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1	Pag DEPARTMENT OF LABOR AND INDUSTRIES
2	STATE OF WASHINGTON
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6	ELECTRICAL BOARD MEETING
7	
8	TRANSCRIPT OF PROCEEDINGS
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10	Thursday, January 25, 2018
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13	BE IT REMEMBERED, that an Electrical Board meeting was held at 9:00 a.m. on Thursday, January 25, 2018, at
14	the Department of Labor & Industries, 7273 Linderson Way
15	SW, Tumwater, Washington, before CHAIRPERSON TRACY PREZEAU, BOARD MEMBERS JASON JENKINS, DAVID WARD, JANET
16	LEWIS, DAVID CORNWALL, ALICE PHILLIPS, MIKE NORD, DYLAN CUNNINGHAM, DON BAKER, RYAN LAMAR, BOBBY GRAY, DOMINIC
17	BURKE and SECRETARY/ CHIEF ELECTRICAL INSPECTOR STEPHEN THORNTON. Also present was ASSISTANT ATTORNEY GENERAL PAM
18	THOMURE representing the Board.
19	WHEREUPON, the following proceedings were held, to wit:
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21	
22	Reported by: H. Milton Vance, CCR, CSR
23	(License #2219)
24	EXCEL COURT REPORTING 16022-17th Avenue Court East
24	Tacoma, WA 98445-3310 (253) 536-5824
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1		Thursday, January Tumwater, Washing		Page 2
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3		I N D E X		
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5	Agend	a Item	Page	
б				
7	1	Approve Transcripts from October 26, 2017, Electrical Board Meeting	3	
8		Motion	3	
9		Motion Carried	3	
10	2	Departmental/Legislative Update	4	
11	3	Appeals	18	
12	3 A	Husky Injection Molding Systems	18	
13		Motion	60	
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16	4	Secretary's Report	65	
17	5	Serious Electrical Corrections	71	
18	6	Out of State Licensing Requirements	86	
19		Motion	95	
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21	7	Certification/CEU Quarterly Report	-	
22	8	Public Comment(s)	112	
23		Motion to Adjourn Motion Carried	112 113	
24				
25				

1	Page 3 PROCEEDINGS
2	
3	CHAIRPERSON PREZEAU: So good morning, everybody.
4	It's 9:00 in the morning, and I would like to call the
5	January 25, 2018, Electrical Board meeting to order.
6	
7	1. Approve Transcripts from October 26, 2017,
8	Electrical Board Meeting
9	
10	CHAIRPERSON PREZEAU: And the first item of business
11	is to approve the transcripts from the October 26, 2017,
12	Electrical Board meeting.
13	
14	Motion
15	
16	BOARD MEMBER BAKER: Motion to approve.
17	BOARD MEMBER NORD: Second.
18	CHAIRPERSON PREZEAU: It's been moved and seconded to
19	approve the transcripts. Any discussion? Seeing none,
20	all those in favor signify by saying "aye."
21	THE BOARD: Aye.
22	CHAIRPERSON PREZEAU: Opposed? Motion carried.
23	
24	Motion Carried
25	

Item 2. Departmental/Legislative Update
 CHAIRPERSON PREZEAU: Departmental/legislative
 update.

Mr. Fuentes (sic), Good morning.

5

6 MR. PUENTE: Good morning, everyone. Good morning, 7 Madam Chair and fellow Board members. Welcome to Tumwater 8 to our office.

Before I get started providing an update from the 9 electrical program, I wanted to -- obviously we're a state 10 11 organization, so I want to make sure that you're aware, if the alarm does go off, we have two exits immediately right 12 13 here (gesturing), left and right, and we meet out here in the parking lot. We'll have staff here that are available 14 wearing vests and hard hats, and we have a demarcation 15 line out in the parking lot about two-thirds of the way 16 17 down to the west side of the parking there that we can meet. So I just wanted you to be aware of that. 18

19 So again, my name is David Puente.

20 CHAIRPERSON PREZEAU: Oop.

21 MR. PUENTE: P-U-E-N-T-E. I am the new Assistant 22 Director for Field Services and Public Safety, so I again 23 want to welcome everyone today.

And I'd like to provide an update so far on issues that are going on with the electrical program.

So first what I'd like to do is talk about our
 interactive virtual inspection program and provide a
 little update on what's going on with that.

4 Currently right now we're working on remodeling the 5 office space. My understanding is as of yesterday that 6 was completed.

Secondly, all of the technology equipment has been
ordered. It should be here by the end of this week and
installed.

We sent out a recruitment to our electrical inspectors informing them of some job openings that are going to be in the IVIP program so that they're aware of that in case they want a transfer or request and apply for a job.

And also our intent is to begin this pilot project March 1st of this year. It's going to run for approximately nine months. So from March 1st through December 31st of this year we're intending to the IVIP project.

20 CHAIRPERSON PREZEAU: So David, if I may interrupt?
21 MR. PUENTE: Yes, ma'am.

22 CHAIRPERSON PREZEAU: Is that the -- when you say 23 March 1st through December 31st, that's like the pilot? 24 And then you're going to look at making it perhaps more 25 robust? Or ...

MR. PUENTE: So -- correct. Our intent is to do the 1 2 pilot for nine months and learn. So we have a small number of electrical contractors that we're going to be 3 working with that have agreed to work with us so that we 4 can learn. Pilot this out, use the system, et cetera. 5 And then our intent is ultimately to make this a permanent 6 7 thing. Obviously this is something that we want to get 8 ahead and moving forward with our technology. So yes.

Perfect.

Thanks.

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1 1

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MR. PUENTE: Yes, ma'am.

CHAIRPERSON PREZEAU:

11 A quick update on rulemaking. There will be a 12 detailed rulemaking update/legislature update from our 13 secretary, Stephen Thornton; our electrical chief will 14 provide that. But I wanted to quickly cover rulemaking 15 for the adoption of rules scope for work 02 residential 16 and 04 sign specialties. That rule will be effective 17 February 23rd of 2018.

CHAIRPERSON PREZEAU: So David, I have one more 18 19 question about it. Because I received a posting yesterday that said that the adoption date was January 23rd, but the 20 21 effective date is February 23rd. And I'm not 100 percent sure I know exactly what that means other than -- I'm 22 So for 04 and 02 electricians and their 23 curious. employers, they will not be able to do that additional 24 25 scope of work until February 23rd; is that correct?

MR. PUENTE: Yes, ma'am. It's effective February
 23rd.

3 CHAIRPERSON PREZEAU: Very good. I just wanted that4 clarification.

5 MR. PUENTE: So an update on our mobile program. 6 After talking to the chief and staff, we continue to 7 receive positive comments from the automatic notifications 8 of the inspection results. So far it seems to be going 9 pretty well. We're continuing to receive positive 10 comments on our service.

11 Program Specialist 2's, to provide an update, I believe at our last meeting Jose' Rodriguez provided a 12 summary of that. All of our positions have been filled. 13 So we have 11 program specialists throughout the state 14 15 that are assigned to each supervisor in our regional offices. They are helping the electrical inspectors 16 handle customer calls that are coming in. The feedback 17 that we're receiving from our customers is going very 18 19 well. It appears to be working very well for the program. We continue to move forward with that service that we're 20 21 providing.

The next thing I wanted to briefly talk about is funding. The balance is holding steady. Currently right now the funds are already committed and projected to trend downward for the next few months. But we also anticipate

1 that they will trend going back upwards.

2 I also wanted to talk briefly on the supplemental legislative budget that we're working on. As we recall, 3 the last time that Jose' was here talking to the Board, we 4 discussed that for salaries, we ended up getting a wage 5 increase for the electrical inspectors last cycle. One of 6 7 the things that occurred is that it was not fully funded 8 in the program. So this time because of the short session, what we're doing is we're requesting 9 authorization for that. At this point we anticipate that 10 11 will be moving forward. We haven't received any indication that it's not. So that's the current update 12 13 that I have with that.

Our vacancy rate. The electrical program is holding steady between 10 to 13 vacant positions statewide. Currently we have a couple that are here in the central office that we're currently recruiting for.

Currently right now out of our inspector staff, we 18 19 have estimated about 27 that are eligible for retirement within the next three years which is an issue that we're 20 trying to address. The program is currently -- as we do 21 hiring, what we're also looking for is potential hire into 22 the future. So there are times when we're trying to fill 23 -- double fill in anticipation of upcoming retirements as 24 25 we move forward to address that gap within the next three

1 years.

2 Reciprocity. We received two contacts. So one, we received a letter from Oregon indicating to us that 3 they're interested in having discussions about this topic. 4 The second one is our chief electrical inspector has been 5 in communications with Idaho about licensing differences 6 7 between the states. And my understanding is from conversations that we have is that both Oregon and Idaho 8 are interested in having future conversations about 9 10 reciprocity.

11

CHAIRPERSON PREZEAU: Terrific.

MR. PUENTE: The last thing here that I wanted to discuss is our chief electrical inspector's currently working on scheduling stakeholder meetings. We anticipate to have 17 of those throughout the state. We will be having those in March, April and May of this year, and that should be coming out in our Electrical Currents in the near future.

So those are the things that I have to provide this morning.

21 CHAIRPERSONS PREZEAU: Any questions from Board
22 members?

I would like to offer -- this Board -- I know it's a short session, so the session -- you know, our next Board meeting isn't until April. And this session, assuming sine die occurs, you know, as scheduled, then it will be
 finished before the next Board meeting.

This body has written letters to help inform the 3 Governor and the majority leader and the speaker about 4 issues of paramount importance to the program. And if you 5 believe at any time that -- particularly with respect to 6 7 this -- I'm not exactly sure what the proper wording is, but the lack of allocation of funds for the class and 8 comp, if you think that we need to -- think it would be 9 helpful for us to send some correspondence in support of 10 11 that -- those funds, we will be -- I'm sure -- this Board was pretty unanimously, you know, supportive of the class 12 13 and comp and followed it very closely. And so I think that's a pretty easy action for us to take in the event 14 15 that you think it might be helpful going forward.

MR. PUENTE: We appreciate the support, and if needed I7 I will reach out to you and the Board.

18 CHAIRPERSON PREZEAU: Very good. Thank you.

19 Yes, Don.

20 BOARD MEMBER BAKER: The 02 and 04 rule change going 21 into effect February 23rd, how is the Department notifying 22 the stakeholders that that's in effect? Is that -- how is 23 that being rolled out?

SECRETARY THORNTON: Through the Currents newsletter,there will be an article in there that makes it public

Page 11 1 that that's the official date. 2 BOARD MEMBER BAKER: When is that Currents ... SECRETARY THORNTON: The next one's due out the first 3 of the month. So probably in ten days to two weeks. 4 BOARD MEMBER BAKER: Okay. So the February Currents. 5 SECRETARY THORNTON: Yes. 6 7 BOARD MEMBER BAKER: Thank you. CHAIRPERSON PREZEAU: Bobby. 8 9 BOARD MEMBER GRAY: Thank you, Madam Chair. Regarding reciprocity, I'm encouraged to hear that 10 11 we've opened that door at least. 12 How about Alaska? Is there any discussion with 13 Alaska at all? 14 SECRETARY THORNTON: Haven't had any contact with them, no. 15 16 BOARD MEMBER GRAY: Thank you. 17 SECRETARY THORNTON: But I could put that on my list. CHAIRPERSON PREZEAU: Yeah, I mean, I -- I'm excited 18 19 about -- I'm excited that the state of Oregon reached out. 20 We've -- you know, some of those talks have been stalled in the past, and if there's anything that we can do to 21 help keep moving them forward. Obviously we've had lots 22 23 of conversations at these meetings regarding trying to 24 secure reciprocity with all least our border states, 25 right? Oregon and -- and especially with all the special

1 rulemaking around the, you know, provisional licensing and 2 all of that stuff that we did to try to staff work especially this last year 2017 which was an interesting 3 experiment. Ultimately it wasn't super successful in 4 terms of attracting workers. And, in fact, I think it was 5 6 -- Dominic, you were like the solution to this is 7 reciprocity, and I think everybody in here has a tendency 8 to believe that.

Page 12

9 I mean, it's not the silver bullet, but it certainly10 would help significantly.

BOARD MEMBER BURKE: Yeah, to -- you need a longer term fix than what we were -- what we implemented.

13 SECRETARY THORNTON: And the general comments have 14 been that the shortage of electricians is a common issue 15 with everybody, so the climate's as good as it's been in a 16 long time to have those conversations about being able to 17 move the workforce across borders.

18 CHAIRPERSON PREZEAU: Agreed.

19 Any other questions for David Puente?

20 Thank you very much for joining us.

21 MR. PUENTE: Thank you, Madam Chair.

22 CHAIRPERSON PREZEAU: It's nice to see you. Have a23 good day.

24 MR. PUENTE: You too.

25 CHAIRPERSON PREZEAU: Okay. So just a bit of an

Page 13 1 update before we -- as we move into the appeals section. 2 As you guys can see, we have -- oh, sorry. Steve, did you want to add? 3 SECRETARY THORNTON: Do we want to go through the 4 bills right now? 5 CHAIRPERSON PREZEAU: Yeah, let's go ahead. 6 Yeah, 7 let's do that. 8 SECRETARY THORNTON: I'll make a quick rundown of the legislation that's out there right now. I think you all 9 have a copy of these. 10 So House Bill 1430 and Senate Bill 5304 requires the 11 Department to adopt the non-administrative portion of the 12 13 electrical rules through a process in which the Department, Washington cities and the Technical Advisory 14 Committee have an equal vote in the adoption of the rules. 15 Senate Bill 5211 removes the ability of the 16 Electrical Board to hear appeals, would make the 17 administrative law judge the final order. 18 19 House Bill 1855 requires business name and electrical contractor's license number to be marked on vehicles while 20 21 used in the electrical construction trade. 22 House Bill 1871 effective January 1 of 2022 requires electrical or plumbing certification for employees of 23 state agencies while performing electrical or plumbing 24 25 work on the premises of a state agency employer.

Page 14 Number 6 there, Senate Bill 6126 --1 2 CHAIRPERSON PREZEAU: I think you skipped 5. SECRETARY THORNTON: It's down at the bottom. We had 3 it on there twice. 4 CHAIRPERSON PREZEAU: Oh, got it. Okay. Sorry. 5 SECRETARY THORNTON: Requires completion of an 6 apprenticeship to receive journey-level certification. 7 8 House Bill 2123 and Senate Bill 5860 allows credit towards qualifying for a specialty certificate of 9 competency for work experience not in the electrical 10 11 construction trade, also provides a grandfathering opportunity on certain specialties for individuals that 12 13 can show they've been employed in that specialty prior to January 1st of 2002. 14

Senate Bill 6127, this pertains to the plumbing laws. 15 Creates a master plumber certificate, an administrator 16 17 certificate, and a plumbing contractor license. We've got some electrical laws that exempt some work and allows some 18 19 plumbers to do some minor electrical work, incidental work like changing out a water heater and some of that kind of 20 21 stuff. It would require some changes in our laws where we reference plumbing. We haven't proposed any changes as of 22 23 vet.

Number 9, House Bill 1952, which is the duplicate one from up above, passed the House on the 24th -- what was that? Wednesday I think -- and changes the city seat on the Electrical Board to a voting position; provides cities with the ability to enforce laws regulating aspects of electrical licensing, certification and visible display; allows cities to establish penalties and appeal process. Does not diminish the Department's ability to do that; it just gives the cities the ability to.

And each one of those bills above has either one or two asterisks behind it. The ones with one asterisk are still in committee. They must pass out by the 2nd of February. The ones with two have passed the committee and are waiting for the House, and they'll have to be out by the 14th of February.

