mean.

10 A The cadet or inhouse is one who was promoted  
11 from another position in the police department, a  
12 nonsworn position, to attend the police academy, and  
13 then eventually become an officer. And the other was  
14 hired, I believe, from a school district. He was from  
15 another agency, not a police. Cadet would not be  
16 another police department.

17 Q Okay. The "new hires" box, are the numbers  
18 there -- where did you get the numbers?

19 A The numbers are from a list our H.R. specialist  
20 keeps of new hires.

21 Q A regular City report?

22 A Yes.

23 Q Okay. Kept --

24 A Kept in our office.

25 Q -- in your office?

1           So to the best of your knowledge, these numbers  
2   on the new hires are accurate based on the report you  
3   get from H.R.?

4           A     Yes.

5           MR. WHITMORE:  Nothing further for Ms. Jenny at  
6   this time.

7           THE ARBITRATOR:  Cross-examination?

8           MS. BERRY WILKINSON:  Could I have a minute  
9   before I do so, please?

10          THE ARBITRATOR:  Sure.  Off the record.

11                   (Pause in the proceedings.)

12          THE ARBITRATOR:  Back on.

13          MS. BERRY WILKINSON:  I am going to reserve the  
14   right to respond to the pages related to the comparable  
15   city analyses, and the data that is used there and the  
16   percents from the average.  I had previously asked the  
17   City to provide their comparable materials, and of that,  
18   I only received two pages, and here there's  
19   substantially more than two pages, so I haven't had a  
20   chance to look at it.  So I will have to do that at a  
21   separate time in order to respond with respect to that  
22   material.

23                 I will object to what's been marked as 6-34  
24   through 6-37, which are the two newspaper articles as --  
25   not at all relevant.  They pertain not at all to any of

1 the listed agencies that any of the groupings are using  
2 for the purposes of comparison, and they bear no  
3 relationship whatsoever to San Luis Obispo, and that  
4 data material demographic, et cetera, financial solidity  
5 of the cities. And so as a consequence, the material  
6 included in there is entirely irrelevant.

7 Not to mention that, certainly, they could have  
8 surveyed every agency in the State of California to see  
9 what level of raise, but no, they selected out Lompoc  
10 and Morro Bay, and it just seems to me to be arbitrary  
11 in the extreme.

12 MR. WHITMORE: Can I respond to that?

13 THE ARBITRATOR: Absolutely.

14 MS. BERRY WILKINSON: So therefore, I would  
15 object.

16 MR. WHITMORE: My response is: These are two  
17 local police agency settlements. They are within the  
18 last two months, October and November. I suggest that  
19 it is relevant.

20 In the Morro Bay article, page 2, there is even  
21 a survey done there, which includes the City of San Luis  
22 Obispo, second highest paid agency in the county, unless  
23 you look at top step, in which case it's even higher  
24 than sheriff.

25 I believe it is relevant. I do concede these

1 are newspaper articles, and you can't always believe  
2 what you read in the press, but they have some bearing,  
3 and it is, I think, relevant to how an arbitrator should  
4 look at the vast body of evidence including local,  
5 recent settlements.

6 Counsel is correct. We could have gone and  
7 gotten settlements from all over the state, but a couple  
8 of local ones that appeared in recent newspapers are  
9 certainly not irrelevant. We agree they're not on the  
10 lists that are being discussed. I said that. That  
11 doesn't mean it's irrelevant. They still have some  
12 bearing on how we think the salary issue should be  
13 adjudicated.

14 THE ARBITRATOR: All right. I think we have  
15 rather broad rules of admissibility. I don't want to  
16 duly restrict the City from presenting whatever evidence  
17 it feels necessary to support its argument. There's  
18 always a consideration of relevance, but since these are  
19 local agencies, they would have some tangential bearing  
20 on what we're doing here, with the understanding, of  
21 course, that these are not comparable agencies that the  
22 City has chosen, however, POA has chosen.

23 MS. BERRY WILKINSON: Then, I have another --

24 THE ARBITRATOR: Except I just need to clarify,  
25 who is this guy Strobridge referred to?

1 MS. BERRY WILKINSON: It seems to me that that  
2 would be the sole reason why these were entered into  
3 evidence, but I was going to --

4 MR. WHITMORE: It's his evil twin.

5 MS. BERRY WILKINSON: -- save editorial  
6 commentary for another point in time.

7 THE ARBITRATOR: All right. At some informal  
8 point in time.

9 MS. BERRY WILKINSON: I also wanted to lodge an  
10 objection to what's been marked as City Exhibits 6, 18,  
11 19, 20 and 21, which are the salary comparisons based on  
12 the general management compensation study comparable  
13 cities. I note that it reflects, as well, the  
14 background data for 6-3 and 6-4, which I object to in  
15 part.

16 And my objection related to 6-18 through 6-21  
17 relates specifically to the fact that the criteria being  
18 used in the general management compensation study  
19 includes San Luis Obispo County, which pursuant to San  
20 Luis Obispo Charter Section 1107 would not be admissible  
21 and not be material which can be relied upon, because in  
22 the Charter Section specifically, the City is only  
23 permitted, and the arbitrator is only permitted to  
24 consider data and material related to comparable cities.

25 San Luis Obispo County, therefore, is an

1 invalid piece of data to be using in these proceedings,  
2 and because it is a part of a whole in -- which is being  
3 used as 6, 18, 19, 20 and 21, those documents are  
4 specifically prohibited, and to the degree that 6-4 and  
5 6-3, in their summary charts include compensation study,  
6 2007, list, which would be this lovely, sort of off  
7 teal, blue, light, I don't know what color it is, that  
8 was used. It's reflected in the one chart, and again in  
9 the 6-3 and 6-4 chart.

10 The data with respect to that section should  
11 also be excluded from use, because it is invalid data,  
12 and so therefore is inadmissible in this proceeding.

13 MR. WHITMORE: Can I have a minute, please?

14 THE ARBITRATOR: Sure. Off the record.

15 (Recess.)

16 MR. WHITMORE: Okay. Back on the record.

17 THE ARBITRATOR: Back on.

18 MR. WHITMORE: We would offer a stipulation to  
19 do the same analysis removing the County.

20 MS. BERRY WILKINSON: I do not believe that  
21 that is appropriate. I believe that they should be -- I  
22 believe that to the degree that the City is attempting  
23 to utilize a set of comparable data as a totality,  
24 merely the removal of the County, I believe that the  
25 entire usage of this -- it's got a specific name, and

1 now I've forgotten it.

2 MR. WHITMORE: General management --

3 MS. BERRY WILKINSON: General management  
4 compensation list in and of itself is invalid because of  
5 the inclusion of the County. It is a comparison set,  
6 which is not the comparison set which the City has put  
7 forward as the one that it is relying upon that as the  
8 Fire set. It is being used to supplement, as I  
9 understand it, the material and the bases for their use  
10 of the Fire list. Selecting out a portion of a list is  
11 not an appropriate way to go. The entire thing should  
12 be stricken.

13 MR. WHITMORE: If that's your position, and the  
14 stipulation is not acceptable, we would ask that the  
15 entire list be received, and the analysis that it's  
16 based on.

17 What we -- you've heard testimony already that  
18 there are only three lists that the City knows of that  
19 have been used in the last five years to assess  
20 compensation, benefit pay and benefits in the City. In  
21 dealing with negotiation issues, this is one of the  
22 three that has been used. And that is the reason that  
23 we have set it forth. It's not the one we're proposing.  
24 That's correct. And it's not the one the Association is  
25 proposing.

1           If you look at the existing language in the  
2 existing contract, it says that agencies to be used for  
3 review of compensation shall be the same survey agencies  
4 as the City uses for other City employees. It doesn't  
5 say, "The same survey cities as the City uses."

6           I think our submitting this list is consistent  
7 with what the current contract says, and the extent to  
8 which the inclusion of the County creates a problem. It  
9 seems to me that would go to its weight and not the  
10 admissibility of the fact that this is one of the three  
11 lists used.

12           THE ARBITRATOR: I'm inclined to agree with  
13 Mr. Whitmore. I mean, even if you struck San Luis  
14 Obispo County, that one element does not unduly skew the  
15 data in the survey study. And I'm supposed to not only  
16 rely on comparable cities, comparable agencies for law  
17 enforcement, but also make internal comparisons, and see  
18 how the proposed increases measure up to those already  
19 given within the City itself.

20           Now, certainly your point is well taken that  
21 the County should not be included in the survey because  
22 of the language in the chart regardless of what the  
23 contract may say.

24           But certainly, this is a basis for the salary  
25 survey that was conducted in units, other than the one

1 involving public safety. And so for that reason alone,  
2 it has some relevance to what we're doing here.

3 And again, I'll point out that San Luis Obispo  
4 County is just -- at first blush, is somewhere right in  
5 the middle of everybody else. It's not on the extreme.  
6 And I could readily understand taking a strong position  
7 if such were the case, but it doesn't really change  
8 things that much taking it out of there.

9 MS. BERRY WILKINSON: I would address that and  
10 Mr. Whitmore's comments in several different ways. I  
11 did not object to City Exhibit 6-5, which is the  
12 internal comparison of salary increases of the different  
13 units. That, from the standpoint of the obligation of  
14 the arbitrator to consider all of the various factors,  
15 even though those salary increases may have been based  
16 upon comparable jurisdictions which are impermissible  
17 with respect to police, I do not believe that how they  
18 got to their raises is something that goes to the  
19 validity of the consideration of what raises they got in  
20 comparison to what raises the police unit should get.

21 However, that's not what this data that the  
22 City is trying to use in its comparisons is for.  
23 They're not providing us with the backup data to support  
24 why they gave these folks 2 and 3 percent, and how they  
25 compare within those jurisdictions that are deemed

1 comparable to the general management unit.

2           They're applying the general management unit  
3 agencies to the police. And while the Memorandum of  
4 Agreement may allow the City to give consideration to  
5 those comparabilities that are used for other City  
6 bargaining units with respect to the Charter Section,  
7 the Charter Section is specifically referenced in the  
8 Memorandum of Agreement. The Charter Section is  
9 separate and independent and stands alone and binds  
10 these particular proceedings.

11           So to the degree that the inclusion of the  
12 County infects the data that is being used for  
13 comparison purposes, it should be excluded as the  
14 Charter does not permit that to occur at all.

15           So whether they use data for other  
16 organizations that is invalid has no real bearing in  
17 this circumstance. And the internal comparison issue is  
18 certainly one which is addressed by virtue of another --  
19 another exhibit that the City has introduced.

20           It is specifically because of the very plain  
21 language of the Charter, and the City's effort to erode  
22 out what was a voter-approved process for the police,  
23 specifically, by the inclusion of the County. We would  
24 object.

