Meeting Minutes  
Prevailing Wage Advisory Committee  
September 20, 2012

Attendees:  

**Prevailing Wage Advisory Committee Members:** Kathleen Garrity (Associated Builders and Contractors), Bruce Chattin (Washington Aggregates & Concrete Association), Randy Loomans (Operating Engineers Union IUOE Local 302), Dave Myers (Washington State Building and Construction Trades Council), and Rick Slunaker (Associated General Contractors of Washington)

**L&I Staff:** Ann Selover, Marcus Ehrlander, Debbie Loomis, Reasa Pearson, Nathan Peppin

**Others Present:** Earl Smith, Billy Wallace, Larry Lovelady, Jennie Kordenat, Miriam Israel Moses, Larry Boyd, Ed Uskoski, Janet Masella, Josh Swanson, Ron Dahl

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<td><strong>Opening Remarks</strong></td>
<td><strong>Ann Selover</strong></td>
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<td><strong>Introductions</strong></td>
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| | • Opened the meeting at 9:14 a.m.  
| | • Presented the safety topic regarding burning and smoke health effects.  
| | • Had committee members and L&I staff introduce themselves.  
| | • Noted the agenda specifically provides for public comment at the end, and she asked that persons commenting please identify themselves when speaking.  
| | • Announced an agenda change. The Legal Update will be postponed until approximately 10:30 – 11:00. Marcus Ehrlander is in training today but will come in for his presentation regarding Usual Benefits. |
| **Review and approve minutes from last meeting – 6/28/12** | **Ann Selover**  |
| | • Kathleen Garrity motioned to approve the minutes. Dave Myers seconded the motion. The motion carried and the minutes were approved. |
| **Budget Update** | **Ann Selover**  |
| | • Provided a handout detailing the budget.  
| | • Announced a fund balance of $6.4M and reported that the funds remain intact.  
| | • Reported that the line item in the budget for ($44,823) listed as receivables for fines & forfeits are often not paid. This will be cleaned up for the next biennium but will continue to show on this report until the FY ends. A footnote will be added to the report to explain this line item.  
| | • Submitted the decision package to OFM for the Governor’s consideration. This included technologic improvements to the PWIA and Certified Payroll systems. Ann thanked everyone for their comments and said she will keep the committee advised.  
| | • Reported that the number of Intents and Affidavits submitted and the revenue for those Intents and Affidavits are at record highs. The committee discussed why the numbers are higher. Nathan reported that we are seeing
more compliance due to more contractors submitting the Addendum B which lists which companies they have subcontracted which leads to more contractors getting identified and having to file forms. In any event, the increase is not a large increase.

**Personnel Update**

**Ann Selover**
- Announced that two CSS2 positions have been filled; Aaron Wrinkle and Kay Merino. However, Aaron will be leaving to enter the military next month.
- Kellie Crow (CSS2) has replaced Blake Boykin.
- SuAnne Pettit (CSS2) has been hired from the Apprenticeship program to fill the 2805 position.
- Jim Christensen has been hired as a temporary IRA4. Jim had previously held the Industrial Statistician position. He is currently working on organizing and cataloging files regarding determinations and policy issues. This work includes no prevailing wage issue decision making.
- Reported that Laura Herman is recovering and back at work. Today, Laura is in Spokane presenting workshops for awarding agencies on public works and prevailing wages. Ann passed on Laura’s thanks to all the well-wishers.

**General Program Update**

**Ann Selover**
- Provided a report submitted to the Capital Projects Advisory Review Board (CPARB) regarding EHB 2805. PW received funding from the legislature and is required by statute to report the data received from Affidavit filings. The committee discussed the EHB 2805 process for filing and asked if there were any cross checks to ensure answers are correct. Ann reported that there are no cross checks and Nathan confirmed that there have never been any complaints filed.
- Discussed that the ESCH database that agents use to track cases is no longer compatible with Microsoft Windows and is in the process of being overhauled. It was originally designed for Employment Standards. The new database is intended to better accommodate Prevailing Wage needs.
- Provided a draft “Filing On Behalf Of” policy memorandum which takes into account RCW 39.12.040(1)(b) which the legislature put into the statute last session. This language for the most part mirrors what PW is currently doing. Ann requested the PWAC committee review the policy memorandum and get back to her so the program can implement it.