14 And that's it for what we have for now.

15 The rulemaking part I'll cover in the Secretary's 16 Report.

17 CHAIRPERSON PREZEAU: Any questions regarding this18 legislative update?

19 It's not quite as daunting as in years past, but 20 still some issues of grave concern.

21 SECRETARY THORNTON: Yeah, some things that pertain22 to the electrical department and this Board.

CHAIRPERSON PREZEAU: So here's what I would -- I'd like to be a little bit proactive, and we've done this -as I've said, we've done this in the past knowing that

there is pending pieces of legislation that have a direct
 impact on this body and the program itself.

The Chair would be interested in creating, just like we have in years past, a political legislative subcommittee from this body in the event that we need to respond to -- in writing to pieces of legislation that have a direct impact on the Electrical Board.

8 BOARD MEMBER PHILLIPS: Do you need a motion?

9 CHAIRPERSON PREZEAU: I don't need a motion. I just 10 want to hear what the Board -- I just want to hear if the 11 Board is in support of that, and then if -- I need some 12 folks that would be willing to pay some attention to these 13 pending pieces of legislation, and then in the event that 14 we needed to craft a letter would participate in doing 15 that.

16 BOARD MEMBER PHILLIPS: Madam Chair?

17 CHAIRPERSON PREZEAU: Yes.

BOARD MEMBER PHILLIPS: I think that we have done this in the past, and it was very effective. And I think because the -- we need to react in a timely manner when these things come up that it would be prudent for us to create that subcommittee.

BOARD MEMBER LEWIS: Madam Chair, I would volunteer.Janet Lewis.

25

CHAIRPERSON PREZEAU: All right. So Janet.

Page 17 BOARD MEMBER NORD: Madam Chair, I'll also volunteer. 1 2 I've been on it before. CHAIRPERSON PREZEAU: Yeah, you've been on it before. 3 Can I have one more name? 4 BOARD MEMBER JENKINS: Madam Chair, I'll volunteer 5 also. 6 CHAIRPERSON PREZEAU: All right. Excellent. 7 So we've got Janet, Mike and Jason. And I will 8 monitor. And we will -- you know, obviously in the past 9 -- it's a little bit awkward because it's hard to 10 authorize a subcommittee to make a statement on behalf of 11 the balance of the Board. But I think -- I would hope 12 13 that the actions that we have taken in the past have built confidence by the balance of the Board that any 14 15 correspondence that goes out under our signature is going to be level headed and appropriate. 16 Any concerns? We're good? Okay. Thank you. 17 All right. So Steve, the rest of your comments are 18 19 going to be reserved for the Secretary's Report? 20 SECRETARY THORNTON: The Secretary's Report, yep. 21 CHAIRPERSON PREZEAU: Sorry. So -- I didn't mean to cut you off earlier. I guess I'm a little over-22 caffeinated. 23 24 111 25 111

Page 18 1 Item 3. Appeals 2 CHAIRPERSON PREZEAU: So we are under appeals. And I 3 just want to make an announcement, and that is, as you may 4 recall, we had an appeal last month which was Saint 5 Joseph's Heating and Air Conditioning, and we were able to 6 7 secure a final order -- agreed-upon final order. So that's why it's not scheduled for presentment. As the 8 presiding officer, I signed that after Pam reviewed it for 9 accuracy. So that is off of your docket. 10 11 I just want to clarify one thing. As you can see, the Kirby Electric matter and the Bid Mechanical matter, 12 13 if you printed the agenda that was sent to us, it indicated that those were continued to July. That was a 14 clerical error. And if you look at your agenda this 15 morning, it is correct that the Kirby Electric matter or 16 3.b. and Bid Mechanical, 3.c., those are continued to 17 April. So I just wanted to call your attention to that. 18 19 20 Item 3.a. Husky Injection Molding Systems, LTD 21 22 CHAIRPERSON PREZEAU: And with that, we are under 23 agenda item 3.a., which is the matter of Husky Injection 24 Molding Systems. 25 So would the parties that are involved with that

1 matter come forward.

2 MR. LEES: Good morning.

ASSISTANT ATTORNEY GENERAL LOWY: Good morning.
CHAIRPERSON PREZEAU: Good morning. My name is Tracy
Prezeau. I am the Chair of the Electrical Board. The
matter before us today is an appeal of -- matter of Husky
Injection Molding Systems, LLC (sic), docket number
04-2016-LI-00113.

9 This hearing is being held pursuant to due and proper 10 notice to all interested parties in Tumwater, Washington 11 on January 25th at 9:23 a.m. This is an appeal from a 12 proposed decision and order issued by the Office of 13 Administrative Hearings on June 20, 2017.

14 It is my understanding that decision reversed 15 citations and notice ECAML02694 and ECAML02695 issued by 16 the Department of Labor and Industries on January 15, 17 2016. It is further my understanding that the Department 18 has timely appealed the reverse decisions to the 19 Electrical Board.

At this time, the original appellant -- I think we have representatives of Husky Injection Molding, or perhaps counsel in Mr. Lees.

23 MR. LEES: Yes, that's correct.

24 CHAIRPERSON PREZEAU: It was pretty easy, but Mr.25 Lees, if you would be kind enough to introduce yourself

1 and state and spell your name for our court reporter. 2 MR. LEES: I'd be happy to. My name is Judd --J-U-D-D, last name is Lees -- L-E-E-S -- from the law firm 3 of Sebris Busto James. I represent Husky Injection. 4 CHAIRPERSON PREZEAU: Excellent. 5 Thank you. And the Department is present and represented by 6 7 Assistant Attorney General Ms. Lowy. 8 ASSISTANT ATTORNEY GENERAL LOWY: Good morning. My name is Marta Lowy. I'm an assistant attorney general, 9 and I represent the Department of Labor and Industries. 10 With me, Dave Campbell, lead electrical inspector for 11 the Department of Labor and Industries. 12 13 May I proceed? CHAIRPERSON PREZEAU: I'm sorry? Oh, bear with me 14 for a second. I'm going to do just some procedural stuff. 15 The Electrical Board is the legal body authorized by 16 the legislature to not only advise the Department 17 regarding the electrical program but to hear appeals when 18 19 the Department issues citations or takes some other adverse action regarding an electrical license, 20 certification or electrical installation. The Electrical 21 Board is a completely separate entity from the Department, 22 23 and as such will independently review the actions taken by the Department. 24

25

When the Department issues penalties, the hearing is

1 assigned to the Office of Administrative Hearings to 2 conduct the hearing pursuant to the Administrative Procedures Act. The ALJ who conducts that hearing then 3 issues a proposed decision and order. If either party 4 appeals that decision, it is subject to review by the 5 Electrical Board. Please keep in mind that while a review 6 7 is de novo, we sit in the same position as the administrative law judge and will review the entire record 8 regardless of whether a certain piece of evidence is 9 referenced by the ALJ. We are bound by the evidence in 10 the record, and no new evidence can be submitted at this 11 hearing. 12

Each party will be given approximately 15 minutes today to argue the merits of your case. Any Board member may ask questions, and the time may be extended at the discretion of the Board.

17 At the conclusion of the hearing, the Board will 18 determine if the findings and conclusions reached by the 19 ALJ are supported by the facts, the laws and rules 20 pertaining to electrical installations.

21 Do the parties understand the process that we are 22 going to undertake this morning?

23 ASSISTANT ATTORNEY GENERAL LOWY: Yes.

24 MR. LEES: Yes.

25 CHAIRPERSON PREZEAU: And a reminder to the Board.

We are bound to the transcript. And we're not going to allow -- if people -- we're not going to allow the introduction of new information. But certainly, as I said in the opening statement, that regardless of whether a piece of evidence was referenced in the transcript or by the ALJ or by the parties, it is within the bounds of discussion.

8 I do want to start off before we hear this case to 9 clarify in that this Board only has -- the Department 10 issued three citations, one having to do with whether or 11 not Husky Injection Molding was a registered contractor. 12 That is not within our jurisdiction this morning, right? 13 Our jurisdiction are the Department's appeal of the 14 citations ending in 2694 and 2695.

15 Is there anything else I need to say about that, Pam?
16 ASSISTANT ATTORNEY GENERAL THOMURE: I don't think
17 so.

18 CHAIRPERSON PREZEAU: Very good.

So Ms. Lowy, I believe you are the appealing party.
You have the burden of proof to establish that the
proposed decision or portions of the proposed decision is
incorrect. And so we'll begin hearing remarks from you.
ASSISTANT ATTORNEY GENERAL LOWY: Thank you.

We are here and respectfully urge you to reverse the proposed final order that was issued by the administrative law judge and which erroneously relieved Husky Injection
 Molding from the responsibility of complying with
 Washington law.

I understand that all of you members may have had an 4 opportunity to review the briefing and the exhibits that 5 were introduced. And as you just have heard, the matter 6 7 involving registration of the contractor, the citation 8 that does not involve electrical citations has been appealed by Husky to superior court. We are here on the 9 Department's appeal because we believe that the 10 11 administrative law judge misapplied the law.

What are the facts in the case? Husky -- and I will 12 13 refer to it as Husky for brevity -- submitted a bid to install equipment for Evergreen Plastic. 14 The administrative law judge saw the bid, acknowledged that 15 Husky was involved in work that was not within the 16 parameters of electrical work but determined that an 17 exemption applied to Husky's activities because 296 -- WAC 18 19 296-46B-925(23) applies in this case. That is an exemption that applies to power-generating equipment. 20 21 Husky Molding Injection does not involve power-generating equipment; it involves plastic-bottle-generating 22 equipment. This is what Husky produces: plastic bottles. 23 24 Not generate -- not power. It's not a power generating 25 piece of equipment.

1 The administrative law judge was inclined to look for 2 some exemption for Husky. It should have looked to WAC 296-46B-925(22) because that is the appropriate equipment 3 that Husky was installing in Washington state. And a 4 review of that provision shows that the activities that 5 Husky was involved in -- wire cutting, installing a tray 6 7 cable, wiring -- these are not exempt activities. No exemption applied to any activity that Husky was involved 8 in when it did the work. 9

The second citation that the ALJ also refers to was 10 the provision that involved obtaining a permit or a 11 provisional permit prior to beginning work. 12 The ALJ 13 erroneously decided that because Husky was exempt under 296-46B-925(23), it didn't need to obtain a permit before 14 it began the work. Well, there is no question and never 15 was a question that the equipment that Husky was 16 assembling and installing in Clark County was not 17 generating power; therefore, anything else that is 18 19 attached to it was erroneous and should be reversed.

I would be remiss if I didn't add the administrative law judge didn't deny that electrical work was done; he simply misapplied the law applicable to it.

There was a bid. Exhibit G is the bid that Husky submitted to Evergreen Plastic, and it allocates exactly the tasks that were allocated to Husky as the lead

inspector testified and as indeed Husky staff testified.
They performed work which under Washington law is
electrical work. They installed wiring, the cable tray.
There is electrical wiring. And this is all work that
requires licensing and certified individuals to perform
the work.

7 I know that I don't have to say it to this body, but I will for the record anyway. The laws are in place to 8 protect the public, to protect life, to protect property 9 and to protect fair competition. The citations and their 10 11 attendant penalties were properly issued that are the basis on the work that Husky performed, and we ask that 12 13 you reverse the findings of fact of the administrative law judge and affirm the citations issued along with their 14 penalties because they were correct and issued based on 15 the work that Husky was performing while not licensed 16 17 while -- that had submitted a bid and performed electrical 18 work.

19 Thank you.

20 CHAIRPERSON PREZEAU: Very good. Thank you.

21 Mr. Lees.

MR. LEES: Yes, thank you. Good morning, Chair
Prezeau and members of the Washington State Electrical
Board.

25

Again, my name is Judd Lees, and I represent the

appellee, Husky Injection Molding Systems in this appeal,
 which again is limited to two citations involving the
 electrical citations. The other citations are currently
 before the superior court.

5 And as Ms. Lowy indicated, the burden is on the 6 Department to establish that the judge's determination in 7 this, in the proposed findings, that the exception applies 8 is not supported by a preponderance -- or has to 9 demonstrate by a preponderance of the evidence that the 10 judge got it wrong.

11 What is interesting in this case is the appeal is 12 very narrow. And I'm going to refer to a few things in 13 the record before you. It does not touch on any of the 14 findings of fact that were made by the judge. We had a 15 very lengthy hearing. It was well testified to. A number 16 of exhibits, two on behalf of the Department, and two on 17 behalf of Husky Injection.

As to exactly what happened when the nature of the work that was being performed down there in Vancouver.

And under the findings of fact -- and they are located on page 27 of the packet here, there are a number of findings that the Department in this case has not appealed. They've indicated the facts are what the facts are. And the findings of fact with regard to the electrical work are 4.17 through in essence 4.26.

But the gist of all these findings of fact is a clear division of labor that occurred. Again, it's undisputed as to what the Husky Injection technicians did and as to what a certified electrical subcontractor, Northwest Electrical Contracting, did.

My client is a manufacturer and supplier. 6 It's a 7 multi-national manufacturer of these huge component 8 machines that fabricate a variety of things, in this case, plastic bottles. And as a multi-national supplier, 9 they've been in existence for 64 years, and they've 10 11 testified in the transcript, they've supplied roughly 6,000, 5,000 of these machines and have never run into an 12 13 issue where the state or the country or whatever alleges that this is electrical work. And that is again because 14 of this division of labor that has occurred in this case 15 and is set forth in I believe Exhibit G. Here is what 16 Husky will do, the technicians, and here is what the 17 electrical contractor -- subcontractor will do. 18

And what Husky does is fabricate these various components, assemble them on the factory floor, preconnectorize them, cut wires that connect them so that the components can talk to one another. It's kind of a complicated machine. There's a power display -- a PDP -a power distribution panel -- and then various components, and they have to work in concert.

1 So the testimony was in the record that they were 2 fabricated, assembled, and then because there's no box large enough to carry this component machinery, they were 3 then disassembled. The wires were taken apart and labeled 4 and rolled up and put inside the various components. 5 So you can see that I believe in Exhibit B. They had some 6 7 pictures of the wires once they were taken apart and slid into the various components. So at the time it would 8 arrive the technicians -- the Husky technicians could then 9 reassemble it, plug the various types of connections, 10 these preconnectorized connections into one another, 11 assemble the machine, but carefully delineate that the 12 13 electrical power wiring from the PDP, the power distribution panel, to the various components would be 14 done by a subcontractor of the owner's choosing. 15

Page 28

More importantly, the electrical subcontractor's responsibility was to power the equipment, that is, find a power source, run the conduit to the machine, wherever the owner decided to put it, and power it up.

20 So there's a clear division of responsibilities. And 21 again, the findings of fact indicate as to what Husky did 22 and what the subcontractor did, and in essence the judge 23 summarized a variety of these findings of fact. At 4.24, 24 again, on page 27, he says (as read), "The molding 25 injection system had been previously assembled at the

1 appellant's factory, tested, disassembled, shipped and 2 then reassembled at the Evergreen facility." And then there are a number of findings of fact as to what the 3 subcontractor did and which are found I believe in 4.20, 4 21, 22 and 23, which were basically that once the 5 injection molding system was properly reassembled and 6 ready to be energized, the Northwest Electrical contractor 7 contacted the Department to get a final inspection. They 8 also did all the final connections. And based on that, 9 the judge determined that this was not electrical 10 installation work. 11

Now, there was a great deal and is a great deal of 12 13 testimony in the transcript regarding look at all these wires, they're transmitting, they're going to transmit 14 energy or will transmit energy; that sounds and looks like 15 electrical work. And what is interesting is that while 16 there is a broad definition of electrical installation, it 17 is trumped by these exemptions. So no matter how many 18 wires are involved or how complex it looks, if an 19 exemption applies, it is not electrical installation work. 20

And one of the things I asked Mr. Campbell, who's here today, at the hearing was after there was testimony regarding all these wires and the complexity of it is whether under WAC 296-46B-100 whether that was trumped by this exemption, and his testimony -- and it's on page 177.