25           MR. WHITMORE: If I could respond?

1           THE ARBITRATOR: Well, I'm not sure it's going  
2 to be necessary, because what my attitude is towards  
3 this is that if the figures for other bargaining units  
4 were derived at totally arbitrarily, that would be a  
5 reason to say that we shouldn't be using them as a point  
6 of comparison with the various salary proposals that we  
7 have for the police department.

8           If for no other reason, this demonstrates that  
9 there was some thought put into devising a management  
10 and a general bargaining unit compensation scheme, and  
11 that it was not totally arbitrary. It was not a number  
12 they pulled out of the air. And it provides a basis for  
13 the City, at least, to contend that this is a valid  
14 comparison. When you're comparing the increase that  
15 they're proposing, you should compare to increases that  
16 exist within the City. So I can understand from that  
17 standpoint.

18           Now, as far as the language of the Charter is  
19 concerned and restricting the evidence that comes from  
20 agencies that are not cities, certainly when it comes  
21 for the external comparisons to be made, then you're  
22 quite right. They can't be made on that basis.

23           MR. WHITMORE: But that's not what the Charter  
24 says. I just pulled it out to read it.

25           THE ARBITRATOR: Well, that's what the contract

1 said. The Charter --

2 MR. WHITMORE: No, she's relying on the  
3 Charter.

4 MS. BERRY WILKINSON: It says, "similar  
5 services and comparable cities."

6 MR. WHITMORE: It says, "But not limited to  
7 comparison of terms and conditions of employment and  
8 comparable cities." "But not limited to," and up above,  
9 it says, "The Board will take into" -- "will consider  
10 factors traditionally taken into consideration in  
11 determining wages." It isn't a limitation. In fact, it  
12 says, "but not limited." Counsel has misread and  
13 misinterpreted the Charter.

14 MS. BERRY WILKINSON: I would disagree, and I  
15 do believe that the --

16 THE ARBITRATOR: Well, we're devoting a lot of  
17 time to this particular issue, which is rather ancillary  
18 to what we need to proceed forward on.

19 And I can just say that for the Association's  
20 purposes, the data that may come out of San Luis Obispo  
21 County really does not have that great of impact on the  
22 overall scheme of things.

23 MS. BERRY WILKINSON: Regardless of what a  
24 first blush, and as I said before, I have never seen  
25 this document until today. Despite having asked for the

1 City to produce comparable data, they only produced data  
2 related to Fire. They did not produce data related to  
3 anything else.

4           Regardless of what a first blush it may be and  
5 disagreeing with Mr. Whitmore's reading of the Charter,  
6 there is one thing that I wanted to identify, and that  
7 is that this is not a comparison that supports the data  
8 used to create City Exhibit 6-5, which is the internal  
9 comparison. This chart does not purport to reflect why  
10 it is reasonable that the general management unit got  
11 the raises that they received.

12           THE ARBITRATOR: I thought I addressed that  
13 point. It demonstrates that what they did in the  
14 general management area was not arbitrary.

15           MS. BERRY WILKINSON: No, it doesn't address  
16 that at all. It applies the criteria used for the  
17 general management unit to the police unit. This has  
18 nothing to do -- this doesn't tell us anything at all.

19           THE ARBITRATOR: I'm not willing to go that  
20 far. I'm not. All -- my -- the way I put this together  
21 logically is that they may say, or they may argue to me  
22 that I should make this internal comparison between the  
23 police and other units, not public safety units, and  
24 this is the basis on which that number was derived. And  
25 they will assert that it wasn't just a number they

1 pulled out of the air. That they did salary surveys,  
2 and this is what the salary surveys were, and this is  
3 what they resulted in, and this is how they derived at  
4 what the percentage increase should be.

5 So for that basis, and not for the basis of  
6 comparing what you are proposing versus somebody -- what  
7 other people are being compensated, for that purpose,  
8 it's pertinent to have that in the record.

9 I'm sure that the City is not going to assert  
10 that this should be the data set that's used in its  
11 argument on comparability for what the POA should get as  
12 a result of these proceedings.

13 MS. BERRY WILKINSON: My objection stands. And  
14 as I hear your comment, it's overruled?

15 THE ARBITRATOR: Yes, you're very precious.

16 MR. WHITMORE: Thank you.

17

18 CROSS-EXAMINATION

19

20 BY MS. BERRY WILKINSON:

21 Q I do have some questions, Ms. Jenny, for you on  
22 what's been marked Exhibit 6-38, which is the document  
23 related to turnover statistics. If I understood your  
24 testimony correctly, and I struggled with it a little  
25 bit, so I wanted to make sure that I got it accurately,

1 so bear with me, please, if you would.

2 Down here where you were talking about the  
3 turnover rate, you were only using, as your criteria for  
4 calculating that percentage, the number of resignations,  
5 not reasons for leaving for other purposes; correct?

6 A That is correct.

7 Q So it's not designed by any stretch of the  
8 imagination to reflect the percentage of vacancies that  
9 have to be filled by the department by virtue of people  
10 leaving for any other reason than resignation; correct?

11 A That's correct.

12 Q Now, when you talk about the citywide turnover  
13 rate, does the citywide turnover rate include only  
14 resignations?

15 A Yes.

16 Q Did you, at all, examine the question of what  
17 the citywide turnover rate was for reasons of leaving in  
18 general, not specifically limited to resignations?

19 A No, I only looked at resignations.

20 Q Does the City track in the same way for all  
21 City employees the reasons for leaving, other than  
22 resignation, as reflected here on City Exhibit 6-38?

23 A I'm not sure.

24 Q You have here on City Exhibit 6-38 -- I deduced  
25 from the puzzled expression you did not understand my

1 question, so I'm going to see if I can help to clarify  
2 it a little bit.

3 City Exhibit 6-38 lists as reasons for leaving,  
4 service retirement, disability retirement, resignations  
5 in four separate kinds of categories, and then  
6 termination probationary. Now -- is that correct?

7 A That is correct.

8 Q So there are three categories independent of  
9 resignation which have been tracked, as I understand  
10 your testimony, within the police department for reasons  
11 why people have left or vacated positions; correct?

12 A Yes.

13 Q Does the City track, similarly, reasons other  
14 than resignation for employees outside of the police  
15 department?

16 A Yes.

17 Q And so the data is available to assess how many  
18 people vacated positions within the City in its entirety  
19 regardless of the reason; correct?

20 A Yes.

21 Q Now, are these reasons listed here on City  
22 Exhibit -- but you didn't do that particular analysis;  
23 right?

24 A I did not.

25 Q Okay. This exhibit here, 6-38, it has these

1 various categories, the seven total reasons for leaving.

2 Are there others that are tracked by the City?

3 MR. WHITMORE: In addition to these seven?

4 THE WITNESS: In addition to these seven?

5 BY MS. BERRY WILKINSON:

6 Q Is this an exclusive list or --

7 A No, this is not an exclusive list.

8 Q What are some of the other reasons for leaving  
9 that are tracked by the City?

10 A Layoff, assignment complete.

11 Q What does that mean, "assignment complete"?

12 A When someone -- similar to a layoff. When  
13 someone has completed the assignment. Typically that's  
14 used for a temporary position.

15 Q They've been hired for a particular purpose,  
16 and that purpose no longer exists?

17 A Yes.

18 Q Or has resolved itself?

19 Are those particular categories excluded from  
20 this list because there were -- for any particular  
21 reason?

22 A There were no people in those categories.

23 Q I noted that you included "resignation, other  
24 police department." There were no people within that  
25 category at all. That was included; correct?

1 A Yes.

2 Q But of the other reasons for leaving, if they  
3 were excluded from this list, it was because there was  
4 nobody who fell within that particular reason?

5 A Yes, that's correct.

6 Q And the two, layoff and assignment complete,  
7 those are the only two that you can think of. Is it  
8 possible that there are others?

9 A There could be others.

10 THE ARBITRATOR: Discharge, for one.

11 MS. BERRY WILKINSON: I did notice that  
12 missing.

13 Q Termination probationary, but not termination  
14 of a --

15 A Discharge, yes.

16 Q Were exit interviews done with the employees  
17 who resigned and moved on to other police departments;  
18 do you know?

19 A Yes, they were done by the police department,  
20 not in human resources.

21 Q And it was from that exit interview that the  
22 reason for leaving was given to the human resources  
23 department, as I understood your testimony?

24 A Yes, that's how the department would code the  
25 personnel action form.

1 Q Did you check those exit interviews to  
2 determine whether salary or compensation was --

3 THE ARBITRATOR: Well, nobody left to go to  
4 another police department.

5 MR. WHITMORE: Correct.

6 MS. BERRY WILKINSON: There was a resignation  
7 move, which Mr. Whitmore clarified the person did move  
8 to another police department.

9 THE ARBITRATOR: Right, I thought Ms. Jenny  
10 explained that.

11 MS. BERRY WILKINSON: Well, Mr. Whitmore opined  
12 that it was an individual who went to the Sierra  
13 Foothills to follow a spouse.

14 THE ARBITRATOR: Right.

15 MS. BERRY WILKINSON: But there was no evidence  
16 from Ms. Jenny.

17 THE ARBITRATOR: Whither thou goest, I shall  
18 go. Not you, just in general.

19 MS. BERRY WILKINSON: I was going to say, my  
20 husband might have a problem with that, but, you know,  
21 for the sake of argument, I guess.

22 THE ARBITRATOR: Part of the vows, I guess. I  
23 can't get out of it now.

24 BY MS. BERRY WILKINSON:

25 Q Was any effort made to determine whether

1 compensation was a factor in that resignation move, as  
2 well?

3 A I do not know.

4 Q But you did not make any such effort?

5 A No. No, I did not. I looked at the personnel  
6 action form for what was coded on the form.

7 Q Now, you have concluded your data here on  
8 turnover statistics in 2007, and I note that there are,  
9 while it is almost impossible to predict who will leave  
10 and for what reason, service retirement tends to be one  
11 which there can be some guesstimation with reasonable  
12 certainty. Did you project outward and forward the  
13 anticipated service retirements beyond 2007?

14 A No, I did not.

15 Q What about disability retirements?

16 A No, I didn't.

17 Q So these would only be disability retirements  
18 that actually occurred as opposed to people injured and  
19 with disability retirements pending; correct?

20 A That's correct.

21 Q Now, to calculate the turnover rate, could you  
22 explain to me how you did that calculation?

23 A The standard calculation used in human  
24 resources, you take the number of -- in this case the  
25 number of resignations divided by the number of

1 authorized positions to get a percentage.

