

Meeting Minutes
 Prevailing Wage Advisory Committee
 July 22, 2008

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), Jim Justin (Assn. of WA Cities) and Chris Elwell (Seattle-King County Building Trades)
2. L&I Staff: Patrick Woods, Dave Soma, Ramona Christensen-Russell, Nathan Peppin, Reasa Nottingham, Laura Herman, Trista Zugel
3. Other Present: Dave O'Meara, Miriam Israel Moses, Earl Smith, Jennie Kordenat, Bob McDonald, Dan Taylor, Billy Wallace, Bob Abbott, Jared McLeod, Alison Hellberg, Christine Swanson, Mel Fitzpatrick, Peter Coates, Pete Crow, Randy Loomans, Mark Martinez

Agenda Item	Discussion	To-Do
Opening Remarks Introductions	The meeting was opened by Dave Soma at 9:09 a.m., and all present introduced themselves.	
Review and approve minutes from last meeting	Motion was made that L&I staff revisit the notes of the April 1 meeting and adjust the minutes accordingly and send them out for review before the next meeting. Dave Johnson seconded the motion.	
Budget Update	<p>Patrick Woods gave the budget update.</p> <p>He stated that we had an opportunity here as we have never been in this situation before in prevailing wage. We got the 30% back after 8 years due to the help of labor, business and the awarding agencies. After we go the 30% we started paying our share in overhead costs and therefore the 30% evaporated. We then got the fee increase (to \$40) which was also due to the help of all parties.</p> <p>Patrick went through a PowerPoint that showed plans regarding the use of the new revenue.</p> <p>Discussion followed about what we are doing now and working with the awarding agencies to get them to what they are supposed to do under the law. We can look to the awarding agencies that are following the law and look at their management methods and use these to help train and get some level of agreement with the awarding</p>	

	<p>agencies that are not following the law.</p> <p>There needs to be checking done every day and not at the end of a project when there is little or no hope of getting compliance and therefore recovering wages.</p> <p>There is still some concern about balance of activities: Outreach and education needs to work together with compliance efforts. Need to upgrade the PWIA – The software is no longer supported by Microsoft. Plans will improve the system’s ability with this upgrade. There will be a better wage update system included with it that will not have data entered into 3 different places.</p> <p>The issue was brought up of a more integrated system throughout the state but Patrick Woods talked about the issues with this in that there was too high of a dollar attached to doing a project like this because it was too large of a project. Currently PWIA talks to the contractor registration system. Apprenticeship is manually done for the approval process. Discussing right now to see if possible to have it more automated. The system gets better every day. We are working with I.S. on integration where it is possible. Automation could achieve greater accuracy than a manual process.</p> <p>The committee wants the department to keep them in the loop of what we are doing with this. The committee also wants the department to get the determinations online so that workers as well as contractors can see them and know what they should be paid upfront and not 3 years after the project is almost or is complete.</p> <p>Trista Zugel gave out a spreadsheet on Revenue, Expenditures, and Fund Balance that contained a high, medium, and low</p>	
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	<p>revenue forecast projecting what the estimated fund balance would be for the next several years. With the medium forecast we would have 2 compliance IRA with one in central office and one in the field, 1 customer service, 1 AAG and the technology package.</p> <p>It was unanimously agreed upon by the committee that the medium forecast was the best basis for planning.</p> <p>Rick Slunaker moved and Jim Justin seconded a motion that the PWAC ask the Director to approve the budget packet from prevailing wage and send it to the OFM.</p> <p>Discussion concerning the motion:</p> <p>Targeted compliance and outreach will be the combined duties of the central office IRA. The committee wants to make sure that there is not too much weight put on outreach and education. If you stop behavior in the beginning it is better. The clarification was made that the central office IRA would be targeted compliance. We will see what the needs are and where resource is best used and move as we need.</p> <p>There was a question about the full time AAG in the budget if we are moving in direction of awarding agencies actually doing their job. If the awarding agencies hold money until they get compliance then we will not need to issue NOV's and then we would not need the FT AAG. It was also mentioned that there is no ALJ in the budget and this would be a big cost. The department stated that the overall package includes ALJ.</p> <p>A vote was called for on the motion and all voted in favor.</p>	
<p>Personnel Update</p>	<p>Nathan Peppin was introduced as the new economist.</p>	