Page 30 1 He basically read it aloud because I asked him to. And it 2 says, "An installation includes the act of installing, correcting, repairing, modifying or otherwise performing 3 work on an electrical system, component, equipment or wire 4 .... " Very broad --5 CHAIRPERSON PREZEAU: Mr. Lees, if I could just --6 7 MR. LEES: My apologies. CHAIRPERSON PREZEAU: No, no. I just want to 8 clarify. The page you just referenced, is that the actual 9 -- the Board packet page or is that the --10 11 MR. LEES: The Board packet. My apologies. 12 CHAIRPERSON PREZEAU: Thank you, sir. 13 MR. LEES: All my references are to Board packet. That's what you have in front of you. 14 15 CHAIRPERSON PREZEAU: Thank you. Sorry for the 16 interruption. 17 BOARD MEMBER BAKER: What page again? 18 MR. LEES: It's page 177. 19 CHAIRPERSON PREZEAU: I apologize for the 20 interruption. 21 MR. LEES: No, I -- please. It's for clarification's 22 sake. 23 It is at line 8. It's basically -- it's just a restatement of 296-46B-100. 24 25 And again (as read), "An installation includes the

1 act of installing, correcting, repairing, modifying or 2 otherwise performing work on an electrical system, 3 component, equipment or wire ...." Very broad. Obviously 4 when we stepped into this case, we're looking at that 5 broad definition. But it goes on to read "except" -- the 6 testimony or transcript reflects "for," but the language 7 is "as" ... "except as exempted by WAC 296-46-925."

8 So regardless of all the wires or the complexity --9 and again, what was described at the outset of the 10 inspection was, I see people and I see them connecting two 11 sides of equipment; that's electrical work.

12 The element issue as the judge found is whether or 13 not the exemption applies under the subheading 23.

We had also argued that 22 should apply because
primarily -- they are a manufacturer. They weren't
brought in here to install or assemble the machine that
they had no connection with.

And so the judge looked at that and determined that 18 19 23 applied. And the arguments that were submitted here, the written arguments and the arguments today are not that 20 21 this should be narrowly construed or that the Department's jealously guarding the scope of this exemption, and 22 23 instead, again, we would argue that the judge correctly applied it, and in the alternative could have in our mind 24 25 applied subheading 22. And that's because of the key

1 words in both 22 and 23.

2 Manufacturer. So we don't have an electrical 3 subcontractor or a contractor stepping in putting in 4 somebody else's equipment. These are manufacturers. It 5 is equipment. It is industrial equipment. And there was 6 a great deal of testimony about that.

7 Three, you see the magic words "assemble" or 8 "assembly" going on here. And again, that term was used 9 really from the get-go when the inspector, Mr. Campbell 10 initially wrote his initial report. These people are 11 assembling something. And the use of factory-trained 12 technicians.

13 Those are all common factors in both 22 and 23. And that's what the judge seized on. So we don't have a 14 situation here where the technicians were involved in all 15 the work. They were involved in a very limited scope of 16 work that did not involve the powering up of the 17 equipment, but merely the assembly and I would argue the 18 19 reassembly. These machines were tested, fired up, taken apart, carefully coded, and then reassembled at the 20 21 factory floor.

Ms. Lowy's mentioned safety. And that's paramount. And again, we have witnesses in the transcript that testified with regard to that. The primary concern with the Department's desire to open up also the assembly work

1 to the certification process, the use of certified 2 electricians, is that these factory-trained technicians know the equipment, they know the connections, and the 3 argument would be that it's safer for them to be involved 4 in the reassembly, follow the diagrams -- the 5 manufacturer's diagrams for reassembling this work, then a 6 7 four year -- or an electrical -- a contractor and/or an electrician -- a journeyman electrician who might not have 8 any idea how to assemble that. That's not to denigrate a 9 journey-level electrician in this case. But again, we see 10 the terms "technicians" throughout these WAC's. 11

So we would argue that the judge got it right and 12 13 that the exemption applies, that the careful delineation here wasn't arrived at by Husky Injection by accident. 14 They knew there are a number of vagaries regarding 15 permits, regarding the connections, regarding who does 16 17 what, and they delegated that electrical work to a bona fide electrical subcontractor who in turn hired and 18 19 utilized the certified electricians and obtained the necessary permits and inspections. 20

So we would ask that the Board affirm the proposed rulings, the specific conclusions of law that were determined by the judge based on the evidence, based on the testi -- the demeanor of the witnesses that he heard at that hearing and set aside both noncompliant citations

1 ... absent any questions.

2 Thank you for your attention.

3 CHAIRPERSON PREZEAU: Thank you, Mr. Lees.

Given -- unless the Board members want to jump in, I normally would love to -- allow Ms. Lowy an opportunity for rebuttal. And certainly that would be available to you, Mr. Lees, as well. Even in the event of parties represented by counsel, I want to make sure that we err on the side of access.

ASSISTANT ATTORNEY GENERAL LOWY: Counsel makes much 10 11 of assembly. If the Board looks at the transcript, you will note that Mr. Matts from Husky speaks about 12 13 installation. Throughout the testimony he addresses installation. And, in fact, he says about -- in response 14 to a particular question, "We do this on every install." 15 So I think parsing the words, is it installation, is it 16 assembly, the bottom line is the administrative law judge 17 saw a power generating piece of equipment, and that's not 18 19 what Husky's equipment is. It simply doesn't generate So 296-46B-925(23) is erroneous from the get-go. 20 power. 21 This is not where it applies. There are no exemptions to the work that Husky performed in Clark County because they 22 did typical work. They did electrical wiring. 23 Thev installed the cable tray. They submitted the bid which 24 25 the administrative law judge didn't even address. And

Page 35 1 again, we ask the Board to reverse the proposed decision 2 and order of the administrative law judge and find that Husky violated Washington law regarding electrical work 3 and obtaining of permits and bidding in Washington state. 4 Thank you. 5 CHAIRPERSON PREZEAU: Mr. Lees, any response? 6 7 MR. LEES: No. I'm going to surprise everybody and stand down as an opportunity despite having an opportunity 8 to speak. No, I don't. 9 Thank you, though. 10 11 CHAIRPERSON PREZEAU: Thank you. Ryan, you had -- it looks like you were interested in 12 13 saying something. BOARD MEMBER LAMAR: I did have a question. 14 So ma'am, you had mentioned earlier that the 15 administrative law judge had erroneously cited 16 subparagraph 23 of 296-46Bravo-925. And you said there 17 was one that was more appropriate. Which one were you 18 19 saying was more appropriate? 20 ASSISTANT ATTORNEY GENERAL LOWY: Sub 22. 21 BOARD MEMBER LAMAR: Sub 22. Thank you. 22 CHAIRPERSON PREZEAU: Any other questions, Board 23 members? Or are you interested in having some conversation? 24 25 BOARD MEMBER CUNNINGHAM: Does the exemption under 23

clearly define what premanufactured electrical power 1 2 generation equipment is? Because there's another exemption that talks about electrical power production 3 equipment. Are these terms defined in the WAC rules 4 somewhere? Does somebody know -- these exemptions don't 5 even appear to speak to industrial machinery, air handling 6 7 equipment, all sorts of manufacturing equipment, preconstructed and shipped to the site. Medical imaging. 8 I mean, there's lots of stuff that gets hooked up on job 9 Where are those things defined so they know which 10 sites. 11 exemption applies?

12 CHAIRPERSON PREZEAU: Well -- and my concern is that 13 -- and I've looked -- this is where things get a little bit -- I thought about this last night, and I looked 14 through the -- you know, I have a set of WAC's and RCW's 15 in a bag right at my feet. And the Department's exhibits 16 include some language but does not include -- so I'm kind 17 of hoping that Pam's paying -- her ears are perked up 18 19 quite a bit. Because we have -- so we have -- we have some of -- we have some of 19.28 in here as provided by 20 21 the Department, right?

And I also note, Pam -- including sub 23. So we also have sub 22 in here, right? And -- but we don't have definitions. But what we get to bring with us as Board members is what we know about the statute and rule, right? And what I do believe I know as a journey-level electrician is that this is not a electric-powered generation piece of equipment, right? So I -- while I -it is not a generator. It is not a -- it consumes power, which is why they hired Northwest Contractors to hook up the, you know, whatever the amperage and voltage, right? It consumes power.

So -- you know. And I -- the parties -- the 8 transcript talks about, you know, subheading 22. And, you 9 know, having some experience with this, I understand --10 you know, I think I understand what these words -- how to 11 apply these words, right? And many of you in this room do 12 13 as well. And when you start looking at manufacturers of electrical and telecommunication systems products would be 14 allowed to utilize a manufacturer's authorized factory 15 trained technician to perform initial calibration, 16 testing, adjustments, modification incidental to the 17 startup and check-out of the equipment or replacement of 18 19 components within the confines of the specific product without permit or licensing -- or required licensing, 20 21 provided the product has not been previously energized, 22 which testimony indicated that it has. And then, you know, none of these other pieces apply. 23

But I also think it's interesting, and I -- is -- and I'm on Electrical Board appeal packet page 227. So it's

Page 38 1 transcript page 153. And I believe if I have this 2 correct, this is Mr. Lees' direct with Mr. Matts. Question: "Okay. Install wire tracks?" 3 Answer: "Yeah. Yeah. So we talked about that so 4 some degree today. That goes to wire mesh racks that hang 5 under the mezzanine to carry the cables, to keep them 6 7 neatly organized and separated within the track." 8 Question: "Okay. We are not talking about a connection to the ceiling of some certain height?" 9 And it has to do with the appeal that we're not 10 11 dealing with, right? But I'm interested in the installation of the tracks. 12 13 It goes on to say, line 20, Question: "Okay. Do you know if any of those were already precut before?" 14 Answer: "It is all precut, all predesigned 15 specifically for that mezzanine. It is a standard 16 17 mezzanine. Designed, precut. It is like a little erector set." 18 19 And it goes on to -- continues -- this line of questioning continues, and I'm on page Board packet 228, 20 transcript 154, line 3, Question: "Okay. Next below 21 that, performing routing of electrical cables from (the 22 power distribution panel) PDP to the equipments -- " 23

24 Answer: "Mm-hmm."

25

Question: "-- what -- what does that entail?"

Page 39 1 Answer: "Yeah. Normally we perform that work, so we 2 would have spools of the right gauge wire show up in the factory. We would pull it and we would leave adequate 3 length on the one end dangling out of the bottom of the 4 cable track at the end of the PDP and then the other end, 5 you know, with enough slack on it, let's say, up by the 6 7 devices that are up on the mezzanine. And that's all we do is just pull the cable through and then wait for the 8 electrician to show up and cut it and terminate it and do 9 all the work to it." 10 11 Question: "Pull through suggests that maybe pull through conduit; is that the case?" 12 13 Answer: "Not on the conduit, no. It is hanging in that wire -- laying in that wire -- " 14 Question: "The cable tray?" 15 Answer: "Yeah." 16 So -- and then -- so we have Mr. Matts in his direct 17 testimony from Mr. Lees indicating that not only did they 18 19 install the cable tray, but they installed this specific 20 cabling that comes on the spools, right? 21 And then -- and even if there was some question about what, you know -- and it gets a little bit -- the 22 transcript's not -- it's a little bit difficult in certain 23 places to follow, especially with Exhibit G and the pages, 24 25 but I think -- I think I understand what's going on here.

Page 40 1 And then on page -- Board packet page 258, and I 2 believe this is -- I'm sorry, Mr. Lees, I do not know how to pronounce your client's -- your witness --3 MR. LEES: It's hard to pronounce. Pilavdzic. 4 CHAIRPERSON PREZEAU: Pilavdzic. And for the record, 5 it is spelled P-I-L-A-V-D-Z-I-C. 6 7 So you were -- actually it should begin on the previous page because it starts with a question from 8 Mr. Lees. It says, line 24, "Okay. With regard to --9 there was testimony by Mr. Campbell that he was called out 10 based on a concern with the -- a certain wire. Do you 11 know what that wire was anecdotally? What was the nature 12 13 of the wire that he was called out to inspect?" Answer: "Well, no surprise to me that the 14 electrician who is not familiar with industrial wiring and 15 the requirements of NFPA 79 asked -- would ask a question 16 because wiring will be obviously different. We use 17 specific wire that is allowed by the standard NFPA 79. 18 Ιt 19 is a Machine 2 wire because this is specifically built to the standard." 20 Ouestion: "And this is different than what we have 21 22 characterized as communication wiring?" Answer: "This is a power wiring." 23 So if you put the -- and again, this is what Mr. 24 25 Matts and in the transcript the inspector, you had reels

Page 41 1 of this machine wire 2, right? Machine 2 wire. And that 2 representatives of Husky in direct and in cross in the transcript indicate that not only is it line voltage 3 wiring, so you can get down in the weeds about -- and I --4 you know, about whether or not the communications cabling 5 which is actually telling pieces of equipment to close 6 7 contacts, open contacts according to the transcripts. But 8 this cabling by the -- from my perspective from -- under direct and under cross indicate that this is line voltage 9 cabling that representatives of Husky precut, spooled out. 10 11 Mr. Matts' testimony is very clear. Laid in the cable with ample length for a licensed certified electrical 12 13 contractor -- an electrician to make the terminations. But the fact is that from my perspective and then to this 14 15 body is installing the cable tray, that is a system to convey electrical cabling, which they admitted that they 16 installed and waited for -- I mean, I'm glad that Husky 17 had -- or Northwest -- the customer had a licensed 18 19 electrical contractor do the main power hookup. But with -- unless somebody can show me something differently, if 20 I'm missing something in the transcript, if Board members 21 have some additional pieces of information that I failed 22 to consider ... 23

24 BOARD MEMBER JENKINS: Madam Chair?25 CHAIRPERSON PREZEAU; Yes.

1 BOARD MEMBER JENKINS: Considering your whole 2 discussion there, I'm looking at page 177. And that's the same document he mentioned earlier about installation 3 includes the act of installing, correcting and so on and 4 so forth, the installing of the equipment is installing 5 the equipment. There is no exemption in the rules that 6 7 allow the installation of equipment per generation. Ι 8 think we've already established it's not generating equipment; therefore, it doesn't apply to the exceptions. 9 Therefore, you can't even look at the exceptions as far as 10 any of the discussion we've been having on this. 11 Ιt doesn't apply. Because this is not a generating piece of 12 13 equipment.

So all the discussion about the way the cables works, what kind of voltage is going across them, all that doesn't apply to the 925 -- what was that -- 22? Or 23.

And even on 22, I almost argue that it wouldn't apply even as a telecommunications system because it's not telecommunication. It's industrial equipment. So I don't even know if that exemption would even apply to them to even start. And inside there there's nothing about installation. It's all about testing. So ...

23 CHAIRPERSON PREZEAU: I'm curious to get some24 contractor perspective on this.

25

BOARD MEMBER BURKE: Actually if you continue on to

the next sentence, you stopped at item (iv) -- (22)(iv)
 out of the Board packet 371.

