

Meeting Minutes  
 Prevailing Wage Advisory Committee  
 September 2, 2009

Attendees:

1. Prevailing Wage Advisory Committee Members: Dave Johnson (Building & Construction Trades Council), Randy Loomans (Operating Engineers Local 302), Lee Newgent (Seattle-King County Building Trades), Kathleen Garrity (Associated Builders and Contractors), and Mike Howard (Snohomish County PUD), Randy Dubigk (Washington State Dept of Transportation), Bruce Chattin (Washington Aggregates & Concrete Association), Jim Justin (Assoc. of WA Cities)
2. L&I Staff: Dave Soma, Laura Herman, Nathan Peppin, Reasa Pearson, Ann Selover, Dawn Gast, Frank Fazekas
3. Other Present: Aaron Bailey, Scott Davis, Tom George, Larry Boyd, Joe Baca, Roger Johanson, Miriam Israel Moses, Alison Hellberg, Dave Eadlsen, Ron Brown, Tom Tanner, Mel Fitzpatrick, Jeff Gellert, Earl Smith and Billy Wallace.

Agenda Item	Discussion	To-Do
Opening Remarks Introductions	The meeting was opened by Dave Soma at 9:03 a.m.	
Review and approve minutes from last meeting	<p>Dave Johnson made the motion of approving the minutes from the June 25, 2009 meeting.</p> <p>Randy Dubigk questioned the minutes under the Legal Update portion regarding the Landscape Construction Scope.</p> <p>Miriam Israel Moses thanked David Soma and Nathan for helping the unions with the surveys.</p> <p>Dave Johnson stated that not all the changes done to the survey forms had been approved by the Prevailing Wage Advisory Committee (PWAC).</p> <p>Miriam Israel Moses expressed concerns that the changes being made to the survey forms were only distributed to the PWAC and not to the public until the change had been approved. Miriam would like to have the proposed changes distributed to the public for comment.</p> <p>Randy Loomans stated that Department was making changes as they went along in the process.</p>	<p>David Soma arranged to speak with Randy Dubigk and Dave Johnson offline.</p> <p>David Soma said he would review minutes distributed/approved.</p>
Budget Update	Prevailing Wage receiving 1000 Intents	

	<p>and Affidavits per month more than last year.</p> <p>Processing times for Intents and Affidavits are past our goal of 3-5 business days for online forms and 5-8 business days for paper forms. Prevailing Wage is currently one (1) week behind for online forms and two (2) weeks behind for paper forms.</p> <p>Prevailing Wage staff currently working overtime to try to keep up with number of forms coming in for processing.</p> <p>Adjusting Prevailing Wage staff to cover one area of backlog creates larger backlog in other areas. (i.e. Pull staff from Certified Payroll to process forms and Certified Payroll falls behind.)</p> <p>Hiring freeze leaves several FTEs unfilled including the AG approved by the Legislature.</p> <p>First time for Prevailing Wage to have “extra” money in the fund balance.</p> <p>Legislature is starting to look at Prevailing Wage funds to see where they can take money.</p> <p>Dave discussed some reasons for Fund Balance accrual including \$30,000-\$40,000 in hiring lag money.</p> <p>Hired Bi-Lingual Agent in Region 5. Prevailing Wage still needs to hire Industrial Relations Agent in Region 2.</p> <p>\$541,000.00 set aside for re-writing the PWIA (Prevailing Wage Intents and Affidavits) System.</p>	
<p>Personnel Update</p>	<p>Amy Chaney hired on as a permanent CSS2 in Central Office – she had been working as a temporary CSS2.</p> <p>Frank Fazekas hired on as a permanent</p>	