	<p>Ramona Christensen-Russell is leaving on July 28th to go to Employment Standard for 9-12 month temporary position for WPA. We will need to hire an IRA 3 temp. for that position.</p> <p>We are working on the paperwork to hire the IRA 2 and OA2.</p>	
<p>Scope of Work Update</p>	<p>Summary presented on the status of the scope of work subcommittee.</p> <p>Rick Slunaker stated that he does not think the process is working and we need to move faster on the scopes of work. They rely on us to put together and work with industry and then bring to this group.</p> <p>The subcommittee currently works the following way:</p> <ol style="list-style-type: none"> 1. 1st draft is done by L&I. 2. It is brought to the subcommittee for review and input. 3. Industry people come and put in input and we do 2nd draft, and the 3rd draft and then final. <p>Dave Johnson stated it takes time because industry people are there to give their input. Modular needs to be pushed up on the list. Know the other scopes waiting to be done pretty well. There is more latitude at the subcommittee to talk.</p> <p>It was decided that there could be improvements in the process.</p>	
<p>WAC 296-127-018</p>	<p>We are working on the CR102 and the public hearings will be next month.</p>	
<p>NOVs</p>	<p>In 2008 there have been 5 NOVs and 5 strikes have been issued. There are 2 Director Orders pending. There are 7 NOVs pending.</p> <p>They think there should be a press release about these numbers to let people know what we are doing.</p>	<p>The committee wants the department to bring a spreadsheet next time of these numbers.</p>

<p>Legal Update</p>	<p>Laura Herman went over current legal issues.</p> <p>One of our cases we are having a problem with is because of something that had been said and taken out of context and therefore is causing an estoppel issue. Dave Johnson is concerned about the sharing of information back and forth with no written documentation. How do we stop it in future? There should only be written correspondence.</p> <p>Laura Herman state that we will be discussing estoppel at the agent training and what actions can cause them. We have instigated a disclaimer for written or oral determinations and clarifications. If questions over the phone get too detailed than we are asking for a written email with the question.</p> <p>Dave Johnson wanted to know if IRAs have the right to tell a contractor what the rates are for a project. He thinks there should be a clearing house where all questions come through.</p> <p>Laura said that if a question becomes too complex it is often sent to central office to be answered. Dave Soma said the issue would be discussed with the IRAs but they cannot call on everything. Need to keep the process moving.</p>	<p>Rick Slunaker would like to have more details about the West Coast Landscaping ALJ decision.</p>
<p>Determinations</p>	<p>Gave out the latest determinations. Rick Slunaker asked about getting these determinations on line. Dave Soma said that we had some people working on it and at least getting his online.</p>	<p>Chris Elwell would like to have any Director decisions included with the determinations.</p>
<p>Surveys</p>	<p>Group 5 surveys will go out next March. Group 4 will be done the end of this month. Group 2, & 3 and 4 data entry will be done next with Temp OA2 help. We would like have these numbers for the March wage update.</p>	
<p>Other Business</p>	<p>Chris Elwell made the motion and Dave</p>	

	<p>Johnson seconded the motion that if it is proved by the minutes that Mehrer Drywall did say they are falsifying their records then he wants all I&A pulled on them.</p> <p>Discussion concerning the motion.</p> <p>Dave Soma noted the reality at the moment - our staff is small. The motion to do something is fine but it will still depend on work load and resources.</p> <p>Dave Johnson feels like it was a slap in the face. He knows what he heard and doesn't believe what he heard. Bob McDonald stated that everybody heard what they said. He finds it offensive when a contractor comes in & says this and it has been 3 months and nothing has been done.</p> <p>Dave Soma stated we need to be purposeful & methodical.</p> <p>There was a suggestion that a letter go out to the Carpenter union from Dave Soma stating that prevailing wage trumps a CBA for public works projects.</p> <p>We need to watch the surveys that come in from Group 4. See what rate comes in for the Carpenter Tender.</p> <p>Chris withdrew the motion.</p>	
<p>Dates and Locations for upcoming meetings</p>	<p>Handout of schedule for the next year.</p>	