3 CHAIRPERSON PREZEAU: Hang on a second, Dom. Where 4 are you at?

5 BOARD MEMBER BURKE: Board packet 371. And if you 6 actually continue past the first five items and go to (b), 7 it specifically says, "Except for the replacement of 8 individual components, as allowed above, this exemption 9 does not include the initial installation, removal, or 10 replacement of the product."

11 So it does specifically state that none of the above 12 applies to the initial installation.

MR. LEES: If I might interject, there is really no -- aside from the WAC 296-46B-100 which kind of talks about what installation is, there's no definition of what an installation is. According to that, it's the act of installing, correcting, repairing, modifying or otherwise performing work on electrical system. But then you have the exemptions.

And again, I would argue that based on the preassembly and reassembly issue that because of the relevant elements of premanufactured equipment, assembly, use of factory-trained technicians, this is different. And again, the record is clear that the equipment supplier here took great pains to carve out a substantial amount of

this work to make sure it was performed by certified
 electricians.

3 BOARD MEMBER BAKER: Madam Chair?

6

4 CHAIRPERSON PREZEAU: I'm going to go to Bobby, and 5 then we'll go to Don.

BOARD MEMBER GRAY: Thank you, Madam Chair.

7 Mr. Lees, would you help me understand something? You referred to Husky as a manufacturer. And that makes 8 sense to me at their manufacturer where they're producing 9 these machines and building them and assembling them 10 11 there. But once they leave that factory and they come to another location, then it seems to me the manufacturer at 12 13 that point would be the people that's producing these plastic devices or whatever it is, and that Husky then 14 becomes an installer rather than the manufacturer. Can 15 16 you help me understand why that's not the case here?

MR. LEES: Well, again, based on the fact that we had 17 some testimony regarding this that if we ship it in one 18 19 box, then it would arrive all preassembled and ready to go, and the only thing it would need to be is powered up, 20 21 then there would be no question that there's no violation of electrical code . But because it's too big a component 22 23 system, it requires that it -- once it's together and 24 everything's ready to go, it requires that it be 25 disassembled. And then since Husky put it together, it

provides technicians to reassemble.

1

So I understand there's a loose definition of 2 install. One person's installation is another person's 3 reassembly or assembly. But that's really all I can do as 4 opposed to -- because it doesn't depend on the 5 requirements of the owner; they're just reassembling it, 6 7 other than where this mezzanine goes, and that's a separate piece. But they just put it right back together; 8 it's reassembled. And again, you can see the pictures in 9 there that everything's precoded and rolled up, and it's 10 right near where it has to be put right back together. 11

12 So I understand and respect your argument that that 13 sounds like installation. I would argue it's not.

You know, selling a bicycle, and you take it apart because it has to be shipped, and then somebody there from Schwinn puts it back together for you and you're off. That's all.

18 CHAIRPERSON PREZEAU: Is that sufficient?

19 BOARD MEMBER GRAY: Yes, thank you.

20 CHAIRPERSON PREZEAU: Don.

BOARD MEMBER BAKER: Earlier you mentioned cutting wires, and that was a red flag for me when you said that. But it feels to me like this discussion is right on the border of, you know, is this a piece of equipment that was the manufacturer is coming in and reassembling? And I'll

1 compare it to a contractor setting up a yard in Spokane 2 and prefabricating assembling, shipping them to Seattle and then reassembling them. Those prefabricated modules 3 still are under the state law and they still have to be 4 inspected. And at some point a cable tray and power-5 carrying conductors become a building wiring versus a 6 7 machine, and that's what we're trying to determine here. At what point is it no longer a machine, and the 8 manufacturer technicians aren't authorized to do that work 9 versus it has to be a licensed electricians and a licensed 10 11 contractor. When we start talking about cable trays and, you know, the wiring that's going back to the main 12 13 distribution panel, that feels likes building wiring to That feels like we're beyond a piece of equipment. 14 me.

Page 46

Certainly, a piece of equipment where a manufacturer 15 is plugging connectors back together, that's makes sense. 16 The last thing I want to do is create a situation where 17 we're voiding a manufacturer's warranty because their 18 19 technicians can no longer do the work; it has to be a licensed electrician. But cable trays, running wirings 20 21 back to the main distribution panel, that sounds like electrical work; that sounds like regulated work to me. 22 Even though it was done in assembly, it was pre-put 23 together and they're shipping it in, we do that all the 24 25 time as contractors, but it's still licensed work; it's

Page 47 1 still regulated work. So somewhere in there it feels like 2 it would cross the line from being a piece of equipment, a machine and now we're talking about some building. 3 Dominic, I see you're nodding your head, so you know 4 what I'm talking about. 5 BOARD MEMBER BURKE: Yeah, as soon as you leave the 6 7 box --8 BOARD MEMBER BAKER: Yeah, yeah. BOARD MEMBER BURKE: -- in our world. 9 BOARD MEMBER BAKER: Yeah. 10 I don't want my 11 electricians getting into that machine and connecting up the wiring, but at some point it sounds like we've got 12 13 beyond that. CHAIRPERSON PREZEAU: Board members, other thoughts? 14 So I am in agreement with Don, right? which is why I 15 kept my -- you know, I think it gets a little bit more 16 complex having worked on, you know, experience in this 17 industry where you have manufacturers' representatives 18 19 that are helping with, you know, bringing -- whether it's 20 a piece of gear, you know, or, you know, other electrical manufacturing equipment to the point of initial startup 21 in, you know, a customer's facility. 22 23 The pictures of the -- you know, the appellant's pictures of -- the original appellant's pictures of the --24 with the molded --25

1 MS. LEES: It's page 301, 302.

2 CHAIRPERSON PREZEAU: Yeah, thank you.

-- molded fittings that just fit together like in the 3 PowerPoint projector, right? It's almost like -- that 4 becomes more difficult. But what I think was clear and 5 unfortunate for -- is -- you know, the representatives of 6 7 Husky admit that that machine 2 wire is line voltage wire, and that they placed the cable tray and they placed that 8 cable. They didn't -- I understand that they didn't do 9 the terminations, so they didn't, you know, complete that, 10 but they certainly performed a portion of what I believe 11 to be is regulated electrical installation work. 12

BOARD MEMBER NORD: Madam Chair, if I may, on page 335 ...

15 CHAIRPERSON PREZEAU: Hang on. Let me get there. BOARD MEMBER NORD: This is the Husky specifications 16 for the installation. Husky states that they believe it's 17 their responsibility to assemble the power-distribution 18 19 power, install the wire tracks and perform routing electrical cable to the power distribution panel to the 20 21 equipment. And they use the example of machine, mold, auxiliaries, et cetera. Just because they place that as 22 their specification and they believe it's their 23 responsibility, that doesn't necessarily mean it complies 24 with our laws. 25

Page 49 CHAIRPERSON PREZEAU: Yeah. And I believe this is 1 2 what, you know, what I -- a portion of the transcript that I quoted from earlier, this is Mr. Matts' testimony under 3 direct from Mr. Lees. And with your permission I'm going 4 to call the other witness by his first name, Jim -- was 5 addressing this question, and they indicate they performed 6 7 this work. They installed the -- Mr. Matts said that we installed the wire tracks, which actually is cable tray, 8 that comes from the power-distribution panel and goes up 9 and feeds all the other -- including the transformer --10 the step-down transformer and everything. And they routed 11 the machine 2 cables. Those cables by the client's own --12 13 -- or by the original appellant's own direct testimony is that that is -- and I'll quote it again. It's on 14 transcript page 184, Board packet 258. "This is a power 15 wiring." 16

MR. LEES: If I might, on the PDP, can I jump in?
CHAIRPERSON PREZEAU: Sure.

MR. LEES: On examination -- and this is the transcript, your packet page 226. Mr. Matts with regard to the issue that was just raised that there's a checkpoint in terms of what Husky Injection does, his testimony -- and we went through this. Mr. Lowy was cross-examining him on the various components. And with regard to the PDP he said -- again, it's page 226, line 19. "So the power distribution panel itself shows up
 preassembled. I mean, all it is a box with a bunch of
 switch gears in it. It is a secondary connection point."

4 So it's preassembled. So some of these checkpoints 5 occur on the floor of the customer. Some occur in Canada 6 where these are manufactured.

And I quess while I'm here, I would offer that if the 7 Electrical Board is inclined, it would be nice to draw 8 some delin -- if you're not inclined -- well, let me back 9 up a second. I faced the same thing at hearing with cable 10 11 trays and the electrical inspector, you know, just having this visceral reaction, of course, that's electrical work. 12 And as a non-electrician, I looked up and it's pre-cut and 13 it's just up there. 14

15 But anyway, to the extent there were concerns about connections or laying of cable trays, that those be 16 addressed separately, and then the connection at least 17 that can provide some guidance if that's the way the Board 18 19 is inclined, rather than throwing up its hands. Because you share the same issue Ms. Lowy and I did was going 20 21 through -- parsing through these WAC's, getting some quidance here. 22

This is a well-established contractor. They do it all over the world. And that's -- well, that's what they want is guidance. Hence, the clear delineation of

1 responsibility is to make sure that somebody does the work
2 that's in compliance with the whole code. I just offer
3 that ...

CHAIRPERSON PREZEAU: And Mr. Lees, I have a lot of
-- I have a tremendous amount of sympathy.

6 It's interesting is -- a bit of history. If I 7 remember correctly, in the state of Washington, you know, 8 regulation of the electrical industry actually goes back 9 to about 1919. And in 1935, we adopted our first national 10 electrical code, and we elected or appointed or 11 established a chief electrical inspector and established a 12 contractor registration requirement.

And it wasn't until 1972 or '73 that -- but still, you know, it's a long time ago -- that required workers to be certified.

And so this is the, you know, 19.28 and its associated administrative code have been around -- you know, have lived through several legislative sessions and several rule-makings.

And while this body -- and I am not sure if parties know the composition of the Electrical Board. But we have members of the Board that are electrical contractors. We have members of the Board that represent the power utilities. We have members of the Board that represent telecommunications providers, telecommunication

1 contractors, and then a whole host of -- we have 2 manufacturers representatives, outside line workers, and then electricians. And so we have what I would argue is a 3 plethora of experience on this Board regarding application 4 of what can sometimes feel incredibly confusing and 5 convoluted and what does it mean to install and what is a 6 7 piece of electrical equipment and what is -- and so I'm sorry that for -- you know, one of our pieces -- one of 8 places of jurisdiction obviously is to hear appeals of 9 this nature where the Department has rendered citations 10 and oftentimes they have to do with an entity offered to 11 perform electrical work without being an licensed 12 13 electrical contractor and without, you know, obtaining a permit which is really about calling for inspection. 14 And -- but it's written in a very -- it can be a very 15 confusing set of rules. And from my standpoint today --16 and I would be more than happy -- I don't know how to 17 offer that clarification other than, you know, it's 18 19 clearly --

And, you know, Dave, we haven't heard from you, but I'm pretty sure you wouldn't call this a piece of generation equipment.

23 BOARD MEMBER WARD: No, it's not.

24 CHAIRPERSON PREZEAU: As a utility provider.

25 BOARD MEMBER NORD: Madam Chair?

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CHAIRPERSON PREZEAU: Yeah.

2 BOARD MEMBER NORD: May I point out one more item
3 here?

4 CHAIRPERSON PREZEAU: Sure.

1

BOARD MEMBER NORD: Page 334 of our packet for my 5 fellow Board members, this is once again under the Husky 6 7 specifications to their customers, and it's the responsibility that Husky gives the customer. And the 8 power distribution panel, electrical wiring and water 9 piping kit, it says it is the customer's responsibility to 10 11 cut, connect and terminate all pre-routed power cables to 12 the equipment.

13 If it's the customer's responsibility as Husky 14 defines it, that would involve a licensed electrical 15 contractor to make those terminations.

16 CHAIRPERSON PREZEAU: What -- oh, I see where you're 17 -- I think I see where you're going with that, Mike. And 18 I think actually I think they did do that. I think this 19 is the work that they -- that Northwest did. Yeah. This 20 is the power -- this is the -- this is the main feed to 21 this piece of equipment.

BOARD MEMBER CUNNINGHAM: I think they're talkingabout the machine 2 cable.

BOARD MEMBER NORD: That's what I'm thinking.
BOARD MEMBER CUNNINGHAM: They're expecting the

Page 54 1 electrician to cut that cable to the exact length that it 2 needs to be and to terminate it properly. BOARD MEMBER BAKER: It's the pre-routed portion, 3 that's where they cross the line. When they pre-routed 4 that, now it is electrical work .. in my mind. And I'm 5 talking about --6 7 BOARD MEMBER LaMAR: Outside the --BOARD MEMBER BAKER: Pardon me? 8 BOARD MEMBER LaMAR: Outside the machine room, 9 10 correct? 11 BOARD MEMBER BAKER: Yeah, yeah. They're running to the MVP, right? 12 13 BOARD MEMBER CUNNINGHAM: Again, I think this machine like Mr. Lees said is too large to ship in one piece. 14 We see this as a consulting engineer all the time 15 with very large air handling units. They're too big to 16 put on track. They break them down into pieces. 17 They have shipping splits. It's one assembly. It's all built 18 19 at the factory, tested, ships to the site and it's put back together and where connections need to be made that 20 21 aren't pre-terminated at the factory, that that --(inaudible). I think the danger with this line of 22 discussion like again, I'll reiterate my question before 23 24 about imaging equipment in medical applications. The 25 electrician will typically install a trench duct or

Page 55 1 something on the floor, electrical work that's inspected. 2 But Toshiba or G.E. or somebody medical systems will come in with a special cable that's designed for -- it's not 3 building wire; it's finely stranded special wire, and they 4 put it in. It's theirs. They provide it. They bring it. 5 The electrician makes the final connections again. 6 So I'm seeing a lot of parallels between this machine 7 and all sorts of other industrial and medical apparatus. 8 I think there's a big hole in the WAC rules. I'm kind of 9 surprised that this has never come up before. 10 11 BOARD MEMBER LaMAR: Agree. 12 CHAIRPERSON PREZEAU: Bobby. Thank you, Madam Chair. 13 BOARD MEMBER GRAY: I have a question perhaps for counsel. 14 Clearly, this equipment is not power-generation 15 equipment. It's utilization equipment. And those are 16 17 clearly defined terms. It may be industrial machinery which in my opinion it probably is. 18 19 So the citation by the administrative law judge is incorrect, at least in my opinion. It should not go 20 21 there. So are -- do we have the authority to question 22 whether he or she made the right decision based on that 23 citation or generally speaking should he apply the 24 25 exemption in 22 rather than 23 and then rule on whether

1 that would have been the correct ruling at that point? Is
2 that a ...

ASSISTANT ATTORNEY GENERAL THOMURE: So as all of you know, your review is de novo. This is -- the decision by the administrative law judge is the proposed decision and order which is subject to your review.

7 If the proposed decision and order is in error, you8 can change that.

9 What that means, however, is you have to go back to 10 the original citation as issued by the Department, and 11 ultimately what your responsibility is, Is there a 12 preponderance of the evidence in the record that supports 13 the decision as issued by the Department.

14 So if you find that the ALJ's proposed findings are 15 in error, you can then look at the citation, see whether 16 that is supported.

17 You have a couple options because you're confined to 18 the evidence in the record. You know, was there evidence 19 in the record of another exemption being argued by -- you 20 know, what did Husky do? What did Husky argue in terms of 21 why that citation was in error?

