

Meeting Minutes
 Prevailing Wage Advisory Committee
 January 5, 2009

Attendees:

1. Prevailing Wage Advisory Committee Members: Dave Johnson (Building & Construction Trades Council), Randy Dubigk (WSDOT), Bruce Chattin (Washington Aggregates & Concrete Association), Rick Slunaker (Associated General Contractors of WA), Randy Loomans (Operating Engineers Local 302), Mike Howard (Snohomish County PUD) and Chris Elwell (Seattle-King County Building Trades)
2. L&I Staff: Dave Soma, Nathan Peppin, Reasa Pearson, Ann Selover
3. Other Present: Dave O’Meara, Miriam Israel Moses, Earl Smith, Jennie Kordenat, Bob McDonald, Billy Wallace, Bob Abbott, Jared McLeod, Daniel Bonham, Raleigh Medeiros, Clark Gilman, Earl Liss, Dustin McClure, and Doug Smith

Agenda Item	Discussion	To-Do
Opening Remarks Introductions	The meeting was opened by Dave Soma at 9:33 a.m., and all present introduced themselves. There was a formal introduction of the two newest members to the committee - Mike Howard and Randy Loomans.	
Review and approve minutes from last meeting	<p>David Johnson made the motion and Randy Dubigk seconded and all voted in favor of approving the minutes from the April 1, 2008 meeting.</p> <p>Discussion of July 22, 2008 meeting minutes: The Department reviewed the notes from this meeting as requested by motion made by the committee at the last meeting but there are discrepancies with what was heard and what written.</p> <p>Dave Soma assured the committee that we were looking into the Mehrer Drywall allegations. We had letters from the Laborers asking apprenticeship to look into the situation. We have no way to know the usage of apprenticeship. Apprenticeship will have to investigate and document the misuse. We then can get involved if there is a misuse.</p> <p>Mike Howard made the motion and Randy Dubigk seconded and all voted in favor of approving the minutes from the July 22, 2008 meeting.</p>	<p>Due to questions from the July 22, 2008 meeting, Dave Johnson suggested recording the PWAC meetings. Worker’s Compensation Advisory Committee does this now.</p>

Budget Update	<p>We are doing well this year with our budget. We actually have money and we are paying all of our own bills.</p> <p>Interviews for the IRA2 for Region 2 are occurring today. This position would be for underground economy task force and would do enforcement and compliance.</p> <p>We need help to make sure our budget package gets passed. We have 4 new FTEs (2 IRA, 1 AG, and 1 CSS2 – make the temp currently helping with CP permanent), upgrade and fix of the current PWIA and survey databases.</p> <p>Miriam wanted to thank Calista for the outstanding job she was doing on certified payroll.</p> <p>Dave Johnson said he will continue to support us on the budget and Randy Loomans asked for a 1 page “White Paper” on the budget.</p>	
Personnel Update	<p>Reasa Pearson was selected for the Central Office IRA2 position. We cannot fill the Secretary Supervisor at this time. Ann Selover was hired as the temp IRA3.</p>	
Scope of Work Update	<p>Summary presented on the status of the scope of work subcommittee.</p>	
WAC 296-127-018	<p>Gave the update on WAC 018. It was filed December 2, 2008 and will be effective January 2, 2009.</p> <p>Chris Elwell thanked L&I for the ListServe message concerning WAC 018.</p>	
NOVs	<p>Gave a summary of the number of strikes that have been issued since June 12, 2008.</p> <p>Contractor Registration: 82 Strikes 2 Debarments</p> <p>Industrial Insurance : 14 Strikes 0 Debarments</p>	<p>The committee wants either copies of the Director’s Orders brought to this meeting or sent to the ListServe.</p>

	<p>Prevailing Wage 39.12.050: 10 Strikes</p> <p>Prevailing Wage 39.12.065: 7 Strikes</p> <p>Prevailing Wage Debarments: 3</p> <p>Dave Johnson thanked us for our efforts.</p> <p>Miriam asked for a copy of the 6-point test. Department has a test and definition in one unit and it should apply to all. If test says you have employees and you are treating them as subcontractors then you have violated 39.12 RCW.</p> <p>Dave Johnson wants there to be consistency in the department of who is an independent contractor versus an employee. He thinks it is appropriate for us to make that connection. It is what the underground economy task force wanted. This would be in favor of the worker.</p> <p>Dave Soma said that we would check with our AGs to see if we can do this. We may need the help of the committee to get this to happen. There is no legislation currently so if we can make this a policy it would be easier than opening up 39.12 RCW.</p> <p>Bob Abbott said that the Underground Taskforce is recommending that the six point test be used across the board.</p>	
<p>Legal Update</p>	<p>Ann Selover went over current legal issues.</p> <p>Miriam said that there is an overtime issue in prevailing wage. She wants to set up a meeting with us because there is a policy on mixing and calculations of overtime that conflicts with the AG's opinion. She will send us a copy of the opinion.</p>	

	<p>Dave Johnson wanted to know about Coyote Ridge and how much we have conceded as factory work versus construction work. Dave Soma said the actual making of the box was ok and has been in the past at factory rates but everything else was done on site and should be at construction rates.</p>	
<p>Determinations</p>	<p>Latest determinations were distributed.</p>	
<p>Surveys</p>	<p>Data entry for group 2 & 3 is complete and each will be published when the analysis is completed. Group 4 data entry will start this week. We had a 25% response rate on group 3.</p> <p>Bob McDonald said that we need a wage for Ready Mix.</p> <p>We will need a survey and scope of work to do this. The Truck Driver survey is scheduled for 2010.</p> <p>Miriam said that there were alternate methods for determining a wage rate. One of those alternatives includes adopting the Davis-Bacon wage rate. In the past Patrick Woods would not let this happen. He only wanted wage based on survey data. They had been promised by other Industrial Statisticians that this would happen but it did not. There would only end up being private rates when survey was done because no wage for public work would be available. The survey would then not be accurate.</p> <p>Dave Johnson said that we got the WAC updated so that wet cement drivers would get prevailing wage but if there is no wage why wouldn't we adopt Davis-Bacon.</p> <p>In order for us to use the Davis-Bacon wage rates it would be necessary to make the state and federal scopes consistent. Also, the feds do wages by city.</p>	<p>Dave Johnson would like to have a meeting to discuss this. The meeting should be with Owen Lynch, Bob McDonald and Dave Johnson.</p>

	<p>The department has the authority to do this and they need to do this in this situation. Miriam said that when the WAC was written this was the Departments intention – that there be an alternative method for this purpose. Tried to use this for the electronic technician.</p>	
<p>Dates and Locations for upcoming meetings</p>	<p>Went over schedule for next meeting which would be</p>	