2 Q And what was the number of authorized positions  
3 that you used?

4 A I believe it was 62 and a half. If I could  
5 check, I could get that information for you.

6 Q Thank you.

7 A Yes, it was 62 and a half.

8 Q Okay. And that is total positions within the  
9 City police department?

10 A POA positions.

11 Q Unit positions?

12 A Unit positions, yes.

13 Q Do you know how many of those particular  
14 positions are sworn police officers?

15 A Sworn officer, 44, I believe. Yeah, 44.

16 Q And then here, when you listed your sources of  
17 new hires as out of area, other public agency, you  
18 listed three. Do you see that down there on Exhibit  
19 6-38?

20 A Yes.

21 Q What were the three out of -- other public  
22 agencies?

23 A I don't know.

24 Q So you did not --

25 A They were just on a list that said that was the

1 reason -- I mean that was the source. I did not go back  
2 and look at specifically where they came from.

3 Q And the same would be true, then, I take it,  
4 for what the single, local, other public agency was for  
5 that position that was recruited?

6 A Yes, that's correct.

7 THE ARBITRATOR: Off the record.

8 (Discussion held off the record.)

9 THE ARBITRATOR: Back on the record.

10 BY MS. BERRY WILKINSON:

11 Q So Ms. Jenny, as noted by the arbitrator, the  
12 numbers under local, other public agency were incorrect;  
13 is that right?

14 A The percentages?

15 Q The percentages.

16 A Right.

17 Q And so the percentage that reads 33 percent  
18 should read 25 percent; is that correct?

19 A That's correct.

20 Q And the percentage that reads 67 percent should  
21 read 75 percent; is that correct?

22 A Yes, that's correct.

23 Q Is that the same -- would that same stand true  
24 for the out of area?

25 A What are you saying?

1 MR. WHITMORE: Next line down.

2 BY MS. BERRY WILKINSON:

3 Q Next line down --

4 A Oh, yes.

5 Q -- you have 67 and 33. Would those numbers  
6 also be corrected? Instead of 67 percent, 25 percent,  
7 and instead of 33 percent, 75 percent?

8 A Yes, that's correct.

9 Q I'm sorry, I said 33 percent. 25 percent. I  
10 misspoke there. Please forgive me.

11 MS. BERRY WILKINSON: At this point, I would  
12 reserve my right to respond with respect to the rest of  
13 this data until I have an opportunity to examine it in  
14 more detail.

15 THE ARBITRATOR: Absolutely, and at whatever  
16 point that may be, if you could just --

17 MS. BERRY WILKINSON: Certainly.

18 THE ARBITRATOR: -- alert me that you've had  
19 the opportunity to look at the data in use, and that you  
20 have more questions about it.

21 MS. BERRY WILKINSON: I will do so.

22 THE ARBITRATOR: I've got a couple questions  
23 here.

24 Let me ask you something: Is -- have you  
25 worked with other cities besides San Luis Obispo?

1 THE WITNESS: Yes.

2 THE ARBITRATOR: How many other cities?

3 THE WITNESS: One other city; one other county.

4 THE ARBITRATOR: One other city and one other  
5 county. Would you be in a position to compare turnover  
6 rates?

7 THE WITNESS: I've been with the City of San  
8 Luis Obispo 12 years, so it would be...

9 THE ARBITRATOR: Okay. That's a valid reason  
10 for your being able to assess what the turnover rate  
11 here is. What are the other agencies you worked for?

12 THE WITNESS: The City of Santa Maria and the  
13 County of Orange.

14 THE ARBITRATOR: All right. And how do these  
15 turnover rates compare to the County of Orange?

16 THE WITNESS: I worked for the County of Orange  
17 17 years ago. I don't remember.

18 THE ARBITRATOR: Okay. That's fair. What  
19 about the City of Santa Maria?

20 THE WITNESS: I don't recall that we did any  
21 turnover comparisons in Santa Maria.

22 THE ARBITRATOR: Okay. Next topic. How many  
23 vacancies exist in your department?

24 THE WITNESS: I do not know. I don't do  
25 recruiting.

1 THE ARBITRATOR: Okay. Are we going to have  
2 some data on that?

3 MS. BERRY WILKINSON: I believe so.

4 THE ARBITRATOR: Okay. That's all I have.  
5 Thanks.

6 MR. WHITMORE: I have a follow-up question.

7 THE ARBITRATOR: All right.

8

9 REDIRECT EXAMINATION

10

11 BY MR. WHITMORE:

12 Q Staying with 6-38 and going to the top chart,  
13 the one dealing with turnover statistics, do you  
14 understand that any San Luis Obispo unit, POA unit  
15 member has left San Luis Obispo to go to any of the  
16 agencies listed on any of the comparability charts that  
17 have been discussed as part of Issue 38?

18 A No.

19 Q You were asked a question about to what extent  
20 salary played a role in somebody leaving. That would be  
21 a moot question with regard to other comparable agencies  
22 because nobody ever left; right?

23 A That's correct.

24 MR. WHITMORE: Nothing further.

25 THE ARBITRATOR: Anything further?

1 MS. BERRY WILKINSON: No.

2 THE ARBITRATOR: I neglected to ask you this  
3 before: These turnover statistics, are they combined  
4 sworn/nonsworn?

5 THE WITNESS: Yes.

6 THE ARBITRATOR: Do you know what the breakdown  
7 is?

8 THE WITNESS: Not off the top of my head, no.

9 THE ARBITRATOR: Okay. That's all I have.  
10 Thanks, again. I'm sure we will be hearing from you  
11 again.

12 MR. WHITMORE: She's not going to go very far  
13 away.

14 THE ARBITRATOR: All right.

15 MR. WHITMORE: Should we go off the record?

16 THE ARBITRATOR: Let's go off the record.

17 (Recess.)

18 MR. WHITMORE: Back on the record.

19 We have talked off the record about attempting  
20 to address a question that came up in the prior session  
21 regarding vacancies in the police department. And to  
22 try to address that issue, we would call Ian Parkinson,  
23 because we're tired of calling Karen Jenny as a witness.

24 MS. BERRY WILKINSON: And she didn't know the  
25 answer.

1 MR. WHITMORE: And she didn't know the answer.

2 That's the other reason.

3 THE ARBITRATOR: He insists on getting his  
4 turn.

5 MS. BERRY WILKINSON: It's only fair.

6 THE ARBITRATOR: State your full name, please.

7 THE WITNESS: Ian Parkinson.

8 THE ARBITRATOR: What is your position?

9 THE WITNESS: I'm a captain, administrative  
10 captain.

11

12 IAN PARKINSON,

13 having been first duly sworn, was

14 examined and testified as follows:

15

16 DIRECT EXAMINATION

17

18 BY MR. WHITMORE:

19 Q Ian, how long have you been with the  
20 department?

21 A Twenty years.

22 Q How long have you been a captain?

23 A Two and a half.

24 Q Okay. The issue of vacancies in sworn  
25 positions in the police department came up in earlier

1 discussions. Let me go back to -- strike that.

2 From time to time, people retire or leave for  
3 various reasons, and that creates a vacancy that's  
4 filled at some later time; right?

5 A Correct.

6 Q Let me go back to July, '07, midyear this year.  
7 What happened with regard to authorized positions in the  
8 department?

9 A We received six new, authorized, sworn  
10 positions and one nonsworn, a communications position.

11 Q And that -- you received those by City Council  
12 authorization?

13 A Correct, budget.

14 Q Budget authorization. Okay. And so at that  
15 time, once that authorization had come through, you had  
16 an instant six vacancies; correct?

17 A Correct.

18 Q Let's move forward to today. How many  
19 vacancies do you have today?

20 A Currently we have two police officer vacancies.  
21 One of which is having a chief's interview tomorrow  
22 morning for lateral. Police officer to be filled by a  
23 lateral police officer. If that works out okay, then  
24 we'll have one, but we have two currently, police  
25 officer, and we have one communications tech vacancy.

1 Q So focusing on sworn positions, there is --  
2 there's one in process, if you will, with an interview  
3 coming, literally tomorrow. No need to go to the  
4 academy; correct? That's an already authorized, sworn  
5 officer?

6 A Correct.

7 Q So we've got two today with the expectation  
8 that number will be cut in half shortly?

9 A Correct.

10 Q Okay. With regard to the others -- the other  
11 vacancies created by Council when it added six  
12 positions, did we hire laterals, entry levels? What did  
13 we do with those?

14 A Well, the majority of what we hire is lateral,  
15 experienced officers, but we mix in entry level  
16 depending on what's available in the lateral pool, and  
17 depending on what we have available in the entry pool.  
18 If we find entry candidates that -- typically, most of  
19 our entry candidates are people we know that are  
20 employees at another job.

21 We just graduated two from the academy last  
22 week. One of which was an employee at another job that  
23 we put through. The other which was a school teacher  
24 that wanted to be a police officer and left, and so we  
25 ran -- we ran a testing actually to look -- we really

1 wanted to send two at once to the academy. And they  
2 just graduated, like I said, last Friday.

3 Q Pretty common in the City of San Luis Obispo to  
4 hire lateral officers from other departments?

5 A Yes.

6 MR. WHITMORE: Nothing further.

7 THE ARBITRATOR: Cross?

8 MS. BERRY WILKINSON: Just a couple of  
9 follow-up questions.

10

11

CROSS-EXAMINATION

12

13 BY MS. BERRY WILKINSON:

14 Q Captain, you indicated that the majority of  
15 those you've hired for vacancies are laterals. Where,  
16 generally, do those laterals come from?

17 A All over. I mean, I'd have to think about it.  
18 We hired one from Lompoc recently. We've hired Morro  
19 Bay. We've hired San Luis sheriffs. We've hired Paso  
20 in the past. We've hired one recently from Torrance,  
21 San Francisco. Pretty much all over. You know, for a  
22 while we seemed to be getting mostly from southern  
23 California. Santa Barbara, both sheriffs and P.D.,  
24 we've gotten from. Probably not one particular place.  
25 I mean, that's -- those are the ones I remember offhand.

1 Oh, Long Beach. Sorry.

2 Q So easily forgotten. Thank you. Understanding  
3 that that is from memory, I appreciate that.

4 With respect to the -- those are with respect  
5 to the laterals that you have hired. Have you made  
6 offers to individuals to fill vacancies that they have  
7 declined?

8 A I recall one offer in the last, I don't know,  
9 four to five years that declined.

10 Q And do you recall what agency that individual  
11 came from?

12 A Santa Maria, I believe.

13 Q And do you recall the reason given?

14 A As it was reported to me, it was salary.

15 Q Now, there are anticipated -- or are vacancies  
16 you can reasonably anticipate within the police  
17 department of service retirements, disability  
18 retirements and alike; correct?