If there's problems, you can send it back to OAH to make that decision. But you'd have to go back to the original citation and see -- and then compare that to the record, see whether a preponderance of the evidence

Page 57 supports that citation as written. And if it doesn't, 1 2 then you do have the ability as we've talked before to craft appropriate findings of fact and conclusions of law 3 based on the record. 4 BOARD MEMBER GRAY: 5 Thank you. ASSISTANT ATTORNEY GENERAL THOMURE: Does that answer 6 7 your question? 8 BOARD MEMBER GRAY: It does. Thank you. BOARD MEMBER LEWIS: Madam Chair? 9 10 CHAIRPERSON PREZEAU: Oh, I'm sorry. Yes. 11 BOARD MEMBER LEWIS: It's clear they don't meet the exemption in (23)(b), but they also don't meet the 12 exemption in (22)(b). I mean -- and so I don't see why 13 we're trying to craft something when they don't meet 14 either exemptions, that it's clear that they were 15 performing electrical work in the field on the job. 16 So I don't see that there's any exemption they need in anything 17 that's in the record that was recommended. 18 19 CHAIRPERSON PREZEAU: Jason. 20 BOARD MEMBER JENKINS: That's exactly my point also. And I'm -- are we at the point where we need to make 21 a decision on this or -- I can propose if we're ready. 22 CHAIRPERSON PREZEAU: Yeah, I think we're close. 23 I think, Dominic, that was -- was that your position 24 25 earlier when you were ...

BOARD MEMBER BURKE: Yes. (22)(b) speaks to exactly
 what you were saying.

3 CHAIRPERSON PREZEAU: Yeah. And that 925, subsection 4 (22), the manufacture of electrical telecommunication 5 products, you were reading under (22), subsection (b), 6 this exemption does not include the initial installation 7 which is being placed.

8 BOARD MEMBER WARD: Madam Chair, yeah, I agree. I 9 have to -- I just read what it says, and it seems very 10 clear to me looking at the transcript, looking at the 11 photos. Photo 3 on page 301 looks to me like there's 12 terminal lugs that's going to be landed on a terminal 13 block. And for me, that looks like electrical equipment.

14 CHAIRPERSON PREZEAU: So I think the -- I get the 15 sense that the Board -- there's consensus among the Board. 16 I think the trepidation is historically we have tried with 17 varying degrees of success to live up to making a good 18 record about dealing with a proposed final order written 19 by an ALJ and to do so in a way that makes a good record. 20 And I'm --

ASSISTANT ATTORNEY GENERAL THOMURE: So I have asuggestion to make.

First, I think you need to call for a motion -- if all discussion has been completed, then it would be appropriate to entertain motions from the Board regarding

1 just the basics in terms of the citation, whether the 2 proposed decision should be affirmed or the conclusions of law should be affirmed or not affirmed. Then we've had 3 discussions in the past about how to handle crafting of 4 the corrected order based on the Department's 5 conversations and determinations, and what we've come back 6 7 around, it would be my recommendation that you make a general ruling, and then perhaps turn it back to counsel 8 to craft appropriate findings and conclusions. And then 9 assuming they can come into agreement with that. 10 If not, 11 then those -- it can be presented to the Board for further 12 clarity if the parties can't -- but that helps us -- that 13 helps out with some problems that have occurred at superior court that we aren't always -- or the Board 14 members, those details, that sometimes the parties need to 15 make sure that the order going up on appeal is sufficient. 16

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And so I would suggest that we handle -- you know,
unless counsel has a different perspective on that.

But I think you can tell the parties which ones to be affirmed and which ones should not be affirmed, you know, unless somebody has a better suggestion, a simpler way of doing that.

23 CHAIRPERSON PREZEAU: I think that is the -- I was 24 going to strive to say -- express that same sentiment; 25 although likely not quite as succinctly.

Page 60 1 Motion 2 BOARD MEMBER JENKINS: Madam Chair, I'd like to make 3 a motion to affirm 2.3 non-compliance citation ECAML02694. 4 ASSISTANT ATTORNEY GENERAL THOMURE: As issued by the 5 6 Department. 7 BOARD MEMBER JENKINS: As issued by the Department. CHAIRPERSON PREZEAU: Is there a second? 8 BOARD MEMBER PHILLIPS: Second. 9 CHAIRPERSON PREZEAU: So it has been moved and 10 seconded to affirm non-compliance citation ECAML02694 as 11 issued by the Department. 12 13 Discussion on the motion? Ryan. 14 BOARD MEMBER LaMAR: I'd like to just bring up that I find the WAC's insufficient to support this type of 15 industry. I think it's very important that if we can, if 16 we can bring it up for further discussion later after the 17 vote to talk about the insufficiencies to enable an 18 19 industry where they can actually create a product in their factory, but the WAC's don't allow them to bring it over 20 to another area and reassemble it because if some of the 21 minutia that comes in with our WAC's to protect. I'd like 22 to think that it should be under the factory warranty. 23 24 If I was a consumer, I wouldn't want to buy this 25 product knowing that if I have to pay beyond my like my

Page 61 1 return of cost on it, my ROI, I may not want to buy this 2 product because now I have to go through permitting and local jurisdiction -- local requirements to have an 3 electrician for everything that was done at the factory 4 that was okay at the factory to begin with. 5 So I really think that the WAC's need to be reviewed 6 7 so that we can enable that type of operation so that as long as you bring and assemble your box, reassemble it in 8 a location and don't do anything more than that, hire a 9 certified electrician, get licensed by the state and get 10 11 your permit, then you should be okay. Right now the WAC's are insufficient for it. 12 13 CHAIRPERSON PREZEAU: Great. Thanks, Ryan. 14 Any other comments? All right. So a reminder, the motion is to affirm non-compliance 15 citation ending in 2694 as issued by the Department. 16 All those in favor, signify by saying "aye." 17 18 THE BOARD: Aye. 19 CHAIRPERSON PREZEAU: Opposed? Motion carries. 20 Motion Carried 21 22 23 Motion 24 25 BOARD MEMBER JENKINS: Madam Chair, I'd like to make

Page 62 a motion to affirm non-compliance citation ECAML02695 as 1 2 issued by the Department. BOARD MEMBER PHILLIPS: Second. 3 CHAIRPERSON PREZEAU: It's been moved and seconded to 4 uphold -- or affirm non-compliance citation ending in 5 02695. 6 7 Discussion on the motion? Seeing none, all those in support signify by saying "aye." 8 THE BOARD: Aye. 9 CHAIRPERSON PREZEAU: Opposed? Motion carried. 10 11 Motion Carried 12 13 14 CHAIRPERSON PREZEAU: So the Board has made its decision. 15 Ms. Lowy, as the prevailing party, the Department's 16 attorney, have you prepared an order or will you prepare 17 an order and work with Mr. Lees in doing so? 18 19 I am supposed to say I would like the parties to adjourn to the lobby to see if the terms of the order can 20 21 be agreed upon. 22 Please do not leave today until you let us know if you will need additional time or have reached an 23 agreement. Please be advised that if you do not reach an 24 25 agreement today, this matter will automatically be set for

presentment at the next regularly scheduled Board meeting.
If an agreed order has not been received by that date, the
parties will be expected to file their proposed orders and
appear and advise why their proposed order best reflects
the Board's decision. Hopefully this will not be
necessary.

7 If you are able to reach agreement as to the form of 8 the order before the next meeting, please forward it to 9 the secretary of the Board's office, and they will ensure 10 it gets signed and copies provided to the parties.

11 Counselors, are there any questions about process or 12 outcome?

ASSISTANT ATTORNEY GENERAL LOWY: I'm a little bit unclear. Would you want the order drafted today and -because I don't have even the tools to draft it today. But ...

17 MR. LEES: I would suggest because I've done this with the Apprenticeship Council, and that is that we be 18 19 given a date certain to work together to go through the 20 proposed findings, reverse some, change some to nots, et 21 cetera, and see if we can craft it together. If we can't that -- well, reporting success or failure to you, Pam; 22 23 you get the latest iteration. And then if there are 24 issues that --

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ASSISTANT ATTORNEY GENERAL THOMURE: And that's what

1 I would suggest also, Madam Chair.

2 This is a little bit more complicated in terms of 3 some of the findings and crafting that.

And so I think what Madam Chair has indicated is that this matter is set for presentment for the April meeting. Hopefully the parties will be able to reach an agreement. If the parties can't reach an agreement, then presentment will occur where each party would be given an opportunity to argue the merits of the order that they proposed to the Board.

11 CHAIRPERSON PREZEAU: Both of you, does that make 12 sense? Mr. Lees? Ms. Lowy?

MR. LEES: It does. It does. And we'll do that sooner rather than later.

15 CHAIRPERSON PREZEAU: Thank you very much.

16 Appreciate your time today. Difficult case.

17 So Milton?

18 THE COURT REPORTER: A break please.

19 CHAIRPERSON PREZEAU: That's what I figured.

20 So it's 10:36. Why don't we come back at ten minutes 21 to the hour and we will be under Secretary's Report with 22 Mr. Thornton.

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(Recess taken.)

Page 65 1 Item 4. Secretary's Report 2 CHAIRPERSON PREZEAU: Okay. So it is 10:53 and we 3 are back on the record. And we are under Secretary's 4 Report. 5 SECRETARY THORNTON: Are we going to wait for ... 6 7 CHAIRPERSON PREZEAU: I'm sorry? SECRETARY THORNTON: Are we going to wait for Don 8 and ... 9 CHAIRPERSON PREZEAU: Well, we have a quorum. 10 11 SECRETARY THORNTON: Okay, all right. CHAIRPERSON PREZEAU: I don't like to penalize the 12 13 punctual. 14 SECRETARY THORNTON: Okay. Enough said. BOARD MEMBER BURKE: I know I was late. Sorry. 15 SECRETARY THORNTON: Okay. Good morning, Madam Chair 16 and Board members. 17 The Secretary's Report for this meeting, budget-wise, 18 the fund balance on July 1st of 2017 was \$9,356,317. 19 And the fund balance on December 31st of '17 was \$9,352,000. 20 21 So for that six-month period, we were just basically revenue neutral. The fund balance didn't -- well, it 22 23 changed what, \$4,000. 24 That \$9,352,000 is about 4 1/2 -- 4.8 times the

average monthly operating expenses. The operating

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expenses for the first quarters of FY18 which is July through December is \$1,952,629, which is an increase of about \$150,000. That's probably mostly due to the wage increases.

From the customer service department, we sold 33,600 5 That's about 93 percent of those were sold 6 permits. 7 on-line. And that's about a 1 percent increase from the last quarter. Most of our business is done on-line. The 8 increases are probably due as much to the older generation 9 dropping out rather than the current people doing more 10 business. 11

12 97 percent of contractor permits are sold on-line.13 And that's about a 1 percent increase also.

Homeowners sales increased 2 percent in the last quarter. They're up to about 63 percent.

16 On-line inspections are 82 percent. And that's 17 pretty constant. Most of the contractors do all of their 18 work on-line.

During this quarter customers made 74 percent of all electrical license renewals on-line, which is a 1 percent decrease from the previous quarter.

As far as our scorecard goals, we have a goal of 86 percent of our inspections completed within 24 hours. In 24 2016 we actually did 65 percent. 2017, we're up to 76 25 percent. So we're getting better as we get our newer

Page 67 1 inspectors trained and up to speed. So we're headed in 2 the right direction, but we still got a ways to go. Our target for inspections within 48 hours is 94 3 percent. In 2016, it was 83 percent. It's up to 90 4 percent for 2017. 5 Number of focused citations and warnings. In 2016, 6 the field wrote 407. In 2017, they wrote 398. 7 8 ECORE issued 450 in 2016 and 217 in 2017. So for a total in 2016, we did 857. In 2017, we did 9 669. Part of that downturn in the amount of citations is 10 11 due to the fact that we've used some of the ECORE people to fill in for areas where we were short on inspectors. 12 13 Inspection stops per inspector. We were doing 10.6 in 2016, and we're doing 10.6 in 2017. 14 Electrical disconnect corrections. 10,529 in 2016, 15 and 11,148 in 2017. 16 Licensing process turn-around, we like to do 100 17 percent of those the same day. In 2016 we met that goal. 18 19 For 2017, we were at 99 percent. 20 Turn-around time for plan review, we like to keep it 21 at -- our goal is a week and a half. In 2016, we were at 3 1/2 weeks. 2017, we were at 2.1. That could -- well, 22 23 it will change now that the capitol budget's passed. There's some school jobs that have been sitting and 24 25 waiting to get funded. So those will probably come in

now. Some of them have already come through for the
 schools that could afford to do them without the funding,
 but there are quite a few sitting that will come through
 now that the capitol budget's passed.

5 Licensing-wise, during the fourth quarter, there were 6 6,194 electrical licenses processed. The turn-around time 7 was 98 percent the same day. We like that to be at 100 8 hundred also. But with the staffing shortages and such, 9 we didn't quite make that goal.

10 Our phone calls have remained steady, and licensing 11 has been able to hold -- or maintain their hold time of 12 less than a minute and 30 seconds.

Staff have been submitting documents to IDM 13 electronically, thus reducing the amount of transitory 14 paperwork. Most of the service locations have been 15 sending documents directly to the electrical licensing 16 17 boards. This results in faster processing time. We are making a extended effort to eliminate paper wherever we 18 19 can and try and speed the processes up.

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No new testing labs have been reported.

And on the rule-making front, we went through the legislative stuff and we have a February 23rd effective date for the 02 and 04 licenses. We have received one rule-making petition from the Northwest Marine Trades Association. That's the association where we have a

1 current rule that goes until July 1st. They've asked us 2 to look at extending that out till the 2020 code becomes effective. Their comments have been that they weren't 3 involved in any of that process, and they don't believe 4 that it was -- the information was properly received. 5 So we're going to look at their proposal and start the 6 7 rule-making process. We'll be back in April for the official direction from the Board. 8

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9 If their rule -- if we accept that and we go forward 10 with it, it would be with a caveat that once the 2020 11 comes out, we're going to go with that ruling. They will 12 have had their chance to make their case to the code 13 committee and see where that takes it.

14 And that's it for the Secretary Report.

15 CHAIRPERSON PREZEAU: Any questions for the secretary 16 -- for Steve?

I just -- I have one, and that is, you may recall,
Steve, at the October meeting under public comment, there
was a gentleman by the name of Mr. Whitten who was from
the Spokane Homebuilders Association.

21 SECRETARY THORNTON: Uh-huh.

22 CHAIRPERSON PREZEAU: And he made public comment 23 about maybe some of his members were home builders, and he 24 states specifically in Spokane, in Lincoln County, that 25 there were some significant delays in getting some electrical inspections performed. And you indicated back in October that maybe you would -- you were interested in understanding that a little bit in greater detail. Were you able to ...

5 SECRETARY THORNTON: I have met with Arthur and the 6 president of the Homebuilders Association, and we've 7 discussed what some of their issues are. That's where the 8 bulk of the time that I've used ECORE to do inspections 9 has been is in that area to catch us back up so that we 10 can kind of start the slate anew when the season turns 11 around.

I was going to go have a meeting at their regular board meeting, but their agenda was full, so they didn't have room. But yeah, I've talked to Arthur a few times. And our first stakeholder meeting 1st of March is over there. I'm going there first to make sure that they get a chance to let me know how it's going.

We've put some extensive effort into going and talking to the new inspectors and trying to let them know how important it is that we get to the jobs and do a good inspection and get onto the next one and, you know, that our customers we have a certain responsibility to get to those job sites.

24 So it's -- the backlog over there is much better than 25 it was. They're a little farther behind just because

1 they've got so many new inspectors that are going through 2 our training program, so they're not in the field quite as 3 much. But that's where I try to divert ECORE when I need 4 to to make sure we're getting our inspections done.