	<p>Industrial Relations Agent in Region 4.</p> <p>Rachel Barckley hired on as a temporary CSS2 to help with surveys in Central Office.</p> <p>Dawn Gast hired on as the Secretary Supervisor.</p> <p>Training plans for new Industrial Relations Agents in Region 2 are 2 months with Bea Hart (Industrial Relations Agent in Region 2) and one week working with the Prevailing Wage team in Central Office.</p> <p>Asking Legislature for additional CSS2.</p> <p>Labor and Industries has a hiring cap of 12 FTEs for Prevailing Wage. Prevailing Wage has 13 with Judy Schurke's permission.</p> <p>Laura Herman informed the committee of the outreach being done to the Contractors. Laura mentioned that the trainings were going very well and the level of compliance has gone up since the trainings have been offered.</p> <p>Jim Justin asked Laura if she has been tracking attendance of these Contractor trainings and who from the Awarding Agencies are attending these trainings.</p> <p>Laura said she was tracking the attendance and that a wide group of representatives attend the trainings. Usually it is the people in charge of the contracts with the Awarding Agencies.</p> <p>Randy Loomans stated that she would like to see a joint workshop with Labor and Management.</p> <p>Laura told Randy that she would be more than happy to set something up.</p>	
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<p>PWIA / Wage Project Update</p>	<p>Garth Johnson, the Project Manager, informed the committee of the plans for the PWIA re-write. Garth will be working on both the PWIA re-write and updating the Wage Update process. He handed out some documents containing details of what he has in mind for the project and explained how the new PWIA system will cut down the processing time for Intents and Affidavits for the Prevailing Wage staff. Garth said that the re-write will be completed in 2011.</p> <p>Miriam suggested forming a focus group to work with Garth on the PWIA re-write.</p> <p>David Soma explained that while the new PWIA is being re-written no changes will be made to the current system except for emergency situations.</p>	
<p>Scope of Work Update</p>	<p>Summary presented on the status of the scopes of work in process and left further discussion for the Scopes Subcommittee.</p>	
<p>NOVs</p>	<p>Reasa provided a handout to the committee with a list of strikes issued and explained. 135 strikes for Contractor Registration issues and 2 strikes for Certified Payroll issues.</p> <p>Miriam thanked Reasa for her immediate responses.</p> <p>Randy Loomans pointed out that the entire Prevailing Wage Unit needed to be thanked. It is team effort and everyone has been very helpful.</p>	
<p>Legal Update</p>	<p>Americoatings has 2 Director's Orders. The result of these is debarment.</p> <p>Boss Construction appealed Director's Order.</p> <p>Question of Legacy's appeal being timely? Legacy appealed to the Director.</p> <p>West Coast Landscape appealed Director's</p>	

	<p>Order.</p> <p>Agencies and contractors who have received American Recovery and Investments Act (ARRA) funds are beginning to understand the state laws for Weatherization. Trainings will be done together with the Department of Commerce regarding the Weatherization laws and procedures.</p> <p>Randy Loomans asked if Prevailing Wage has received any questions from the Department of Transportation regarding 520 pontoons. Laura Herman stated that she had heard a couple of questions and that based on a decision made by the Superior Court in 1988, Prevailing Wages will apply.</p> <p>Miriam said that there are so many confusions regarding Weatherization due to job classifications being “falsely created”. She stated that there is no classification of weatherization in Washington State and that Prevailing Wage should issue a policy of how it works in Washington State.</p> <p>Laura Herman and Ann Selover are working on a summary of different paperwork required for Weatherization projects.</p> <p>Miriam feels that it would be critical to have a Weatherization policy in writing explaining the joint Federal Rates and the State Rates in Washington. Most agencies do not know much about the Prevailing Wage requirements for Weatherization. Miriam would like a copy of any documents that could be provided with information on the Weatherization scopes.</p> <p>Ann Selover said she would check the State Recovery Act website to make sure the Weatherization information is there.</p>	
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	<p>Randy Loomans asked if both Federal and State money are involved in Weatherization does the higher of the two (2) rates apply.</p> <p>Laura Herman and David Soma both explained, "it depends". If Federal money goes to a Public Agency and that agency has discretion over who gets the money and how much they get then the funds become state funds and only RCW 39.12 applies.</p> <p>Randy Loomans expressed concern about Federal money coming in and undermining State Prevailing Wages. She feels that Federal money should never come into Washington State and undermine Washington State Prevailing Wages.</p> <p>Bruce Chattin asked where it is written about State funds vs. Federal funds.</p> <p>David Soma told Bruce that it is written in WAC 296.127.025. Nothing is written specifically concerning the Weatherization issue.</p> <p>Laura Herman gave an example of Federal money distributed: Community Development Block Grants</p> <p>Kathleen Garrity asked if the Federal Laws explain the triggers. David Soma said no, it is state law. Kathleen asked what the rulings are based on and Dave Soma said they were based on the RCWs and WACs.</p> <p>Jim Justin asked if David Soma's rulings have been challenged and David Soma said "no."</p>	
Rule Making	<p>We have received feedback on the preliminary draft of housekeeping items discussed at the last meeting. Worked on appropriate revisions based on committee comments. Copies were sent to AAG for approval. Edited drafts will be brought to</p>	