19 A We can try, yes.

20 Q Have you analyzed what your anticipated  
21 vacancies over the next five years are for service  
22 retirements?

23 A Yes.

24 Q What would that be?

25 A I believe we have a sergeant retiring within

1 probably six months to a year. We have an officer  
2 that -- a senior officer that's retiring. I have no  
3 dates on them. There's been no committed dates that I  
4 know. We have two dispatchers. One is a dispatch  
5 supervisor, and one is a regular dispatcher. And those  
6 are the only ones I'm aware of. Oh, and we have a  
7 nonsworn -- I don't know if that was the question, but  
8 we have a field service tech that has indicated that  
9 he's going to retire, as well.

10 Q So total from the police officers' unit,  
11 association unit, there are five anticipated vacancies  
12 in the next couple of years; would that be fair to say?

13 A Correct.

14 Q Now, when the police department received, in  
15 July of 2007, six new authorized sworn positions, did it  
16 engage in a recruitment campaign to fill those?

17 A It depends what your definition of "recruitment  
18 campaign" is. Did we advertise? Yes, but we advertise  
19 all the time for a vacancy when we have it. Some on a  
20 limited local basis. We advertise on the City website.  
21 We might advertise in a local publication like a  
22 newspaper. Generally, we don't advertise in some of the  
23 larger publications. We -- at least we haven't. We  
24 did -- we did a recruitment in October in Ontario, the  
25 COPSWest. We had a booth to try that. We've never

1     tried that before. We didn't get any applications from  
2     it, but we -- you know, we tried it out. But generally,  
3     we -- our advertisement is pretty localized.

4           Q     Pretty localized. And the COPSWest, that was a  
5     new thing for you, you said?

6           A     Right.

7           Q     And when the department returned from COPSWest  
8     with not much interest shown there, isn't it true that  
9     they represented that one of the reasons why recruiting  
10    was difficult was because of the salary issue?

11          A     I don't know who represented that, because I  
12    sat at the booth for a period of time, and I didn't hear  
13    that, but that -- very possible. I didn't hear that,  
14    but we were down in Los Angeles in that market, so it's  
15    a completely different market. So I don't know what  
16    responses were given.

17                   MS. BERRY WILKINSON: Thank you, Captain.

18           THE ARBITRATOR: I have a question, and I'm not  
19    sure whether or not it's already been answered, but were  
20    there any existing vacancies when the six new positions  
21    were authorized?

22           THE WITNESS: You know what, I think there was  
23    one vacancy at the time the six were authorized, but  
24    I -- we could have been in the middle of testing phase.  
25    But my recollection was there was one vacancy at that

1 time, and we could have been somewhere in the process of  
2 hiring that vacancy because we -- we filled a couple  
3 pretty quickly.

4 THE ARBITRATOR: So you were basically up to  
5 full complement when the new positions were authorized?

6 THE WITNESS: We were close.

7 THE ARBITRATOR: Yeah, okay.

8 THE WITNESS: We were close.

9 THE ARBITRATOR: And this nonsworn position, is  
10 that the communications tech vacancy that currently  
11 exists?

12 THE WITNESS: I'm sorry, the vacancy, the  
13 communications tech? Oh, the position? No, that was  
14 actually filled. We were up to strength, but the person  
15 that was in training, it didn't -- it didn't work out.

16 THE ARBITRATOR: Okay. So the nonsworn  
17 position that was authorized was not a communications  
18 tech position?

19 THE WITNESS: Yes, it was. I'm sorry. The  
20 position -- the additional position that was authorized  
21 was a communications tech position.

22 THE ARBITRATOR: And somebody was hired but  
23 didn't work out?

24 THE WITNESS: Correct.

25 THE ARBITRATOR: Okay. That's all I have.

1 Thanks.

2 MR. WHITMORE: I have a follow-up.

3

4 REDIRECT EXAMINATION

5

6 BY MR. WHITMORE:

7 Q You indicated that you had some recollection  
8 that an individual who turned down an offer here in San  
9 Luis Obispo had said -- or you had heard that it was  
10 because of salary; is that right?

11 A Correct.

12 Q You had no personal knowledge of whether or not  
13 that was the reason the individual turned down the job?

14 A That is correct.

15 Q With regard to that individual, do you have any  
16 knowledge about whether that person, earlier in the  
17 testing process, had missed some tests and had other  
18 problems?

19 A Yes, that was actually the third test -- or the  
20 third time they had applied. Two others they withdrew  
21 prior to the interview. And so this was the third time  
22 they actually had gone through the testing process.

23 MR. WHITMORE: Okay. Nothing further.

24 THE ARBITRATOR: Anything further?

25 MS. BERRY WILKINSON: I have nothing.

1 THE ARBITRATOR: Thank you very much. Witness  
2 is excused.

3 At this point, I believe we're ready to go  
4 forward with the Association's presentation.

5 MS. BERRY WILKINSON: We will. We are going  
6 to, however, quickly start with Issue 5, which is the  
7 top step benchmark, police officer benchmark, and so I  
8 would call Dale Strobridge for that.

9 THE ARBITRATOR: I'll remind you,  
10 Mr. Strobridge, you are still under oath. You have a  
11 long swear here.

12 THE WITNESS: Yes, sir.

13

14 DIRECT EXAMINATION

15

16 BY MS. BERRY WILKINSON:

17 Q Mr. Strobridge, if you would turn to the City's  
18 Exhibits 5-21 and 5-2, which relate to the Police  
19 Officers Association proposal that the top step police  
20 officer classification be designated as the benchmark  
21 for all classifications with the Police Officers  
22 Association unit. You were present here earlier today  
23 when these exhibits were admitted; correct?

24 A That's correct.

25 Q And you were present when Ms. Jenny testified

1 with respect to City Exhibit 5-2, the chart sheet  
2 prepared?

3 A Yes.

4 Q Starting with City Exhibit 5-1, which on the  
5 bottom of it includes the POA's proposal which states,  
6 and I quote, "Top step police officer designated as  
7 benchmark for all classifications." That wasn't  
8 Association's proposal during negotiations; correct?

9 A Yes, but moreover, I understood it to be a  
10 mutual understanding during negotiations.

11 Q My question to you, Mr. Strobridge, is: Why is  
12 it -- why is the Association's proposed placing in the  
13 MOU the designation of top step police officer the  
14 benchmark for all classifications?

15 A It's to memorialize the practice for,  
16 basically, the last 30 years that salary increases apply  
17 equally to all classes.

18 Q Has the Association ever segregated out the top  
19 step police officer as the benchmark for any of these  
20 classifications within its unit?

21 A I'm not sure I follow the question.

22 Q That's fine. You indicated that you were  
23 memorializing a 30-year, is that what you said, history?

24 A Yes.

25 Q And could you describe for me, please, that

1 history, and what your understanding of it is?

2 A Yes, and -- the history applies to the salary  
3 increases that occurred during the terms of either MOUs  
4 or MOAs subject to bargaining, and the practice of equal  
5 application of the salary increases to all classes with  
6 very few exceptions, and those exceptions would be  
7 equity increases.

8 Q Turning to what's been marked as City Exhibit  
9 5-2.

10 A Yes.

11 Q What's been marked as City Exhibit 5-2, there's  
12 a listing here, as testified to Ms. Jenny, of the  
13 various different cities.

14 The question asked, "Does bargaining unit  
15 include nonsworn classification? If nonsworn are  
16 included, do they receive the same salary as a sworn?"

17 Do you see that there?

18 A I do.

19 Q On that list is San Luis Obispo County; is that  
20 correct?

21 A That's correct.

22 Q And you are currently, simultaneously, the  
23 president of the San Luis Obispo Deputy Sheriffs'  
24 Association; correct?

25 A That's correct.

1 Q And you currently work for the San Luis Obispo  
2 Sheriffs Department; is that correct?

3 A Yes, I do.

4 Q And you hold the classification of sergeant?

5 A I do.

6 Q Is that a correct answer to the question:  
7 "Does the bargaining unit for the Deputy Sheriffs'  
8 Association include nonsworn classifications?"

9 A Yes, it is.

10 Q With respect to the second question: "If  
11 nonsworn are included, do they receive the same salary  
12 increase as a sworn?"

13 Do you see the answer there as, "No"?

14 A I do.

15 Q Is that a correct answer?

16 A It's erroneous.

17 Q Explain why.

18 A San Luis Obispo County has a prevailing wage  
19 ordinance that's been on the books for some 30 years. I  
20 just concluded the negotiations for the Deputy Sheriffs'  
21 Association in accordance to the prevailing wage formula  
22 ordinance, and the top step deputy sheriff  
23 classification is used for a benchmark for all  
24 classifications within the Deputy Sheriffs' Association,  
25 which includes all sworn in a number of classifications

1 of miscellaneous or nonsworn employees, including  
2 dispatchers, crime prevention, property officers and  
3 such, and that pay raise was based on the formula that  
4 was equally applied. Top step deputy sheriff benchmark  
5 6.84 percent across the board to include a \$75 increase  
6 in the healthcare cafeteria contribution, and that's  
7 formulized.

8 And since the Deputy Sheriffs' Association  
9 prevailed in litigation against the County of San Luis  
10 Obispo in the interpretation of that, dating back to  
11 circa 1988, that's been equally applied since that time.

12 MS. BERRY WILKINSON: I'm handing  
13 Mr. Strobridge what's been marked as Association Exhibit  
14 76. And I'm going to note that Association Exhibit 76  
15 is out of order from the exhibit numbers we ended at  
16 last time, and that's because we premarked some other  
17 exhibits which will be introduced shortly, but we have  
18 marked this one as Association Exhibit 76, and it goes  
19 to Issue Number 5.

20 Q Mr. Strobridge, do you recognize this document  
21 that's been marked as Exhibit 76?

22 A Yes, I do.

23 Q What is it?

24 A It's a spreadsheet analysis of the salary  
25 increases that have occurred since the MOA of July 1,

1 2004, through December 31st, 2005, in corresponding on  
2 down the spreadsheet dating all the way back to July 1  
3 of 1979.

4 Q How was this document prepared?

5 A By researching each of the specific MOU or MOAs  
6 for San Luis Obispo Police Officers Association.

7 Q And what was the -- what did this document show  
8 when you did that research?

9 A The research that I conducted and represented  
10 here in this document indicates that the top step police  
11 officer benchmark salary increase was applied relatively  
12 across the board, equally to that of miscellaneous  
13 classifications that were represented.

14 There are a few exceptions. For example, in  
15 January, 2005, there was an exception of an additional  
16 5 percent record clerk equity adjustment. That stands  
17 out differently.

18 Q Would you identify where that is on the page?

19 A That's in the first corresponding block July 1,  
20 2004, December 31st, 2005. Slide over to the third  
21 column under "miscellaneous percent increase."