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5 CHAIRPERSON PREZEAU: I just wanted to -- thank you 6 for that update. It sounded like you were intentioned --7 that you had good intentions about responding to their 8 public comment. It sounds like you did that, so I 9 appreciate that.

Just for the Board members, with respect to the 10 11 rule-making of the scopes of work change for 02 and 04 specialties and their associated players, I attended the 12 January 3, 2018, public hearing regarding that ongoing 13 rule-making which has been adopted and will be implemented 14 February 23rd. And just for the record, there were 14 15 people in attendance, four were employees -- direct 16 employees of the Department of Labor and Industries, and 17 10 were stakeholders, and 6 indicated -- 6 of the 10 18 19 indicated that they wanted to make public comment, and all 6, their public comment was in support of the Department's 20 21 proposed rules. So it was pretty overwhelming.

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Item 5. Serious Electrical Corrections

Anything else for Steve? Terrific.

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1 CHAIRPERSON PREZEAU: Okay. So I think we're going 2 to have Technical Specialist Rod Mutch come up and address 3 the Board again about serious electrical corrections.

MR. MUTCH: Good morning. My name is Rod Mutch. I'm a electrical technical specialist for the Department and here to talk about electrical corrections that we issue.

7 So each month in the Secretary's Report we discuss the number of serious corrections that are issued. These 8 are corrections that would result in, you know, if they're 9 not corrected and completed would result in compliance 10 11 activity or actually disconnecting power from someone. At some point in the past we've gone through and assigned a 12 13 severity level to all of the corrections that the inspectors write. And so we -- there's been questions and 14 interest from the Board about what those corrections are, 15 and last -- you'll recall at the last Board meeting I 16 presented a document that showed the serious corrections. 17 For this -- and there were questions about the difference 18 between residential and commercial and whether the permits 19 20 were done by contractors or property owners.

And so I broke out even more detailed data this time, and so I've got two pages. I've got something for everyone, for right brains or left brains. I have a very colorful side, and then I have the raw data. So you should have that in your packets. I happen to like the

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1 data myself.

2 So this gives you -- the chart at the top gives you the total permits, total inspections, the inspections per 3 permit, total corrections, total serious corrections. 4 And it breaks it down by electrical contractor residential 5 6 permits, electrical contractor commercial permits, 7 property owner residential permits, property owner commercial permits. And then we have annual permits which 8 are issued to property owners, but those are industrial 9 facilities and larger facilities that have staff 10 Sometimes those electricians are certified 11 electricians. 12 electricians. Sometimes they're not. But the law allows 13 property owners to do their own work. And so that would 14 be a mix.

15 And the other thing that's special about annual permits is we issue one permit per year, and we make 16 17 multiple inspections on that permit. So we'll go out to a facility once a month and do a two-hour inspection of all 18 19 of the electrical work that was done the previous month at that facility. So the data is a little bit skewed with 20 21 annual permits as far as numbers of corrections per permit because we do more inspections probably on average for an 22 23 annual permit.

24 So again, the serious corrections are the ones that 25 cause -- that would cause disconnection of power if they were not completed. Those are things that involve grounding, you know, exposed wiring, things that would create an imminent hazard for someone. And then we have a level of correction that's not quite as serious: failing to fill out on panel schedules, supporting of non-metallic sheathe cable, those kind of things.

7 So if you look at the colorful side, it kind of 8 breaks down where who gets the most inspections, who gets 9 the most inspections per permit, and who gets the most 10 corrections. So what's interesting is that residential 11 comprises a big majority of our work. So electrical 12 contractor residential permits are by far the most permits 13 that we inspect.

14 If you look at the blue -- that's the electrical 15 contractor numbers -- you'll see that under corrections 16 per permit, it's about a half, .52 and .5 corrections per 17 permit for electrical contractors. Compared to property 18 owner permits where they receive up to 1.86 corrections 19 per permit for -- that's for total corrections. And 1.8 20 corrections per permit for commercial permits.

21 So that just breaks down -- there was questions 22 about, you know, property owners, how many of those 23 property owner corrections are for residential, how many 24 are for commercial. And so this kind of breaks down the 25 data between residential and commercial corrections and

1 permits for both contractors and property owners.

So kind of -- it kind of shows that, of course,
property owner permits receive more corrections per permit
and more serious corrections per permit than do electrical
contractors.

So with that, I'm open for any questions you mighthave.

CHAIRPERSON PREZEAU: Well, I just want -- I don't 8 know how much work it entailed to carve out the 9 residential property owners and commercial property owners 10 11 and then the annual permits, the industrial property I know that we had a pretty robust discussion in 12 owners. 13 October where several Board members expressed dismay over, you know, serious corrections happening anywhere clearly, 14 but certainly I think if I can summarize the sentiment 15 from the October meeting, there was a measurable amount of 16 alarm regarding serious corrections with, you know, 17 commercial property owners and certainly industrial 18 19 property owners for obvious reasons. So I applaud the Department and Rod for his work on this to better 20 21 understand that -- you know, because -- I know that these on the data side when you're looking at the examples of 22 most written serious corrections in fiscal year '17, these 23 are listed not in order of severity but frequency, right? 24 25 or not in order of hazard but in order of frequency.

1 Certainly one would argue that the issue of non-compliance in terms of grounding a service is certainly a more severe 2 situation than many of the others listed. And, you know, 3 put it in that, you know, bonding of metal piping systems, 4 you know, those happen with less frequency. Those still 5 seem to happen with a level of frequency that is 6 7 disturbing. And just the fact that when you look at, you know, serious corrections per permit that, you know, for 8 electrical contractors performing residential work and 9 electrical contractors performing commercial work, when 10 11 you compare, you know, those rates of serious corrections per permit against particularly commercial property owners 12 and industrial property owners, it's a rate of -- for 13 commercial property owners, it's a rate of twice that of 14 contractors -- licensed contractors. And for industrial 15 16 property owners, it's almost three times that.

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BOARD MEMBER BURKE: Is this something that would be appropriate to add in the Currents? I mean, this is pretty good information that took a long time to compile, and I think there's a lot of people in our industry that might find this very useful.

Just a comment.

23 CHAIRPERSON PREZEAU: Jason.

BOARD MEMBER JENKINS: I also want to add, this also
drives another subject into view of, you know, these

1 permits are pulled by homeowners that are trying to be 2 compliant. And I can imagine the numbers if we could actually pull the people that were not trying to be 3 compliant and how bad those installations are possibly out 4 there, and drives home the idea of how it's important that 5 we do compliance checks and we do observe and see 6 7 contractors when -- or people when they're doing work around homes. 8

9 CHAIRPERSON PREZEAU: Yeah. I mean, to your comment, 10 Dominic, I would certainly encourage the program to 11 consider publishing the information in a Currents 12 newsletter because I think the industry would appreciate, 13 you know, as well -- as much as the Board members 14 appreciate understanding this information.

15 I think you may want to consider that, Steve.
16 SECRETARY THORNTON: Yeah, we'll get it in there
17 before too long.

18 CHAIRPERSON PREZEAU: And then, Rod, is it -- do you 19 believe that we're going to continue seeing reports of 20 this nature maybe not quarterly, but ...

21 MR. MUTCH: If you see value in it, yes, we'd be 22 happy to do that. I don't know -- or if there are --23 that's broken down about as much as we can. As far as 24 further breakdown of the data, I'm not sure we have the 25 ability to do that. But ...

1 CHAIRPERSON PREZEAU: No, I think the data is 2 complete. I mean, I think -- I don't know that we need 3 any additional specificity. I think that if -- but if 4 it's not too onerous to continue to produce this, whether 5 it's quarterly or semi-annually, I would certainly 6 appreciate continuing to see these reports.

7 SECRETARY THORNTON: It might be interesting to 8 rearrange it like you were talking in the order of 9 severity rather than the number of, and put the higher, 10 you know, the services and the conduits and the grounding 11 issues and see how that relates and not necessarily to the 12 total volume of corrections too.

13 CHAIRPERSON PREZEAU: Yeah. And I think the other story it tells is that, you know, our program works, 14 right? and that, you know, our inspectors are finding and 15 -- you know, our customers are buying permits, you know, 16 not everyone, but, you know, customers are buying permits 17 -- residential, commercial and industrial -- and 18 19 inspections are happening, and where corrections need to be made, they're being made, right? 20

Any other comments from Board members? Bobby. BOARD MEMBER GRAY: Yes. Until you said that, I was thinking of it the other way. It seems as you -- I think the term you used was "alarming." And I've said that before ... just to add onto what Jason said.

1 When we are inspecting an average of 10.4 inspections 2 a day, you almost got to wonder not only how many are --3 how much work's being done without getting inspection, but 4 how much are the inspectors able to see and if there's 5 anything passing by. No reflection on them. But there's 6 been an awful lot of time going between jobs.

But my other comment or question would be -- and just to address what you said that our system's working. And I don't disagree with that; we're finding things. But to me these are leading indicators that would tell us that if we don't do something to stop this trend, something really bad is likely to happen.

13 So I guess my question would be: Is there anything This is all interesting, and those of us that 14 we can do? 15 work in the industry are concerned about it, but is there 16 anything we can do? Is there anything concrete we can do to stop this trend and maybe reverse it a little bit so 17 we're not seeing these kind of problems where we have 18 19 unqualified or maybe not as knowledgeable people that are putting themselves at risk and perhaps the person that 20 21 might buy the residence in the future, putting them at risk. So -- I mean, is there any thoughts about that? 22 23 Are we discussing what we might do with this to change things? 24

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MR. MUTCH: So once a correction's identified like

this, we have a process to ensure that they're completed.
If they don't get completed, we send out reminder letters.
And they get I think three reminder letters. And then if
it's not completed, then we follow the process of issuing
citations based on the severity of the corrections or even
disconnecting their power.

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7 I don't know that we've done many power8 disconnections recently.

9 SECRETARY THORNTON: No, we don't. Usually when we 10 post the tag, that --

MR. MUTCH: But we do follow up to ensure they're completed.

Now you're right when you say that these are only the corrections that we identify.

An inspector from personal experience walks through a 15 project and does an inspection. We can't see every 16 connection. We can't open every box. We can't physically 17 -- in order to identify everything that's wrong with an 18 19 installation, we would have to pretty much do the installation ourselves. And we can't do that. So that's 20 21 why we rely on the qualification of those that are doing the installations. 22

23 Once we identify something, yes, we follow up on it. 24 But I guess you have a larger question there about how we 25 can -- how the State of Washington can ensure that 1 electrical installations are safer.

2 CHAIRPERSON PREZEAU: Bobby.

3 BOARD MEMBER GRAY: Thank you, Madam Chair.

Well, one of the things I was thinking of is if it 4 would be possible to sponsor some sort of a policy or even 5 a law that would say if you're going to do your own work, 6 you'd have to have a minimum of a certain number of hours 7 of basic training on what the rules were, especially to 8 address some of those more serious issues that you're 9 finding out there in order to qualify to get a permit 10 11 even. So if you had some sort of a criteria, it wouldn't have to be great, but some sort of a minimal criteria that 12 13 points these things out to people before they actually go do the work, it might be a benefit. 14

15 SECRETARY THORNTON: If they at least knew the names 16 of the books that they needed to --

17 BOARD MEMBER GRAY: Exactly.

BOARD MEMBER BURKE: Speaking to a law change in the allowance of residential permits and homeowners pulling permits, it's a bigger picture.

21 CHAIRPERSON PREZEAU: Which -- you know, I'm not sure 22 that I am able to speak to the plausibility of that. 23 However, I --

Rod, you've been a technical specialist and you'vealso served the program as Chief. How long have you

1 worked at Labor and Industries?

2 MR. MUTCH: 16 years.

CHAIRPERSON PREZEAU: And so -- and I don't know if 3 this is possible. But under a previous chief, we had this 4 correction-reduction initiative, which had to do more with 5 focused on electrical -- licensed electrical contractors, 6 right? And so there was kind of two universes of folks. 7 There were folks that because they do a high volume of 8 work and had a lot of permits, you would imagine that, you 9 know, they would have -- because of the volume of work, 10 they would have a certain number of corrections, right? 11 And then you had folks that maybe didn't do a lot of work 12 13 but had a lot of corrections in the work that they did. And so it was almost two pools if I remember correctly in 14 that correction-reduction initiative. And perhaps we can 15 16 use that history or that previous program to potentially 17 inform us and the Department and the program about is it possible -- perhaps an easier -- perhaps looking at 18 19 implementing some type of correction reduction initiative, particularly around the serious corrections with respect 20 21 to maybe again two separate buckets, the commercial property owner permits and industrial property owner 22 23 permits and maybe some assistance from the program to get those folks a little -- have greater understanding about 24 25 what a serious correction is and to reduce their number of

serious corrections and also, you know, looking at those
 first.

I know the Department has previously gone through 3 trying to do some outreach and training and education 4 around residential property owners, which is a bigger 5 number clearly and perhaps a little bit more difficult, 6 7 but I would be hopeful that maybe with this universe of commercial property owners and the folks that receive 8 annual permits that maybe there's an opportunity there 9 around looking at some ways to implement a correction-10 11 reduction initiative that targets those -- you know, 12 provides assistance to those specific populations to help 13 them particularly with serious corrections. And I don't know exactly what that would look like, but I think that 14 15 that might be a place that we want to start brainstorming around to see if there's a way to reduce particularly the 16 serious corrections. 17

MR. MUTCH: So the correction-reduction initiative, 18 we still track it. That still exists. And we -- we don't 19 20 report it on the Secretary's Report, but it is on our 21 scorecard. And what we do is we look at the group of contractors that receives the most corrections in the 22 23 previous fiscal year and how corrections they receive, we put them on that list, send them out each month a list of 24 25 their corrections so that they can actually see them all

in one place and they can go over it with their
 electricians and discuss it. And the goal is for the next
 fiscal year to have them reduce the number of corrections
 that they receive. So we still track that.

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5 I think we have about a 25 percent improvement over 6 that group or, you know, they've received 25 percent less 7 corrections this year than they did last year.

And the way we can do that is those -- we have data 8 on those contractors and how many permits they purchased. 9 The vast majority of property owner permits, they 10 11 only deal with us once. Like once or twice maybe they'll purchase a permit to do a remodel on their home. We don't 12 13 have a pool of property owners that we can pull that information from. There may be other outreach 14 15 opportunities that we can do with property owners that would address this. But it's worth exploring I suppose. 16

17 CHAIRPERSON PREZEAU: Well -- or maybe -- and again, I'm just spitballing here, but I'm looking at the data 18 19 again, and when you look at the annual permits, again, 20 there's, you know, these industrial property owners, there 21 was 157 of those. And maybe that's where we look at -because the previous -- the correction-reduction 22 23 initiative was really in the contractor universe; is that 24 correct?

25 MR. MUTCH: Correct, yep.

1 CHAIRPERSON PREZEAU: Maybe it might merit some 2 attention -- and I want to -- you know, not scrutiny but attention about -- with the goal being, let's see if we 3 can reduce particularly serious corrections under these 4 industrial property owners over an annual period by 25 5 percent, that same marker that you have for electrical 6 7 contractors, given that, you know, likely they are every year buying an annual permit. And so there's maybe a 8 similar opportunity amongst those industrial property 9 owners to try to engage in a correction-reduction 10 11 initiative for those folks ... to help them, right? and to help them make sure that their staff electricians, whether 12 13 certified or not, understand the severity of the installations and hopefully will have the potential of 14 reducing hazardous situations in industrial plants. 15

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MR. MUTCH: Yeah, we could look into that possibility.