	next meeting.	
Determinations	<p>The latest policies were distributed.</p> <p>Addressed the issue we have been having with the use of the Landscape Construction scope of work. David Soma explained that the policy was to stop estoppel issues and that these policies were to supersede all previous policies and determinations.</p> <p>Dave Johnson stated that the Awarding Agencies need to review the Scopes before accepting a bid. David Soma stated that the Scopes of work are sent out to the PWAC and then put on a listserv. Prevailing Wage is currently trying to get all 3,000 Awarding Agencies on the listserv to receive the Scopes.</p> <p>Bruce Chattin asked how long the lag time would be before Dave Johnson's concerns were addressed and David Soma informed the group that Prevailing Wage is currently providing trainings to Awarding Agencies and contractors and that the Landscape Scope is published online.</p> <p>David Soma informed the group that a Fire Extinguisher policy had been created to let people know when to pay Prevailing Wages.</p> <p>The next policy planned on being published is Residential Construction. A copy will be provided to the PWAC members when it is available for comment.</p> <p>Jeff Gellar asked what the status of combining Metal Fabrication In-shop, HVAC Fabricated and Structural Fabrication. David Soma said the WAC says Metal Fabrication. There will be no combining. Jeff feels the Scope is flawed and hurts everyone. Jeff feels that the scope covers two scopes of work. David Soma informed Jeff that there is a Scopes</p>	

	<p>Committee and they can look at the Scope to see if changes need to be made.</p>	
<p>Retainage on Public Works</p>	<p>Carl Hammersburg, Director of the Fraud Unit, addressed the committee regarding changes being made that would potentially affect Prevailing Wage.</p> <p>Carl is working with the Prevailing Wage team as the PWIA upgrade proceeds. All members of the PWAC would like more information regarding Carl's plans for monitoring Contractors and Sub-contractors.</p>	
<p>Surveys</p>	<p>Publication of surveys postponed for 6 months. Recent survey results have been questioned. The schedule for the remaining surveys is unclear at this time.</p> <p>Randy Loomans expressed her concern that it was not fair to those waiting to be surveyed. Nathan explained that we cannot predict when and/or if challenges to the survey will occur.</p> <p>David Soma explained that the currently completed surveys will continue to be analyzed and published but staff will not be moving forward with new surveys at this time. Based on the challenges that arise from the current review, if any, staff will evaluate how to move forward with the remaining survey groups.</p> <p>Labor asked about the consistency of how the survey data is being processed.</p> <p>Currently there are 2 FTEs and a Temp working on the data received from the surveys. David Soma stated that he will meet with anyone who would like to discuss the survey groups in "limbo".</p>	
<p>Dates and Locations for upcoming meetings</p>	<p>Next meeting will be:          December 17, 2009          Tukwila</p>	