22 Q And that's where it says "record clerk equity  
23 adjustment"?

24 A Yes.

25 Q Please go on.

1           A     And then following in the next block, the  
2     July 1, 2000, through June 30, 2004, MOA, which was the  
3     arbitration settlement, that would be across the board.  
4     Salary increases are somewhat different with respect to  
5     the trigger dates.  However, the total increase for  
6     sworn -- forgive me on my quick math here -- I believe  
7     was 19 percent as opposed to 20 percent for  
8     miscellaneous.

9                     And the rationale being, at that time, there  
10    were two benefit increases that corresponded within the  
11    framework of that MOA, and that was implementation of  
12    350 benefit for safety employees and the 2.7 at  
13    55 benefit for miscellaneous employees.

14          Q     And was it as a result of that increased  
15    benefit that there's a 19 percent and a 20 percent  
16    segregated out, the difference between sworn and  
17    nonsworn?

18          A     Yes, there was an offset during bargaining to,  
19    in effect, pay for the 350 -- or to recognize the cost  
20    of the 350 benefit.

21          Q     So the 1 percent less in the total salary  
22    adjustments received by the sworn was due to the  
23    additional costs of the 350 benefit?

24          A     Yes.  And what's not represented in -- under  
25    miscellaneous percent increase, is -- my recollection is

1 there was a 2 percent offset midcontract with a side  
2 letter agreement in respect to acquiring the 2.7/55  
3 benefit. I'm relatively confident that's accurate. I  
4 just don't have that document to --

5 Q To verify?

6 A To verify.

7 Q Now, the record -- I'm sorry. Go on. You were  
8 talking about with respect to the distinctions in  
9 compensation using the top step police officer as  
10 benchmark.

11 A In the third block, July 1, 1998, through  
12 June 30, 2000, you'll notice that the salary increases  
13 were equal across the board with the exception of July,  
14 1999. There was a 2 1/2 percent equity increase for  
15 police dispatchers in consideration for acquiring  
16 certification for emergency medical dispatch. And that  
17 also corresponded to our field service techs at that  
18 time.

19 Q What is that certification for emergency  
20 medical dispatch?

21 A This was a recent qualification that came  
22 down -- I don't believe it was mandated, but it was an  
23 optional certification which allows our dispatchers on a  
24 911 call to provide or opine medical advice to someone  
25 suffering a medical condition, or someone calling on

1 behalf of someone suffering a medical condition. And  
2 it's in accordance to a very strict medical protocol.  
3 The program was subscribed to under this EMT program.

4 Q And you characterize that as an equity  
5 adjustment?

6 A Yes.

7 Q Why?

8 A Increased responsibility and liability to  
9 employee.

10 Q Now, I note here that you have both in the  
11 first MOA, the July 1, 2004, to December 31, 2005, the  
12 record clerk equity adjustment, and then you have the  
13 dispatch equity adjustment due to the emergency medical  
14 dispatch certification in the 1998 to 2000 MOU. Other  
15 than those equity adjustments, were there other  
16 circumstances where distinctions were made in terms of  
17 the classifications?

18 A Yes, and they all applied to the miscellaneous  
19 classifications. As an example, the bottom block,  
20 July 1, '84, through June 30, 1985, there was an equity  
21 increase for crime prevention and com tech twos, an  
22 additional four ranges, and com tech one, two additional  
23 ranges. A range is 2.63 percent.

24 Q Other than to provide equity adjustments based  
25 on either changes in duties and responsibilities or --

1 to go with the market, has there ever been in the  
2 history that you're aware of, in the Police Officers  
3 Association, the distinction in use between sworn and  
4 nonsworn of the top step police officer benchmark?

5 A No, I did not recall, nor was I able to  
6 quantify by my research any disparative treatment of  
7 miscellaneous from that of sworn on the salary  
8 increases, other than those equities.

9 Q Other than the equity adjustments; correct?

10 A True.

11 Q Now, when you were talking about your 30-year  
12 history earlier in your testimony, is that because you  
13 go all the way back to July 1 of 1979?

14 A Yes. Those are the only old MOAs that I had  
15 that date back to '79. The rest of it's simply on my  
16 recollection and having been involved in labor relations  
17 since -- since about 19-- -- I started in November, '73,  
18 and fortunately became involved in about 1975.

19 Q So when you say 30 years, even though there  
20 aren't 30 years of MOAs that which predated 1979, is  
21 based on your memory?

22 A Yes.

23 MS. BERRY WILKINSON: I have nothing further.

24 THE ARBITRATOR: Cross-examination?

25 MR. WHITMORE: Yes, please.

1 CROSS-EXAMINATION

2

3 BY MR. WHITMORE:

4 Q You indicated that the raises were the same  
5 unless there were equity adjustments; is that right?

6 A Yes.

7 Q But your testimony said unless there were  
8 equity adjustments or an offset for another benefit that  
9 one or the other groups was getting; right?

10 A True.

11 Q So those would be two circumstances under which  
12 they get a different raise; right?

13 A True.

14 Q Okay. If you go to July '88 to June '93 box.

15 A Yes.

16 Q Bottom half of the page, July, '88, sworn got  
17 8 percent; July, '88, miscellaneous got 6. Why?

18 A Sworn employees acquired the 2 percent  
19 50 benefit, and as my memory serves, had to give back  
20 10 percent in consideration for that benefit.

21 Q So that was the reason the raises were  
22 different?

23 A Yes.

24 Q Okay. January, '88, raises were different.

25 What was the reason there?

1           A       Whoops, I misspoke. No, '88 was when the  
2       250 benefit was acquired. So if you can clarify your  
3       question.

4           Q       I was just wondering why --

5           A       Actually, let me clarify my response. The  
6       250 benefit was acquired during the term of July 1, '85,  
7       through June 30 of '88 contract, and it was an offset.

8           Q       Okay. To go to '88, they're different raises  
9       in July, and they're different raises in January. I was  
10      curious the reasons why they're different.

11          A       Are you indicating the July 1, '85, through  
12      June 30, '88?

13          Q       No.

14          A       Okay. I'm sorry.

15          Q       July, '88, to June, '93. In July, '88, sworn  
16      got 8 percent; miscellaneous got 6; why the difference?

17          A       I don't recall.

18          Q       In January, '88, sworn got nothing;  
19      miscellaneous got 6; why did they get different raises?

20          A       Again, I don't recall. I'd have to add the  
21      total. I think the totals equate similarly across the  
22      board in that contract.

23          Q       Okay. July 1, '79, we got a 2.63 adjustment  
24      for miscellaneous that sworn did not get, and there  
25      was -- you offered a reason for that; right?

1 A Yes.

2 Q Okay. Let's go back to the first box, July 1,  
3 '04, December 31, '05.

4 A Yes.

5 Q Miscellaneous record clerk got an adjustment  
6 that sworn didn't get; right?

7 A True.

8 Q And that had to do with -- that was an equity  
9 adjustment; correct?

10 A That's true, yes.

11 Q What was the equity adjustment based on?

12 A It was based on a survey data set. I call it  
13 the "Bay Area data set" that we used that showed the  
14 records clerk were about 5 percent behind the median.

15 Q Median of what?

16 A Records clerk survey in that Bay Area data set.

17 Q So you were linking records clerks to other  
18 records clerks and deciding what kind of raise they  
19 should get?

20 A In direct relationship to a police officer,  
21 yes.

22 Q Okay. But the survey you referred to is a  
23 survey of record clerk salaries?

24 A True.

25 Q And so your record clerks got an equity

1 adjustment based on other record clerk salaries; right?

2 A Yes.

3 Q With regard to your contention that the  
4 Association proposal memorializes 30 years of practice  
5 of identical raises, is there a reason why you want to  
6 memorialize that, other than the fact that, according to  
7 your initial testimony, that's the way you've always  
8 done it?

9 Is there any other reason why records clerk,  
10 dispatchers should get the same raise as police?

11 A Yeah, we believe that the miscellaneous  
12 employees have enjoyed, virtually, for some 30 years the  
13 benefit of being the nexus to a -- attached to a sworn  
14 unit. And that top step police officer salary, total  
15 compensation, is typically that that is surveyed to  
16 establish what the benchmark is for classifications with  
17 very few exceptions.

18 And in July 1, 2004, we surveyed a number of  
19 classifications, and there was an inequity for records  
20 that was adjusted on that Bay Area data set.

21 Q With regard to the Association proposal that  
22 top step police officer to be used as the benchmark,  
23 that would mean you wouldn't do any more surveys; right?  
24 You would just look at whatever a police officer gets?

25 A That's correct.

1 Q So the records clerks who got a 5 percent  
2 equity adjustment in the '04/'05 contract, that wouldn't  
3 happen again; right?

4 A That's true.

5 Q With regard to this -- your testimony that you  
6 were memorializing 30 years of practice of always giving  
7 the same raise, that provision using police officer as  
8 top benchmark, top step police officer as benchmark, has  
9 never been in the contract; this is a new provision you  
10 want to put in?

11 A The language is, yes.

12 Q That's what I meant.

13 A Yes.

14 Q This is a new language provision you want to  
15 put in the contract?

16 A Yes.

17 Q Can I have just a second?

18 Looking at the second box down, July, 2000, to  
19 June of 2004, July, 2003, toward the end of that box,  
20 sworn got 2 percent, miscellaneous got 5; right?

21 A I'm sorry, I lost the --

22 Q Second box down from the top.

23 A Yes.

24 Q The July 1, 2000, to June 30, 2004.

25 A Yes.

1 Q You got the right box?

2 A Yes.

3 Q Look at the bottom, the July, 2003, increase  
4 for sworn.

5 A Yes.

6 Q 2 percent?

7 A Yes.

8 Q Miscellaneous, 5 percent?

9 A Yes.

10 Q And then January, 2004, sworn gets 2 percent;  
11 miscellaneous doesn't get anything; right?

12 A Yes, which I can explain.

13 Q Okay. Go ahead.

14 A The July, 2003, 5 percent was intended to fund  
15 that salary increase in anticipation of the unit  
16 electing to opt for 2.7 at 55 benefit.

17 Q Sworn and nonsworn got different raises for the  
18 reason you have given; right?

19 A Yes.

20 MR. WHITMORE: Nothing further.

21 THE ARBITRATOR: Anything further on this  
22 issue, Ms. Wilkinson?

23 MS. BERRY WILKINSON: Apparently, in my  
24 exhibits, I forgot to attach to the back of 76 the  
25 supporting provisions of the MOU, so I marked it 76-A.

1 Those are the actual excerpts from the various MOUs from  
2 which the summary chart was created. It's the  
3 supporting data, and I only grabbed the top, and I  
4 didn't add the rest.

5 I would offer you, Mr. Whitmore, if you would  
6 like the opportunity to look at that before I close with  
7 this subject matter. I just had forgotten to attach it.