18 The identifier of the electrical contractor license 19 doesn't exist with the owners, so we would have to -- it 20 would probably be a manual process of identifying names of 21 these annual permit holders and addresses and going back 22 and looking at what their -- finding their permit from the 23 previous year and comparing it that way.

24 So we could think about that.

25 CHAIRPERSON PREZEAU: Yeah, no, I'm not looking -- I

Page 86 don't think we're looking for a solution now, but I --1 2 it's sort of with the data that seems to be in front of us that there might be an opportunity there to make 3 workplaces safer in the state of Washington. 4 MR. MUTCH: Yep. That's one of our goals. 5 CHAIRPERSON PREZEAU: Any other questions or 6 7 comments? Dave. 8 BOARD MEMBER WARD: Great information. I think you hit it right on the head about the property owners. 9 Ι mean, you got that kind of one-time opportunity to pretty 10 11 much when they show up to purchase that permit. And if there's some way you can take this information and give 12 13 them the most common things they need to look for, that's probably would help with some of these at least. But I 14 15 think you're on to something there. I don't know how you'd do that. It's difficult. 16 Good luck. 17 CHAIRPERSON PREZEAU: All right. Thanks, Rod. 18 19 Item 6. Out of State Licensing Requirements 20 21 22 CHAIRPERSON PREZEAU: Okay. Out of state licensing requirements. Technical Specialist Larry Vance. 23 MR. VANCE: Well, Madam Chair, members of the Board, 24 25 for the record, my name's Larry Vance. I'm a technical

1 specialist for the Department of Labor and Industries.

As part of your Board packet, you were sent the exam statistics by attempt for the last year. There's been no significant changes in the exam pass rate.

One thing that I did see which is kind of indicative 5 of the times that we're in, I went back to the same report 6 for the same time period for 2015, and at that time there 7 was 835 candidates for the 01 journey-level examination. 8 And this report reflects that there's 1,081. 9 So essentially it's a little uptick in the folks that are 10 11 taking the exam. It does show that there are some folks 12 coming to this -- probably from out of state more so than 13 from with programs in the state.

I know that listening to our licensing folks every day, they are talking to a lot of out-of-state people that are wanting to come to work in Washington because of our -- the strength of our economy.

In response to that, we've been -- you all have a handout here. And I think that in a previous Board meeting we had kind of an 11x17 version of this. This is -- publication of this is imminent. Steve's got a form number on it down at the bottom, at least part of it does. We've approved the draft. Within a couple of days this will be available on-line.

25 But essentially this really gives somebody a path

1 from out of state on how to get qualified to be able to
2 book the exam. That was our goal here. It's been well
3 vetted by our licensing department. They've been a great
4 part of building this, along with Megan Eriksen.

It's hard to explain. And this flow chart seems to 5 do it. So we'll be using this. It'll possibly lighten 6 7 our licensing workload a little bit because when someone asks a question, we can say, "Here, here's a flow chart 8 where you fit in" instead of trying to point him to a 9 bunch of laws and a bunch of rules. Because while it may 10 11 seem plain to us because we work with them every day, when you're from somewhere else and you're living out of your 12 13 car, it's awful hard to read the laws and rules on your phone or wherever you're reading them. So this is an 14 15 attempt to ...

16 CHAIRPERSON PREZEAU: So Larry, I know that you spoke 17 about this flow chart in October. And there was a -- and 18 that the intent was to get it on the Web site and get it 19 published in a way that people could access easily. So I 20 -- you know, I'm very appreciative of the work that's gone 21 into this.

And if I remember correctly from October, there's another department within L & I that you work with in order to produce these things and get them to the point where it can be launched on the Web site.

Page 89 If you had to characterize the work that needs to get 1 2 done between our conversation in October and getting it on the Web site and where we're at now, where do you think 3 from a percentage standpoint we're at to getting it 4 published? Are we halfway there? Are we --5 MR. VANCE: Oh, no. We're --6 MS. ERIKSEN: Today or tomorrow. 7 MR. VANCE: Today or tomorrow. 8 CHAIRPERSON PREZEAU: Oh, okay. So we're 90 percent 9 10 there. 11 MR. VANCE: We're across the line, yeah. We're across the line. We've received the final proof. Megan 12 13 received the -- she approved the final proof yesterday. The next thing we get within a day or two is notification 14 15 of publication. So available on the Internet, yep. 16 CHAIRPERSON PREZEAU: And Larry, I don't know if you want -- we had a conversation -- we started a conversation 17 at the October meeting regarding the examinations, and 18 19 particularly examinations -- journey-level examinations being offered on multiple editions of the National 20 21 Electrical Code. And we were -- the Chair was a little bit reluctant to engage with that because we needed to do 22 a little bit of research about understanding whether or 23 24 not the Board could actually direct the Department as to 25 saying, Hey, we only want to have journey-level

1 examinations on one edition of the National Electrical 2 Code. And before we really fully go down that discussion, when I look at -- looking at page 4 of the statistic 3 summary by attempts, exam by -- examination by attempts, 4 and unless I'm reading this incorrectly, with respect to 5 the general journeyman's exam, am I correct in assuming 6 7 that right now the only examinations for a 01 general 8 journeyman's exam that are being given in this period were given on the '14 code? 9

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MR. VANCE: You are correct.

11 And below that, if we look at the residential 12 examination, there was one candidate on attempt number 7 13 that was administered the 2008 version of the exam. Why 14 that is, I don't know.

But the strategy going forward -- there was an 15 article published in the last month's -- in the January 16 edition of the Electrical Currents newsletter that 17 detailed out the Department strategy to update the 18 19 examination. And in that article, it was explained to the stakeholders that it's our plan tentatively on July 1 of 20 2018 to have one examination, the 2017 on the 2017 21 National Electric Code, and after July 1 of 2018 all 22 exams, all exams are based on the 2017 National Electric 23 24 Code.

25

So this idea of having split exams or trying to

1 figure out which one you started on or which one you get 2 to continue on, I think for our exam provider it's a bit 3 of a nightmare.

I think that Rod Mutch has worked with the exam provider, and I think this is going to be a better strategy for everyone here.

7 CHAIRPERSON PREZEAU: Yeah. And so just -- I asked Pam in preparation for this discussion and did a little 8 research myself as to whether or not the -- had the 9 Department not taken that as policy -- because there was 10 some desire if I recall correctly from the October 11 discussion of some Board members wanting to see that type 12 13 of outcome, right? And I just want to call to everybody's attention in 19.28.051 which is the examinations and fees, 14 and I'll just read a section of 051, and it says, "It 15 shall be the purpose and function of the board to 16 establish, in addition to a general electrical 17 contractors' license, such classifications of specialty 18 19 electrical contractors' licenses as it deems appropriate with regard to individual sections pertaining to state 20 21 adopted codes in this chapter. In addition, it shall be the purpose and function of the board to establish and 22 administer written examinations for general electrical 23 administrators' certificates and the various specialty 24 electrical administrators' certificates. Examinations 25

1 shall be designated to reasonably ensure that general and 2 special electrical administrators' certificate holders are 3 competent ... " and it goes on.

But it is our conclusion that when it comes to the 4 examinations, those are squarely within the authority of 5 the Board to make recommendations to the Department. And 6 7 I think it might be prudent for the Board to engage in a discussion about policy that Larry just pointed out and 8 maybe go on record either in support of that policy or 9 wanting to recommend a different course of action if 10 that's what the Board wanted. 11

ASSISTANT ATTORNEY GENERAL THOMURE: Madam Chair,could I add to that?

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CHAIRPERSON PREZEAU: Sure.

15 ASSISTANT ATTORNEY GENERAL THOMURE: As the -- my recommendation to the Board is based on the language in 16 the statute, the Board has the authority to establish and 17 administer. So I don't believe -- it is my interpretation 18 19 that the Board has the authority to tell the Department how it wants to have the tests done, not necessarily make 20 21 recommendations. Obviously there's issues of resources and how to do that and working together. But I do think 22 that the way the statute is written is that ultimately the 23 Board does get to decide how to establish and administer 24 25 the examination for these specific areas. So that is up

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1 to the Board.

2 CHAIRPERSON PREZEAU: Alice.

BOARD MEMBER PHILLIPS: I'm trying to catch up on why this is so -- why are there these two-tiered tests? Is there some history behind it or ...

MR. VANCE: The history was, you know, we were in 6 some irregular times there. We did not -- I don't -- I've 7 8 been with the Department for 14 years. I've been an electrician since the late '80s, and at no time has the 9 Department not adopted a version of the National Electric 10 11 Code. We skipped a version, the 2011 version, because of a moratorium on rule-making from the Governor. 12 We couldn't impose a new set of rules. 13

We've also not had a long relationship with our 14 testing contractor. And we've all been learning about our 15 capabilities. But essentially the folks that had started 16 out on the 2008 exam, there was thoughts that we wanted 17 them to have the ability to kind of finish on the 2008 18 19 over the code change and adoption cycle. Like if you started out that you'd be able to -- but, you know, having 20 21 done this once now with the test provider and you look at the very incremental changes that we make because of a 22 23 code cycle or code change, it just doesn't make sense to have, you know, multiple versions of the exam because it 24 25 just -- they're not that much different. I mean, they're

1 minutely different. And all it does is just makes it a
2 nightmare for our testing contractor to figure out which
3 one, which version, which -- you know. It just -- it's
4 unnecessary duplication I think.

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BOARD MEMBER PHILLIPS: Thank you.

I cannot see any logical reason why you'd want two
different tests. It seems to be more productive and
brings greater value to have one standardized test that
everybody must meet this level.

10 So I would be in support of moving to one test.

11 BOARD MEMBER BURKE: I'd also add, just for those of us that have taken the test, that, you know, the majority 12 13 of the education behind this test is navigation of the code; it's not knowledge of all 500 pages of the code, you 14 15 know. So I don't think that -- to your point that the minor changes between the, you know, '14 and '17 or '11 16 and '14 I don't think are the important piece of the 17 puzzle at all. 18

19 So I'm adding to your point, Alice, that it's more 20 navigation and knowing where to go and how to get through 21 the code book to figure out, you know, to find your 22 answer. So ...

CHAIRPERSON PREZEAU: Yeah, and it -- you know, and just adding to this and reviewing this, you know, exams by attempt, there's -- all of the other categories, whether

1 you're looking at administrator or electrician and even 2 master electrician, there's -- it appears that all of these exam candidates with the exception of the one 3 residential candidate that you spoke of, all of them are 4 currently operating off of a single exam of 2014. And so 5 -- I understand, you know, the reason that we didn't adopt 6 7 the '11 code was because it was monetary, right? Because it was a -- unless you -- unless an agency needed to 8 engage in some type of emergency rule-making, it was --9 2011 was in the heart of the construction depression, and 10 11 it was impacting not only this agency but others. And so we were constricted by that. And I would hope that that 12 13 doesn't occur again.

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But it feels as if it's -- it only makes sense to administer one exam, whether it's for the benefit of the exam provider, it's the benefit of the industry, it's the benefit of just that simplicity.

And I don't know if this is necessary, but I think it would be -- I think it would be better for our record if the Board went on record with a motion supporting the Department's policy of beginning July of 2018 of administering a single -- or all examinations would be conducted off of a single National Electrical Code.

Motion

25

Page 96 1 BOARD MEMBER BURKE: So moved. 2 BOARD MEMBER PHILLIPS: Second. CHAIRPERSON PREZEAU: It's been moved and seconded to 3 affirm the Department's policy of offering examinations 4 5 off a single National Electrical Code beginning with July of 2018. Discussion on the motion? 6 7 BOARD MEMBER CUNNINGHAM: Larry, did you -- did I correctly hear that the new -- the exam for 2017 code was 8 available to be taken starting on July 1, 2017? Or is 9 there a one-year shift? 10 11 MR. VANCE: That's our objective. 12 BOARD MEMBER: 2018. 13 MR. VANCE: 2018. BOARD MEMBER CUNNINGHAM: So it takes a year after 14 the code iteration happens for the exam to be available 15 for new applicants. 16 17 (Whereupon, record became unreportable due to overlapping of multiple voices.) 18 19 MR. VANCE: It's a lot of questions. Our question bank is huge. 20 21 CHAIRPERSON PREZEAU: And 2,500 questions. 22 MR. VANCE: It's a lot of work to go through. 23 And Rod has somehow volunteered to do the heavy lifting on this. 24 25 But no, it's always a worthwhile endeavor to go

Page 97 1 through those questions and, you know, it's -- it was a 2 lot of work to put those questions together. We also share those questions with a couple of other states. 3 So it's very interesting. 4 One thing I do see on the statistics report for 5 first-time pass rates or by attempt is that we've slipped 6 7 a little bit. We're down to 48 percent. We're usually --CHAIRPERSON PREZEAU: Sorry. Hang on just a second, 8 Larry. We have a motion in front of the body. 9 Sorry. I'm just sort of rambling here. 10 MR. VANCE: 11 CHAIRPERSON PREZEAU: No, it's all right. So any other discussion on the motion? 12 13 BOARD MEMBER JENKINS: Madam Chair? BOARD MEMBER BAKER: May I make one comment? 14 15 CHAIRPERSON PREZEAU: Okay, I'm going to go to Jason, then I'll go to Don. 16 BOARD MEMBER JENKINS: As far as the motion, are we 17 also suggesting they hit the 2017 code, the questions at 18 19 the same time on top of being the one test and being 2017? I'm asking. 20 21 CHAIRPERSON PREZEAU: I believe that is -- yes. 22 So just for clarification, beginning July 1, 2018, the Department will offer one exam -- or all examinations 23 24 regardless if they are administrator or master or general 25 journeyman or specialty journey-level examination.

1 Examinations offered will be off the 2017 code.

2 Don.

3

BOARD MEMBER BAKER: I support that theory.

But the question I have for you, Larry, is when we do 4 implement the next code change and an applicant is in the 5 process of testing, maybe they failed the first time, how 6 7 does that work for them? Do they -- and I understand it's just a minute change between tests, but will they have an 8 opportunity to sit for the previous code cycle, test two, 9 three times, or will they just get cut off and you're on 10 11 the next one?

MR. VANCE: You just put your 2014 code book on the 12 13 shelf and bring your 2017 for the open-book exam. I mean, it's -- essentially if you started that -- if you're on 14 15 like some of our frequent flyers up in the 20s, you know, as far as -- you know, we've got people that have taken 16 the exam twenty-some times, trying to track when they 17 started and what editions they took and -- I guess what 18 19 we're saying is we're kind of out of that business moving forward. We're -- you know, it's going to be one exam, 20 21 and it's an open-book exam on the National Electric Code that might be just a tiny bit different than the other 22 23 previous version. But it's -- we feel it's not a big ask to ask somebody to open a newer book than the older book 24 25 that they used to take their last exam.

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CHAIRPERSON PREZEAU: Dylan.

BOARD MEMBER CUNNINGHAM: Just following up then.
When the next subsequent code change occurs on July 1st of
2020, the test would be on 2021; is that correct?

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MR. VANCE: Yes.

6 BOARD MEMBER CUNNINGHAM: So we're following the 7 year. So if you prepared on the 2017 code and the code 8 change, you would have a year, give or take, to ...

CHAIRPERSON PREZEAU: And just to make it more 9 immediate, so the folks that have begun the test process 10 11 under the 2014 code, right now, these folks that we see in these buckets, they have until June 30th, whatever the 12 13 last day of June is to test on the 2014. And then -- so they're given -- each time the code rolls over going 14 15 forward, they would have a year -- you know, they would have a portion of a year to sit the code that they're most 16 familiar with. And then the intent of the Department, and 17 this is what the motion is currently in favor of 18 19 endorsing, is July 1, 2018, all the exams flop over to applicants being tested on the 2017 code and not being 20 21 given the option of testing on the 2014.

