

PREVAILING WAGE ADVISORY COMMITTEE

Meeting Minutes

Thursday, April 23, 2009

International Union of Operating Engineers
555 East 1st Street
Gladstone, OR

Members Present

Daniel Bonham
Mark Holliday
Norm Malbin
Jim McKune
Carl Redman

Members Absent

Don Kool
Greg Miller
Shawn Miller
John Mohlis
Patrick O'Brien
Pete Savage

Staff Present

Lois Banahene
Christie Hammond
Mike Kern
Kate Newhall
Denise Voll (OED)
Maggie Wilson
Susan Wooley

The meeting was called to order at 1:30 PM. Co-chair Jim McKune reminded the committee members of the meeting "ground rules."

Minutes of Last Meeting of April 9, 2009

Committee member Carl Redman requested that the language on page two of the April 9, 2009 meeting minutes be amended to more clearly state the nature of his expressed concern. He suggested amending the language to read: "Committee member Carl Redman expressed concern that the commissioner's discretion in making determinations should not be limited."

The committee did not have enough members present to approve the minutes as amended. Co-chair Jim McKune stated that the minutes would be reviewed for approval at the next advisory committee meeting.

Annual Construction Industry Survey

Co-chair Jim McKune reminded everyone present that this was the last of three meetings scheduled to learn about the survey and identify concerns. Mr. McKune expressed his appreciation for the comments received to date, and stated that the purpose of this meeting is not to fix anything, but to continue the review and get feedback regarding the survey from committee members, BOLI staff, and the public about what might need to be changed.

Committee member Carl Redman asked for clarification about trust fund filings being used in the survey instead of peak week hours. Wage and Hour Division Administrator Christie Hammond clarified that trust fund hours reported are still peak week hours. Denise Voll of the Oregon

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Employment Department explained that, in this situation, the trust collects the required data from the contractor to submit for the annual survey. Ms. Hammond said that electricians are the only trade so far that have been submitting trust data, but noted that this option is available to all contractors as long as their trust fund administrator is able to meet established guidelines and segregate the data needed for the survey. Ms. Voll mentioned that this would be difficult for most trusts because, unlike the electricians, trusts usually collect data from multiple unions and trades, and would have a harder time providing this service under these circumstances.

Committee member Daniel Bonham asked if anyone had ever looked into surveying contractors at random by phone. Ms. Voll explained that such a method would be difficult and has never been tried. She noted that there is such specific information needed, it would take numerous phone calls back and forth to collect the information needed.

Audience members touched on previously addressed topics such as making the survey voluntary, changing the survey due date, and surveying by region by craft to capture more data being left out from certain regions.

Co-chair Jim McKune addressed the topic of consolidating regions and showed an example map, provided by the ironworkers, of what the consolidated regions might look like. Committee member Norm Malbin asked if the change would require legislative action. Mr. McKune said his perception was that the regions cannot be changed without legislative action, but that the commissioner has discretion in considering data collected in other regions in making wage rate determinations. Committee member Carl Redman asked Ms. Voll if she believes there is consensus among contractors that the regions should be consolidated. Ms. Voll said it would easily be one of the top five issues that contractors have with the survey.

Mr. Redman said he believed that consolidating regions would help, but that the requirement to report multiple wage rates paid by workers was onerous. Mr. Redman expressed dissatisfaction with having to report each worker separately, even though the difference in pay between them might be miniscule. He asked whether it might be possible to report a range of wage rates paid or the most common wage rate paid. Committee members discussed the possibility of using a range or average when collecting data. Ms. Voll said she knew of other surveys conducted by the Employment Department that use wage ranges, so the possibility of doing so with this survey is there, but it depends on the level of exactness desired. Mr. McKune requested that Mr. Redman summarize the proposed concept of combining wage rates in writing to add to the list of survey issues to be reviewed at a future time. Mr. Redman agreed.

Mr. Malbin questioned the validity of some of the survey data submitted and requested to add to the list of topics for discussion the potential for the Employment Department to validate data by cross-referencing it with other agencies.

Mr. McKune led the group through the survey form to address any issues with the form itself. Each section was addressed. Committee and audience members discussed why both “journey” and “sub-journey” level workers are included on the survey, and how they are identified and reported. Ms. Voll explained that the survey asks for information about both levels in the survey to avoid the

exclusion of data for entire classifications that some contractors consider to be “sub-journey.” For example, Ms. Voll said, if the “sub-journey” designation was not included on the survey, many firms would leave out landscaper hours altogether, and no data would be reported for that classification.

Mr. Redman asked why union wages paid need to be reported on the survey, rather than just the information needed to determine whether union wages prevail or not. Mr. Malbin suggested the possibility of conducting two surveys—the first to determine whether union wages prevail, and if so, no more surveying is needed. However, if union rates do not prevail, a second survey would be sent out to determine the wage rates paid. Mr. Bonham asked if the average non-union wage has ever come out above the collective bargaining agreement. Ms. Voll said she was not sure if that had happened or not.

Next Meeting/Meeting Schedule

The next Prevailing Wage Advisory Committee meeting is not yet scheduled. Co-chair McKune said that the committee members would be asked to choose from several upcoming possible dates for a “work session” pertaining to the survey.

The meeting adjourned at approximately 3:00 PM.