8 THE ARBITRATOR: Let's go off the record.

9 (Discussion held off the record.)

10 THE ARBITRATOR: We're back on.

11 Mr. Whitmore will naturally have the  
12 opportunity to review the information provided on the  
13 exhibits.

14 MS. BERRY WILKINSON: I will now turn to Issue  
15 38, which is the issue of comparability, but I will need  
16 just a couple of seconds to sort my exhibits.

17 MR. WHITMORE: Yeah, let's just go off the  
18 record.

19 (Pause in the proceedings.)

20 THE ARBITRATOR: We're back on the record.

21 MS. BERRY WILKINSON: I have handed  
22 Mr. Whitmore and you, Mr. Goldberg, a set of exhibits  
23 marked 60 -- Exhibit 64, which is Article 27.2 of the  
24 existing Memorandum of Agreement. Exhibit 65, which is  
25 the Association's proposed language with respect to

1 Article 27.2.

2 MR. WHITMORE: Can you hold up just a second?  
3 I don't have the numbers on mine. I want to make sure I  
4 got them correct.

5 MS. BERRY WILKINSON: We gave you a set that  
6 was numbered.

7 MR. WHITMORE: Yeah, one set that was and one  
8 set that wasn't. So 64.

9 MS. BERRY WILKINSON: And they should be  
10 exactly in the order of the package that you were  
11 handed. So Exhibit 64 is the existing language of  
12 Article 27.2, salary survey agencies.

13 Exhibit 65 is the proposed language that the  
14 Association has, Article 27.2, salary survey agencies,  
15 in which the Association is proposing that the specific  
16 list of Gilroy, Monterey, Napa, Petaluma, Pleasanton,  
17 Salinas, Santa Barbara, Santa Cruz and Santa Maria be  
18 included in the Memoranda of Agreement for comparison  
19 purposes.

20 Exhibit 66, which is a very colorful chart,  
21 which is the comparable agency data sets, which will be  
22 explained by way of testimony from Mr. Strobridge.

23 Exhibit 67, which is titled "January, 1997, to  
24 December, 2007, city wage," slash, "benefit surveys."  
25 That is a three-page exhibit. So Exhibit 61 page -- or

1 67, page 1, 2 and 3.

2 And then, we have Exhibit 70, which is a chart  
3 that indicates ranking per capita revenue.

4 MR. WHITMORE: That's the letter?

5 MS. BERRY WILKINSON: No, that's --

6 THE ARBITRATOR: No, 68 is the letter.

7 MS. BERRY WILKINSON: Yeah. And then behind it  
8 is 68. Well, in mine. I've got them out of order,  
9 sorry. Excuse me. 68 is the letter from Bachecki &  
10 Crom.

11 MR. WHITMORE: Got it.

12 MS. BERRY WILKINSON: 69 is the stapled group  
13 of per capita revenue comparison selected cities  
14 provided as the attachment to the letter from Bachecki &  
15 Crom.

16 And then Exhibit 70, which is the ranking per  
17 capita revenue, which is a summary of Exhibit 68 and 69.

18 As you are aware, the Association is proposing  
19 the inclusion, in the Memoranda of Agreement, the  
20 listing of salary survey agencies from which the wage  
21 proposals, or which should be used as one of the  
22 considerations to determine compensation. The City has  
23 put on evidence as to why it considers the Fire agencies  
24 to be the appropriate comparison agencies for this  
25 particular contract.



1 demographic data, the population and so forth.

2           It's very problematic if you do not identify  
3 the universe that when you're embarking upon  
4 negotiations is: How do you quantify a wage debate; how  
5 do you quantify a benefit change? And so therefore, it  
6 becomes the problem. And so I think it's vitally  
7 important to identify that universe.

8           Q     And is this a problem in terms of universe  
9 identification that has existed in contract negotiations  
10 between the Police Officers Association and the City?

11          A     Yes.

12          Q     Is it one limited to this set of negotiations  
13 here?

14          A     No.

15          Q     Please explain.

16          A     Virtually, every negotiation that I have been  
17 involved in with -- in the City of San Luis Obispo, we  
18 have had tremendous difficulty in identifying the  
19 universe for comparability survey data. And we have  
20 endeavored over time to incorporate the data set similar  
21 to what Fire Association has done into their MOA, and  
22 what the SLOCEA miscellaneous group have done to  
23 incorporate their data set into their MOA. And we've  
24 had minimal luck.

25                We did have some luck during the previous

1 arbitration settlement in incorporating the  
2 Gilroy 8 survey. It was the only survey that was  
3 introduced into evidence, and after four days of  
4 hearings, that was the only survey that was used to  
5 settle those negotiations was the Gilroy 8.

6 Q So based on your statement there,  
7 Mr. Strobridge, was I correct in understanding that the  
8 idea of specifically identifying the comparable agencies  
9 for salary survey purposes is not one unique to the  
10 Police Officers Association proposal?

11 A That's correct.

12 Q You mentioned Fire.

13 A That's correct.

14 Q Fire has a specific list of salary survey  
15 agencies in their memorandum agreement?

16 A They have and they do.

17 Q And you also mentioned SLOCEA?

18 A Yes, that's San Luis Obispo City Employees  
19 Association.

20 Q They have a listing of agencies in their  
21 memorandum agreement?

22 A They have, yes.

23 Q Now, turning to what's been marked as  
24 Association Exhibit 66, that would be this  
25 colorful-looking exhibit. Is this an exhibit that you

1 created, Mr. Strobridge?

2 A It is.

3 Q Could you explain what this exhibit signifies?

4 A Yes.

5 Q This exhibit contains five different data sets  
6 that have been used or considered during the course of  
7 negotiations between the City of San Luis Obispo and the  
8 Police Officers Association. And the first on the far  
9 left referred to as Gilroy 8, and the date underneath of  
10 December 25, 2001, represents the data set that was  
11 introduced into evidence during the arbitration  
12 settlement of 2001.

13 MS. BERRY WILKINSON: I have an additional  
14 exhibit to distribute. This one has been marked as --  
15 it's not stapled together. We have no stapler  
16 apparently, but these --

17 THE ARBITRATOR: And no hole punch either, I  
18 might add.

19 MS. BERRY WILKINSON: Here is two of them. We  
20 can fix the stapling hole problem at another break, but  
21 we didn't want to take the time to run upstairs for  
22 that. This has been marked POA Exhibit 77. The first  
23 page of it is an e-mail from a Dave, Darbyshire,  
24 D-A-R-B-Y-S-H-I-R-E, to an Ann, A-N-N, Slate, S-L-A-T-E.  
25 And then attached to that is the second page of POA

1 Exhibit 77 is something entitled "Police Staff Officer  
2 Salary Survey Data."

3 Q Do you have that in front of you,  
4 Mr. Strobridge?

5 A Yes, I do.

6 Q Can you explain to me how this Exhibit 77  
7 relates to POA Exhibit 66?

8 A Yes. First of all, Dave Darbyshire was a  
9 previous police officer to the City of San Luis Obispo  
10 and subsequently retired. He was on the Board of  
11 Directors March of 2000. And Ann Slate was a previous  
12 Director of Human Resources. And this was a records  
13 request they made to the City of San Luis Obispo to  
14 acquire what we knew was a survey that was done by the  
15 City of San Luis Obispo for their Police Staff Officers.

16 Q So the e-mail was the records request. The  
17 second page of Exhibit 77 is that which was produced?

18 A That's only a portion of what was produced, and  
19 that's all we have left in the archive.

20 Q So explain, please -- or I'm sorry, go on with  
21 your explanation, please.

22 A So the Excel spreadsheet titled on top, "Police  
23 Staff Officer Salary Survey Data," with a date on the  
24 bottom right of April 14th of 2000. And on the far left  
25 bottom, City of San Luis Obispo. This document was

1 produced by, I don't know who, but it came from City  
2 staff. And it was a salary survey done for SLOPSOA, the  
3 Staff Officers Association, and it used the same data  
4 set, what we referred to as the Gilroy 8 back during the  
5 previous arbitration.

6 Q So explain to me the genesis of the Gilroy 8,  
7 and how you moved from the Gilroy 8 across Exhibit 66.

8 A Okay. If I can retreat a little bit on the  
9 Gilroy 8. The data set originally was formulated by  
10 City staff in circa 1999, and it surveyed City of San  
11 Luis Obispo management or confidential employees, and  
12 that's the origin of the data set. And so we learned of  
13 it, and we acquired a copy of their survey. Don't have  
14 it anymore, but that's the origin. So it came from City  
15 staff. It was done to -- on behalf of confidential  
16 employees or department heads at that time, and then it  
17 was subsequently used by the Staff Officers Association  
18 and then we, too, police officers began using the Gilroy  
19 8 quantifying the universe. It was good enough for City  
20 Hall. And therefore, there didn't seem to be a strong  
21 argument not to use it, and we began to use that then.

22 Q If I understand you correctly, then, the Gilroy  
23 8, the date we have here, December 25, 2001, that is the  
24 date that the Gilroy 8 became applicable to the Police  
25 Officers Association; correct?

1 A Well, it became --

2 Q In or around then?

3 A Well, circa that date, but I think the previous  
4 arbitration was the same week, December 17th through the  
5 21st, and our charts were dated December 25, 2001, in  
6 preparation for that arbitration, but we had used that  
7 Gilroy 8 way before the arbitration for a period of  
8 time, and it led up to the arbitration.

9 Q So it was used, as well, then, by your  
10 testimony for the staff officers and for SLOPSOA?

11 A Yes.

12 Q So it didn't arise out of whole cloth for the  
13 Police Officers Association interest arbitration back in  
14 2001; is that correct?

15 A No.

16 Q Please go on.

17 A Then, following the negotiations that concluded  
18 with the arbitration settlement, we then embarked on the  
19 next perspective negotiations, and we tried to expand  
20 the data set, and did so. It was received by the City,  
21 and that was identified as the Gilroy 12, the date of  
22 May 1, 2004, and that's what quantified the police  
23 records clerk 5 percent equity increase.

24 Q All right.

25 A And then moving on from the Gilroy 12, we have

1 the Gilroy 9, and that's the current negotiations that  
2 have led to this arbitration. And what we did is,  
3 during our evaluation of the original Gilroy 8,  
4 identified certain demographic information which seemed  
5 to indicate that Davis and Tracy really did not relate  
6 well in comparability to the City of San Luis Obispo.  
7 And being that our local labor market incorporated  
8 agencies such as Santa Barbara Police, where we have  
9 recruited several employees from Santa Barbara Police  
10 Department, and also the fact that Salinas Police  
11 Department has been a longstanding agency used by the  
12 Fire Association, we substituted Davis and Chico for  
13 that of Santa Barbara and Salinas. And therefore, we  
14 named that data set the Gilroy 9, which has taken us to  
15 today.