So any other clarifications needed in order to -- any other discussion? All those in favor, signify by saying "aye."

25 THE BOARD: Aye.

Page 100 1 CHAIRPERSON PREZEAU: Opposed? Motion carries. 2 Motion Carried 3 4 5 CHAIRPERSON PREZEAU: Thank you. 6 And Larry, as you were ... 7 MR. VANCE: As I -- yes. As I was rambling on there, 8 let me just -- just a little tidbit here. You know, the difference between 2015 and 835 applicants, pretty much 9 unknown origin. It's one thing; we don't know who's 10 11 taking our exams. We don't know how many are in state. We don't know how many are out of state. We don't know 12 13 how many people are, you know, out manually, some sort of massive manual operation knowing how many people are 14 15 retaking an exam because they expired and didn't renew in There's a multiple of reasons. 16 time.

But we look at these 835 in 2015, and we look at the 1,081 in this one-year period, and we see that the exam pass rate has slipped just a little bit. So it's 48.2 percent. Normally up around 50, almost 51. So is that from more people coming from out of state that might not be familiar with our laws and rules not having worked here because that is an aspect of the exam.

There's some legislation currently pending that's moving, and that is the apprenticeship requirement for 01 journey-level electricians. And if I'm still around and able some time in 2026 or something like that, we might be reporting a pass right on the 01 exam quite a bit north of 50 percent.

5 So to kind of speak back to Rod's project with all of 6 the -- looking at the numbers of corrections and that sort 7 of thing, if we get a better trained workforce out there, 8 it's going to certainly be safer here in Washington.

9 CHAIRPERSON PREZEAU: All right.

Larry, were you going to talk any more about -- was it your intent to -- do you have any more updates on that virtual inspection pilot?

13 MR. VANCE: Yeah. The pilot -- the pilot is 14 scheduled to begin -- the official pilot is scheduled to 15 begin in March. Now, that's -- we've got quite a bit of 16 work we're doing right now leading up to that.

I think that Steve is hiring a -- it's a nine-month pilot. And Steve is in the process of hiring two -- we've got an advertisement out for two inspectors. And there has been a supervisor position created for it. And currently Tony Beerward (phonetic) who's in a trainer position is filling the supervisor role at this time.

From a project standpoint, we've selected scheduling software. I've demo'ed to several here in the room. If anyone else wants to see it, I can certainly show you. It

takes you about -- probably about two minutes to book an inspection appointment. And when I say "book an inspection appointment," that's at a time of your choosing. If we've got advertised availability for an inspector, the appointment's yours. You know, when you make that appointment, you know, it's our promise that we're there on the other end of it.

The way it works is is that I've got a cell phone 8 here in my pocket, and if I'm on a job site, for instance, 9 and I need a -- I've got a general contractor climbing up 10 11 my back about something, I can go right in here and I can 12 book an appointment in about two minutes. I can turn 13 around and reply to that general contractor, you know, "Well, actually I'm going to have that inspected at 14 15 11:00," you know, whether it's a trench that's blocking a job site or a concrete pour or all the kind of imminent 16 17 things that electrical inspectors struggle to get to in a timely fashion. Because there's always those things that 18 19 everybody wants now, and geographically how do you manage that. 20

So this is a bit of a paradigm shift from right now we have electrical inspectors and supervisors and everybody out there in the field, and they're figuring out when they're going to get places. And this turns that around and makes it so that the customer now figures out

when we're going to be there. So they know exactly when
 we're going to be there.

So at the appointed time, we contact them by Skype and we have a little bit of a conversation with them. It's a half an hour appointment. So we're talking face to face. We'll talk about what they've got installed so that we don't have to try to do that, you know, while somebody's holding a phone away from them.

And then once we get started, we just ask them to 9 flip the camera around on their phone and start showing us 10 11 what they've installed. And for these types of 12 inspections, we're looking at -- in fact, I just got a 13 notification that says here, "It's almost time for your IVIP inspection appointment." So I've got an IVIP 14 15 inspection appointment at 12:30. So I just got a notification that my appointment's coming up here. 16

But essentially we just look through the work. We're only doing this with certified electricians on the other end. It's part of our compliance thing. We're not on the job. So this is a conversation between two professionals, an electrical inspector and a certified electrician and --CHAIRPERSON PREZEAU: Working for a licensed

22 CHAIRPERSON PREZEAU: Working for a licensed23 contractor.

24 MR. VANCE: Working for a licensed contractor, right.25 So there's a great assurance there that what is, is

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1 is, you know.

2 And there's been some questions about, for instance, well, how do you know where you're actually at? 3 Well, there's always some things about that, you know. 4 There's a building permit. There's the geography. A lot of times 5 for a ditch cover, for instance, you're just out in a sea 6 of mud, for instance. You don't -- how do you know as an 7 electrical inspector if you're standing there where you're 8 at, let alone doing it by Skype. 9

10

So yeah, I'm on this project. Great.

11 So we use all of our existing systems in conjunction with this. The inspector has a calendar in Appointments 12 13 Plus, which is this calendaring software where we -- where the inspector knows what his appointments are. And the 14 inspector upholds our end of the bargain and is contacting 15 each person, entering the information in in our normal 16 inspection software, you know, completing the inspection, 17 uploading the inspection. The customer gets a 18 19 notification of that, whoever the permit holder is, the 20 contractor typically. The person, of course, that we've 21 been interacting with is -- they're well aware of whether 22 they passed the inspection or not.

But essentially what happens is that there's immediate update of the inspection record. If there's any questions from the general contractor or anyone, everybody 1 knows because it's on the Internet. It's already
2 uploaded. And, you know, it's -- it really raises the
3 level of communication. Because when I go and make my
4 appointment, I get a confirmation that I've made my
5 appointment. I get an e-mail confirmation that I made my
6 appointment. Like this just happened, I'll get a text
7 message reminder that I've got an appointment.

8 After the appointment's complete, when the inspector 9 marks the appointment complete in the Appointments Plus 10 software, the consider will receive another e-mail that 11 says, you know, "Thank you for using for IVIP. Would you 12 like to make another appointment?" yada, yada, yada.

And also then there's a link, you know, that says, "Help us improve. Tell us what you think." And there's a -- there's going to be -- we plan on having like a very simple three question survey. Because on this pilot we need feedback on how is it working.

Now, there's other people, other folks that are doing this. Pierce County's been doing this for some time. Clark County is -- had an interesting conversation with Clark County. Things are booming down there. Just the county along, they're doing 80,000 building inspections. To put that in perspective, we do -- we did about 240,000. So that's a pretty darn busy county.

And they started this out -- they started out in an

25

1 organized fashion with a person in the building. And I 2 was talking about our scheduling approach, and the person I was talking to said that they're having customers 3 contact their inspectors directly. So their inspectors 4 are being peppered all day long with people trying to 5 Skype them. And so they've got their daily workload, and 6 then they got everybody kind of trying to pile in and, you 7 know, like, "Hey, can you look at this?" It's kind of a 8 -- she said that she was very interested in anything we 9 found with our scheduling software. 10

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And there's others that are already doing too. Pima County's been doing it for several years in Arizona. San Bernardino County in California. So -- and there's an interesting -- there was an NFPA presentation on it at one of their national conferences here recently. And it was interesting to look at that presentation. It was actually put together from someone down in Clark County.

So this platform is something that it's not for --18 19 it's not for every kind of installation. But there's so many of these installations that are just a 10-minute 20 21 look, a 15-minute look. If anybody has ever spent any time on face time or Skype or anything with friends or 22 grandkids or nieces and nephews and all that, you can 23 really only look at that for so long, and then you kind of 24 25 got to -- you know. I mean, there's a lot of jumping

around going on. So as far as this ever being something that's used extensively for large inspections, I think it would be difficult. But certainly for those simple inspections. Especially reinspections of corrections, inspections on rooftops, inspections, you know, that are just very time consuming for everyone, contractors and the Department. I think there's a lot of value in that.

Also, just speeding up jobs. Because this tool is 8 just another thing in electricians' tool belts now. 9 That's what it really can be. Because they're the ones --10 11 a contractor's never going to -- I mean, Dominic's not going to be able to sit in his office and know exactly 12 13 when every installation on every job site needs an inspection. It's never going to work from that 14 15 standpoint. But certainly people out there running work, having this capability, I think it's going to improve the 16 electrical contractors' relationships with general 17 contractors and hopefully -- you know, here at L & I we 18 19 have goal 3 which is to make it easier to do business with And I think that this one will definitely do that. 20 L & I. 21 CHAIRPERSON PREZEAU: I think I already know the answer to this question, but since, you know -- obviously 22

23 Mr. Puente also talked about, you know, the pilot
24 beginning March 1st and running through December 31st.
25 And the goal of the pilot -- or one of the goals of the

pilot is to learn from the pilots, figure out how, you know, what does it look like going forward. So I'm assuming that this -- that built into this system is some reporting capabilities about total number of inspections requested, total number of inspections delivered, missed, you know. Like there's -- there's got to be some type of data collection already built into the system.

MR. VANCE: Yes. These inspectors will be inspecting 8 out of -- in-mobile inspections. You're always inspecting 9 out of your office. For instance, if you're in the 10 11 Vancouver office, the inspections you do are recorded out of the Vancouver office. These inspections will be done 12 13 out of the Specialty Compliance office. It's a term we have in mobile inspections that goes way back. We don't 14 want to change it ... because we think it might break. 15 But essentially we'll know all of the inspections that are 16 done out of this office, the numbers of those inspections. 17 The software -- the Appointments Plus software that we use 18 19 for scheduling, it'll tell us how many inspections were cancelled, how many inspections were made. And as far as 20 21 our -- we're going to do some hand-tracking through the pilot to measure whether we held up our end of the 22 bargain. And, you know, there's some interesting things 23 that -- like when we're in this building, we're in the 24 25 middle of doing an IVIP inspection and the fire alarm goes

off, we're going to, you know, say we got to go. There's things that -- we had a statewide Internet problem here that lasted the majority of a day. We -- while this is a technological leap and mostly likely very highly reliable, there's going to be some times when things just don't work. And it may be even a user out there that made an inspection appointment that doesn't have cell service.

8 But for the most part it should work. I mean, it 9 works in other areas. Others are doing it.

10 The one thing -- the one hurdle we have is is that 11 anytime as a large state agency that we're trying to 12 communicate with somebody through our network, that's a 13 big deal. And the way this works is we're actually --14 it's cloud based. We're using a Microsoft cloud. And 15 then out to someone with consumer Skype. So we've solved 16 a lot of those issues as far as reliability.

Our initial pilot, consumer Skype to consumer Skype, we had 47 percent success, and that wasn't enough to go forward, but we've learned a lot, and our I.T. folks have done a lot. We're using business Skype to consumer Skype through the Microsoft cloud, and that just -- it seems to be just stellar, very highly reliable. So ...

23 CHAIRPERSON PREZEAU: Bobby.

24 BOARD MEMBER GRAY: Thank you, Madam Chair.

25 Larry, how -- have you already selected the

contractors to participate in the pilot? And if so, how
 did you go out and recruit those?

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3 MR. VANCE: First of all, I looked at some criteria 4 that Chief Electrical Inspector Thornton put together as 5 far as, you know, we want to focus on -- wanted to kind of 6 focus on three areas. And those areas were ditch cover 7 inspections, HVAC circuits with a little bit of -- more of 8 a lean -- when we say HVAC circuits, we're talking about a 9 lot of work, occupied single family homes.

10 And then the other one was reinspections of 11 corrections. And we've kind of fine tuned that to 12 reinspections of corrections that don't result in approval 13 of an electrical service.

So looking at that, I was just -- I looked around the 14 state and looked for contractors that had a lot of 15 underground work going on. And we currently got about 16 eight or nine on the list. And through the -- the pilot 17 team is looking at this and thinking maybe we want to 18 19 expand that a little bit. I mean, there was no great 20 criteria other than, hey, who's doing this kind of work 21 right now.

Don's made a request to be on the pilot team. And so -- we're just kind of -- we're talking about it, and as we -- I was having a conversation with my neighbor who is an electrical contractor, and it was about a week later he sent me an e-mail, he said, "I've been really thinking about this, and I'd like to really -- I'd like to" -- he's just a two-person shop. But he said, "I'd really like to participate in this."

5 We also had the electrical contractor that came and 6 spoke to us at the Spokane meeting about a year and a half 7 ago. He was there all day. And then at the end of the 8 meeting there, he talked extensively about why the 9 Department doesn't use technology. He's on the pilot 10 group.

One person I haven't contacted yet was a gentleman from Prime Electric. He accompanied Steve to meet with the Governor here a couple of years ago, and the Governor kind of kicked this all off when he asked Steve why the -you know, Is the Department using technology, you know, to its fullest capability. And so we started having to ask ourselves this question and start down this road.

18 So it's taken a while, but I think it's really going 19 to be an interesting thing to get going. And maybe some 20 of those electricians out there on the jobs with 21 smartphones that are looking at their phones will be 22 actually, you know, getting some inspection work done and 23 getting something going to forward the job. So ...

CHAIRPERSON PREZEAU: Well, I look forward to areport in April.

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1	Page 112 MR. VANCE: Well yes, absolutely. No, there's
2	been a lot of people involved in this. I mean, from our
3	I.T. folks to I mean, it's taken a lot of people to do
4	this. And it's going to be really interesting to see it
5	step off and go here.
6	CHAIRPERSON PREZEAU: Agreed. Any other questions
7	for Technical Specialist Vance?
8	Milton, I know your paper's getting short.
9	
10	Item 8. Public Comment(s)
11	
12	CHAIRPERSON PREZEAU: But the last thing that we are
13	under is public comment. And for the record, the only
14	individuals that have signed in are Ms. Lowy and Mr. Lees
15	in conjunction with the appeal.
16	So unless there's anyone else that has in the room
17	that wanted to address the Board under public comment?
18	Going once, twice, three times. The Chair will
19	entertain a motion to adjourn.
20	
21	Motion to Adjourn
22	
23	BOARD MEMBER NORD: Motion.
24	BOARD MEMBER JENKINS: Second.
25	CHAIRPERSON PREZEAU: It's been moved and seconded to

		D 112
1	adjourn the January 25, 2018, Electrical Board meeting.	Page 113
2	All those in favor, signify by saying "aye."	
3	THE BOARD: Aye.	
4	CHAIRPERSON PREZEAU: Opposed? We're adjourned.	
5	Thank you.	
6	Motion Carried	
7	(Whereupon, at 12:15 p.m., proceedings adjourned.)	
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1	CERTIFICATE
2	
3	STATE OF WASHINGTON )
4	) ss. County of Pierce )
5	
6	I, the undersigned, a Certified Court Reporter in and for the State of Washington, do hereby certify:
7	That the foregoing transcript of proceedings was
8	taken stenographically before me and transcribed under my direction; that the transcript is an accurate transcript
9	of the proceedings insofar as proceedings were audible, clear and intelligible; that the proceedings and resultant
10	foregoing transcript were done and completed to the best of my abilities for the conditions present at the time of
11	the proceedings;
12	That I am not a relative, employee, attorney or
13	counsel of any party in this matter, and that I am not financially interested in said matter or the outcome thereof;
14	IN WITNESS WHEREOF, I have hereunto set my hand on
15	this 13th day of February , 2018, at Tacoma, Washington.
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17	
18	H. Milton Vance, CCR, CSR Excel Court Reporting
19	
20	(CCR License #2219)
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