**Scope of Work Update**

**Ann Selover**
- Reported that she is continuing to review the Ready Mix Truck Driver and Truck Driver scopes of work with the goal of reviewing them with the subcommittee in December. Dave Myers has requested that Bruce Chattin do a presentation for Lee Newgent and others. Debbie Loomis is regrouping with team members to identify a date to meet.
- Stated that she appreciates all the interaction regarding the scopes of work and is hopeful that the rules moratorium will be lifted.
- Reported that she is creating a subcommittee regarding the Ship Building scope of work. She will get a list out to committee members and she asked them to let her know if there are any other names that should be included. Miriam Israel Moses asked to make sure she is included on the list.
- Reported that Prefabricated Concrete scope of work is on hold due to the rules moratorium.

**NOVs**

**Reasa Pearson**
- Provided a handout detailing NOVs/Strikes/Debarments numbers as well as a handout that discussed debarment and the relevant RCWs associated with it.

**Rule/Legislature/Legal Update**

**Marcus Ehrlander**
- Provided a legal update handout and reviewed each of the cases. Larry Lovelady asked if the report was available on the website. Ann replied that it is not but she can see that he receives a copy.
- Provided a handout detailing how the program directs employers to calculate Usual Benefits on an annualized basis. The purpose of providing the information is to let the committee know that although this methodology has been in place and applied for many years, there is no published formal policy statement on the topic, rather it has mostly been communicated on a case-by-case basis. A policy statement is necessary to provide clear guidance to employers and to more widely disseminate the information. The pros and cons of this methodology were discussed by the committee. Ann stated that she appreciates everyone’s perspective and the differences in opinions on this matter. Shortly the program will send to committee members a draft policy statement asking for their further review and comment prior to the program’s adoption and dissemination of the statement.

**Surveys**

**Nathan Peppin**
- Reported that no work is being done at this time with the wage and hour survey process except for the LEAN process. Ann stated that the decision package still needs to be approved. Rick Slunaker said he thought the package was already submitted and that PW is sitting on a $2.4M fund balance and asked what PW asked for in the supplemental budget. Ann replied that the supplemental proposal was not accepted. Nathan discussed that the paper process for the surveys currently exists but the online process will likely be implemented in 2015.
- Reported that he is working through issues with contractors and collecting CBA information regarding the ReadyMix wage and hour survey. This should be out in October and be effective mid-November or December.
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<th>Determinations/Requests Under Review/Policies</th>
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<td>Ann reported that she sent out another Residential Policy draft in August and hopes to have this finalized soon.</td>
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<td>Provided copies of 10 determinations issued since the last PWAC meeting. The determinations concerned (1) scaffold erector apprentices, (2) worker classification for stay-in-place (SIP) metal forms, (3) precast concrete tunnel liners, (4) wage classification for the Union Project, (5) wage rate classification for Stevens Court Bldgs C &amp; D, (6) shipbuilding and ship repair pipefitters worker classification and rate for Snohomish County, (7) prevailing rate of wage for closed loop geothermal drilling, (8) off-site bulldozing work associated with the SR 520 pontoon project, (9) maintenance work on electrical substations, and (10) scope of work for cement finishing in tunnels.</td>
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<td>Rick Slunaker asked if the agency can put out a press release regarding the determinations. Ann reported that the determinations are posted on the website and ListServe messages also go out. Ann said it may be possible to put out a press release. She will talk with the small business program to see if they might be able to include something on posted determinations when they send info out.</td>
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<td>Bill Wallace of Washington Fair Contracting reported that since he has been going to the awarding agencies (AA) to obtain certified payroll records that he has been getting records in a much timelier manner and that the AAs are happy to help out.</td>
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<td>Earl Smith of Washington Fair Contracting said that he still relies on the PW department to request records and discussed his difficulty with requesting a specific timeline for certified payroll records. Debbie Loomis provided a synopsis of the certified payroll process in regards to timelines and why it is difficult for the department to do a request for records before the contractor begins work on a project. Debbie agreed to meet with Earl after the meeting to discuss further.</td>
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<td>Larry Lovelady asked if there was a date set for the operator’s survey. Nathan replied that there is no date set yet.</td>
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| Dates and Locations for upcoming meetings | **Ann Selover** reported that the next PWAC meeting will be in Tukwila on December 13, 2012 at 9:30 a.m. A scopes meeting will follow at 1:00 p.m. |