16 Q And that is the data set that you are proposing  
17 to use here in your current agreement; is that correct?

18 A That's correct.

19 Q What are the Palm Springs -- what is the Palm  
20 Springs 8?

21 A The Palm Springs 8 is the data set that the  
22 City finance director used to justify a one half --  
23 one-half cent sales tax increase to the community. And  
24 there was a comprehensive report done by Mr. Statler and  
25 presented to the public during the campaign for the

1 half-cent sales tax increase to justify that. And there  
2 was far ranging comparability data that was incorporated  
3 into that report to include wages and benefits for  
4 certain City employees to include the police chief and  
5 the fire chief. And that was what was used to sell  
6 that, the tax money to the community.

7 Q Now, you referred to this as the Palm Springs  
8 8. Would that be, in essence, the same as what the City  
9 has referred to as the Measure Y benchmark cities?

10 A Yes.

11 Q We had testimony from Ms. Jenny earlier with  
12 respect to the survey cities, so although you are  
13 titling them differently, do they mean the same thing?

14 A They do.

15 Q Now, the Chico 9?

16 A Chico 9 is the data set that the City has  
17 proposed that we use. They've proposed to use for  
18 comparability data, which is the same data set that was  
19 recently agreed to by the Fire Association in their  
20 previous negotiations. So the data set that was  
21 previously in their MOA has changed to reflect what we  
22 referred to now as the Chico 9.

23 Q So now we have just spoken about the fact that  
24 the City refers to the Palm Springs 8 as the Measure Y  
25 data set. Is the Chico 9 the same as what the City

1 presented as the firefighters' data set earlier in the  
2 testimony of Ms. Jenny?

3 A Yes.

4 Q So again, we're talking about the same  
5 groupings of agencies, just a different title for them?

6 A True.

7 Q Why is it that the Police Officers Association  
8 views the Fire list as not being an appropriate  
9 comparable list for salary survey purposes?

10 A Well, the City of Chico and the City of Davis  
11 are very weak examples of comparability to the City of  
12 San Luis Obispo, and I don't have that material in front  
13 of me. I believe my partner will testify to that, but  
14 we assessed, evaluated on a number of index factors on  
15 comparability, and they do not comport to the rest of  
16 the data set equally in many areas.

17 Q What is your understanding of why this data set  
18 is appropriate for Fire?

19 A Well, in speaking with the Fire Association  
20 president, they agreed to this data set on the basis  
21 that it was -- it provided a favorable outcome to their  
22 contract. It increased their compensation for their  
23 premiums, specifically for firefighter/paramedic, which  
24 is what they refer to as their benchmark for survey.  
25 And so the data set achieved their end goal of

1 increasing internally compensation. Above what salary  
2 increases are reflected in the MOA, there are hidden or  
3 subliminal increases that are contained in the contract  
4 for specialty phase or hazmat phase or  
5 firefighter/paramedic phase, incentives.

6 Q So is it your view that the Chico 9 list is  
7 very Fire centered, which is different than police  
8 centered?

9 A Yes.

10 Q You were present, Mr. Strobridge, when  
11 Ms. Jenny testified earlier today?

12 A Yes.

13 Q And do you recall Ms. Jenny's testimony with  
14 respect to the various data sets as being the only data  
15 sets used by the City?

16 A Yes.

17 Q Do you agree with her testimony?

18 A No.

19 Q Why?

20 A Well, I made an information request of human  
21 relations department and asked for salary surveys dating  
22 from January, 1997, through December of 2007 for a  
23 multitude of classifications, but primarily it was City  
24 Council, management groups, SLOPSOA, staff association,  
25 SLOPOA, our association, Fire Association and such. And

1 I received a fairly comprehensive stack of salary  
2 surveys that were conducted by the City of San Luis  
3 Obispo.

4 Q And did you analyze the various salary surveys  
5 that were provided by the human resources department to  
6 you in response to your public records request?

7 A Yes.

8 Q And what did you find?

9 A Well, the document, POA Exhibit Number 67,  
10 reflects the evaluation of that data, and what I tried  
11 to do is take the headline from the survey.

12 For example, in the first -- first two boxes,  
13 department head, management and salary survey,  
14 January 18th, 2000, the data set of Davis, Gilroy,  
15 Monterey, Napa, Petaluma, Santa Cruz, Santa Maria,  
16 Tracy, Upland. It is referenced in that salary survey.

17 Moving on, in the next survey that I analyzed,  
18 police officer, 1998, negotiations, the survey indicated  
19 two different data sets, being Arroyo Grande,  
20 Atascadero, Grover Beach, Morro Bay, Pismo Beach, Paso  
21 Robles, Santa Maria, and the second data set, Davis,  
22 Monterey, Napa, Petaluma, Santa Cruz and Santa Maria.

23 Q So am I understanding your testimony correctly  
24 that in reviewing the materials provided by the City to  
25 you, in response to the information request, there were

1 two separate salary survey sets that were completed for  
2 the 1998 negotiations?

3 A Yes.

4 Q Each using different agency data?

5 A Yes.

6 Q Please go on.

7 A And in the next survey --

8 THE ARBITRATOR: Let me just interrupt there.

9 For the sake of expedience and the court reporter's  
10 fingers, you don't have to read all the names. You can  
11 just -- the exhibit will speak for itself.

12 THE WITNESS: Okay. The next survey, police  
13 officer salary survey, October 18, 2000, there's yet  
14 again a different data set. And the next set of boxes  
15 Police Officer/Johnson Associates, 2001, we have four  
16 different indicated surveys that were performed, and  
17 that was the City retained Johnson Associates in  
18 preparation for the arbitration, the previous  
19 arbitration.

20 BY MS. BERRY WILKINSON:

21 Q These four separate data sets prepared by the  
22 Johnson Associates, one is called the "City market"?

23 A Yes.

24 Q The other is called the "POA market"?

25 A Yes.

1 Q The third is called "all cities"?

2 A Yes.

3 Q And the fourth is called "local cities." Is  
4 that correct?

5 A Yes.

6 Q And from the material that was provided to you  
7 by the human resources department, these were each  
8 separately conducted salary surveys using the data  
9 listed under those titles?

10 A Yes. On page 2, the SLOPOA, 2004,  
11 negotiations, there were a total of six different data  
12 sets used. Three for police officer, one for records,  
13 two for com techs.

14 Q And each of these were, again, separately  
15 prepared salary surveys by the City?

16 A Yes.

17 Q Please go on.

18 A In the middle set of boxes, City Council, 2004  
19 survey, we have yet again different data sets surveyed  
20 for City Council. In the middle set of boxes, 2005  
21 survey, we have yet again a different set of cities or  
22 agencies. And then the last box, furthest to the right,  
23 SLOPSOA, 2005, survey. What was interesting is the  
24 Gilroy 8, Davis, Monterey, Napa, Petaluma, Santa Cruz,  
25 Santa Maria, Tracy, was surveyed for the Staff Police

1 Officers Association. And that would be in  
2 contradiction to what I understood had been done, as  
3 Ms. Jenny indicated.

4 Q Please go on.

5 A In the last set of boxes SLOPOA, 2007, June 30,  
6 2007, we have yet again a different combination of data  
7 set that was used during the POA -- or excuse me,  
8 "SLOPSOA negotiations.

9 And then moving over for the firefighter, 2005,  
10 survey, we have -- if I can just count these out loud.  
11 We have a 15 agency data set, and then we have a  
12 22 agency data set that range everywhere from --

13 THE ARBITRATOR: Isn't that a 37 agency data  
14 set? It would be in alphabetical order.

15 BY MS. BERRY WILKINSON:

16 Q Were they two separate sets or was it all one?

17 A It may be one, but I -- no, I believe they were  
18 two.

19 THE ARBITRATOR: The cutoff was F.O.? There's  
20 some logic to that.

21 THE WITNESS: If I could refresh my  
22 recollection by looking...

23 BY MS. BERRY WILKINSON:

24 Q What you have in front of you, Mr. Strobridge,  
25 that you're using to refresh your recollection, is that

1 the material that the City provided you in response to  
2 the records request from which you created this chart,  
3 which has been marked as City Exhibit 67?

4 A Yes. Actually, this is one continuing data  
5 set.

6 Q So the firefighter, 2005, survey that the City  
7 produced to you in response to your records request,  
8 that was a survey of 37 agencies?

9 A Total survey, 37 agencies.

10 Q So it was a single survey, although it's broken  
11 into two columns on your chart?

12 A Yes.

13 Q Generally, the different columns on your chart  
14 signify different surveys; is that correct?

15 A That's true.

16 Q With the exception of this one?

17 A Yes. And in the next column to the right, the  
18 firefighter, 2001, survey, it referenced two different  
19 data sets, a four agency and eleven agency data set.  
20 And then moving to page 3, the SLOPOA, 2006, survey,  
21 there were six different data sets that were apparently  
22 surveyed.

23 Q That would be by the City in connection with  
24 the current -- or the negotiations that led to this  
25 current arbitration?

1 A Yes.

2 Q So from your information request, you learned  
3 that the City actually separately surveyed six separate  
4 groupings of agencies?

5 A Yes.

6 Q And then the final listing on your analysis,  
7 appointed officials, 2007, survey?

8 A Yes, and that's a nine agency data set. That  
9 ranges from Chico down to Ventura.

10 Q Do you draw any conclusions based on your  
11 review of the records that were provided to you by the  
12 City in response to your records request?

13 A Yes, my initial reaction was they're all over  
14 the map. So we have a voluminous number of universes.  
15 And my initial reaction was that they were surveying --  
16 they have a goal, and they're trying to make a goal  
17 happen by surveying a particular data set. That's a --

18 Q That's your opinion?

19 A My opinion and my reaction.

20 Q I'd like to turn your attention to what's been  
21 marked as Association Exhibits 68, 69 and 70. Now,  
22 68 is a cover letter from Bachecki & Crom Company.  
23 69 being sheets which contain per capita of revenue  
24 comparison data from selected cities. And Exhibit 70  
25 being a summary sheet. Can you explain to us what 68,

1 69 and 70 are?

2 A Yes. I retained Bachecki & Crom Company, LLP,  
3 specifically Tim Riley, and asked him to evaluate the  
4 CAFRs, the comprehensive annual financial reports for  
5 City's of San Luis Obispo as they compared to Chico,  
6 Davis, Gilroy, Monterey, Napa, Petaluma, Pleasanton,  
7 Salinas, Santa Barbara, Santa Cruz and Santa Maria.

8 Q Mr. Strobridge, who are Bachecki & Crom?

9 A They're a certified public accountant firm.  
10 They're very well known in the public agency realm for  
11 their analysis of city financial reports and such.

12 Q And your request with respect to the CAFRs for  
13 San Luis Obispo and the 11 additional agencies, was that  
14 intended to be a comprehensive list including all of the  
15 agencies on the City's Fire list and all of the agencies  
16 on the Association's proposed list?

17 A Yes.

18 Q Please go on.

19 A And what I asked for, in discussion with  
20 Mr. Riley, was to do a snapshot analysis of the per  
21 capita general fund revenue stream available to each of  
22 these agencies, as he would analyze from the CAFR.

23 So the first thing that we wanted to do is to  
24 analyze every city. The Fire data set, as well as the  
25 POA data set. So all agencies were surveyed or

1 evaluated, and they were evaluated from the same source,  
2 the comprehensive annual financial report.

3 And the first instance, the 2005/2006 CAFR was  
4 available for all agencies. And in the second phase of  
5 the analysis, only the cities of San Luis Obispo, Santa  
6 Barbara, and Davis had available their 2006/2007 CAFR.  
7 And so therefore, that was the universe, and we surveyed  
8 that so we could make a relationship comparison between  
9 the '05/'06 and the '06/'07 per capita revenue stream to  
10 the general fund.

11 THE ARBITRATOR: Run that by me again,  
12 Mr. Strobridge. You didn't get data from which cities?

13 THE WITNESS: Well, for 2005/2006, the CAFRs  
14 were analyzed for every agency, for both the Fire data  
15 set and the POA data set.

16 THE ARBITRATOR: Right, that much I got.

17 MS. BERRY WILKINSON: Refer to Exhibit 70.

18 THE ARBITRATOR: I'm looking at -- sorry, I'm  
19 looking at 69.

20 MS. BERRY WILKINSON: If you look at Exhibit  
21 70, it will provide you a summary of those CAFRs that  
22 were available for 2006/2007, which is what Mr.  
23 Strobridge is trying --

24 THE ARBITRATOR: Let's go off the record.

25 (Discussion held off the record.)

1 THE ARBITRATOR: We're back on.

2 BY MS. BERRY WILKINSON:

3 Q Mr. Strobridge, in an off-the-record question  
4 put to you by the arbitrator, the question was: "The  
5 City of Davis has no property tax?" And you explained  
6 your understanding of the data and material contained in  
7 Exhibit 69 in the off-the-record discussion. Will you  
8 repeat that, please?

9 A Yes. My observation is the City of San Luis  
10 Obispo doesn't ride with their comprehensive annual  
11 financial report, and they list by category, as an  
12 example, property tax income, sales tax income, TOT tax  
13 income, franchise tax and so on and so forth.

14 There are a number of agencies, such as Chico  
15 and Davis, that do not. And they simply just lump in  
16 all general fund revenue stream into a category. So  
17 they will not -- as an example on page 1 of this report,  
18 on the TOT tax and Chico, there's a line or a dash  
19 indicating there's nothing there. It's because it's not  
20 broken out of the CAFR.

21 Q TOT standing for transient occupancy tax?

22 A Yes.

23 Q Whereas San Luis Obispo does segregate that  
24 out; correct?

25 A Yes, they do.

1 THE ARBITRATOR: And likewise, the same  
2 analysis would apply to a number of these other cities:  
3 Santa Maria, Pleasanton, Davis, et cetera?

4 THE WITNESS: Yes.

5 THE ARBITRATOR: Thanks for clearing that up.

6 BY MS. BERRY WILKINSON:

7 Q So in Exhibit 68, Mr. Riley provided to you the  
8 methodology that he used in preparing the material that  
9 he submitted to you and enclosed Exhibit 69; is that  
10 correct?

11 A That's correct.

12 Q And then from that, the association created  
13 Exhibit 70; is that correct?

14 A That's correct.

15 Q Okay. What does that tell you?

16 A That's a ranking per capita revenue according  
17 to the first data set for 2005/2006 indicating the  
18 median is Petaluma with 706.9 being the median. And  
19 then San Luis Obispo at 973.8 being too much is above  
20 the median in revenue stream in that data set.

21 Q Now, in the 2005/2006 ranking per capita  
22 revenue, San Luis Obispo is below Santa Barbara in its  
23 per capita revenue; does that change for 2006/2007?

24 A Yes, it does.

25 Q How so?

1           A       It changes the -- San Luis Obispo has  
2    1,122.3 in relationship to Santa Barbara has 1,101.0.  
3    And in speaking with Mr. Riley, the impact of the  
4    Measure Y, as well as the growth of the community, as  
5    being represented in the revenue stream, changed from  
6    that of 2005/2006 to that of 2006/2007. So you can see  
7    the income growth thus being a snapshot of the revenue  
8    stream coming to the City of San Luis Obispo. And now  
9    we edged out Santa Barbara.

10           MS. BERRY WILKINSON: Thank you. I have no  
11    further questions.

12           THE ARBITRATOR: Cross-examination?

13           MR. WHITMORE: Well, let me ask a couple of  
14    questions on this last issue. At some point, I'm going  
15    to need a break to ask some follow-up of our people, but  
16    let me follow up on a couple of things that I think I  
17    can deal with right away.

18

19                                   CROSS-EXAMINATION

20

21    BY MR. WHITMORE:

22           Q       Looking at Association 70, number 1 in the  
23    ranking per capita revenue is City of Monterey; right?

24           A       Yes.

25           Q       In fact, way out front; right?

1 A Yes.

2 Q Smallest agency by a lot in population in the  
3 entire list; right?

4 A Yeah, there's a reason for it.

5 Q Okay. But it is true, if you look at the  
6 population numbers, that the population of Monterey is  
7 smaller than any of the other agencies listed here,  
8 including smaller than San Luis Obispo?

9 A Yes.

10 Q So the number of citizens being served by  
11 police officers or by firefighters is less in Monterey;  
12 correct?

13 A True.

14 Q Okay. Let me see if there are any of these  
15 others that I can get out of the way without taking a  
16 break.

17 Well, let's go back to Association 67,  
18 page 3, the POA agencies surveyed the several boxes at  
19 the top of the page?

20 A Yes.

21 Q Those were agencies which the City looked at  
22 during the 2006 negotiations, as far as you know?

23 A I didn't know it until I just received the  
24 information request.

25 Q Okay. Did the City look at the agencies

1 proposed by the Association?

2 A Yes.

3 Q Okay. And in fact, with several of these, the  
4 surveys they've done are what the employees and  
5 negotiations wanted them to survey; isn't that right?

6 A Yes.

7 Q Okay. With regard to those agencies listed for  
8 the POA on page 3 that were surveyed by the City, the  
9 City never agreed with the Association on any list --  
10 any of those boxed lists; right?

11 A That's correct.

12 Q Okay. The City has agreed with the  
13 firefighters on a list; correct?

14 A True.

15 MR. WHITMORE: I've got a couple other  
16 questions, I think, but if I could have a few minutes,  
17 I've got to follow up with staff to find out if I  
18 understand them.

19 THE ARBITRATOR: We're off the record.

20 (Recess.)

21 MR. WHITMORE: Back on the record.

22 I just have a couple of follow-up questions for  
23 Mr. Strobbridge, but indicated to Counsel that we're  
24 going to check on some of the issues and may have some  
25 further questions later. Maybe not. I don't know.

1 THE ARBITRATOR: Okay.

2 MR. WHITMORE: But just to deal with three  
3 particular issues now.

4 Q Mr. Strobbridge, did I understand your testimony  
5 to be that SLOCEA, the City Employees Association, has  
6 an agreed survey with the City?

7 A A data set?

8 Q A data set.

9 A Yes, it's my understanding, and it's from  
10 recollection, that it was previously noted in their  
11 contract. I do not know about the current contract.

12 Q Okay. So it's your -- and that clarifies it.  
13 Thank you. You're not sure about the current contract?

14 A No.

15 Q But you have some recollection of having seen  
16 one in a prior contract?

17 A Yes.

18 Q Okay. Thanks. Hang on just a minute here.  
19 Exhibit -- Association Exhibit 66. The Gilroy 8, the  
20 first column over on the left side, as I understand it  
21 was a document that the Association introduced as an  
22 exhibit in the prior arbitration proceedings back in  
23 '01; right?

24 A Gilroy data set, yes.

25 Q Okay. There was also a City market data set

1 also in those proceedings; right?

2 A Nothing introduced into evidence that I recall.

3 Q Go to Exhibit 67, your own chart.

4 A Okay.

5 Q At the bottom of page 1.

6 A Yes.

7 Q Police Officer/Johnson Associates, 2001, City  
8 market, POA market, aren't those the two differing data  
9 sets used by the two parties?

10 A Well, again, I don't recall seeing these in  
11 2001. I actually made a demand for these documents in  
12 2001, and it was refused as an attorney-client work  
13 product. So I never saw these that I recall in 2001.

14 Q Mr. Strobridge, your document says there was a  
15 City market list; right? You introduced this document?

16 A Yes, but it's only -- that's a reflection of  
17 the recent information request that I made. I just  
18 learned that, yes.

19 Q Fair enough.

20 A Yes.

21 Q Last issue with regard to the Gilroy 9. This  
22 is going back to 66, the middle column there, lovely  
23 light blue. The Gilroy 9 is what the Association is  
24 proposing in these proceedings; right?

25 A True.

1           Q       That is not a list used for any other city  
2 employees, is it?

3           A       No.

4           MR. WHITMORE:   Nothing further.

5           THE ARBITRATOR:   Any follow-up?

6           MS. BERRY WILKINSON:   No, since it's  
7 approaching 7 o'clock. I do have other testimony that  
8 I'll elicit from him, but...

9           THE ARBITRATOR:   All right.

10          MR. WHITMORE:   Let's go off the record.

11                       (Discussion held off the record.)

12          THE ARBITRATOR:   Back on the record.

13                       This hearing is adjourned until tomorrow  
14 morning at 9:30 a.m. Thank you very much.

15                       (Proceedings adjourned at 7:03 p.m.)

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1 STATE OF CALIFORNIA )  
 ) ss  
 2 COUNTY OF SAN LUIS OBISPO )

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4 REPORTER'S CERTIFICATE

5

6 I, Jacqlyn M. Griffith, a Certified Shorthand  
 7 Reporter in and for the State of California, do hereby  
 8 certify:

9 That said proceeding was taken before me at the  
 10 time and place therein set forth and was taken down by  
 11 me in shorthand and thereafter reduced to computerized  
 12 transcription.

13 I hereby certify that the foregoing is a full,  
 14 true and correct transcript of my shorthand notes so  
 15 taken.

16 Dated at San Luis Obispo, California, this 4th  
 17 day of January, 2008.

18

19

\_\_\_\_\_  
 JACQLYN M. GRIFFITH  
 CERTIFIED SHORTHAND REPORTER

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