

PREVAILING WAGE COMMISSION MEETING
September 17, 2013
MINUTES

PRESENT: COMMISSIONER BURNS PHILLIPS
R.T. SUMMERS
ALAN ROBERTSON

Recorded by Christina I. Tugman

Please note this transcript is not a word-for-word account. Some general discussion and comments have been omitted for the sake of brevity

I. Call to Order and Roll Call

Christina J. Tugman called the meeting to order at 9:00 a.m. with Commission members stating their names for the record.

II. Conflict of Interest

Commissioner Phillips asked the Commission members to each sign the Conflict of Interest Statements. No commission member had anything to declare.

III. Old Business

Review and approve the minutes from November 28, 2013, Prevailing Wage Commission meeting.

Commissioner Phillips asked for a motion to approve the minutes from the November 28, 2013, Prevailing Commission meeting.

R.T. Summers motioned. Alan Robertson seconded.

All approved. Motion carried.

IV. New Business

Review and approve the 2013 Highway & Bridge Survey Mailing List.

The commission decided that commission member Wayburn Crabtree will provide an updated list for the Prevailing Wage Survey for 2013.

Commissioner Burns asked for a motion to request an updated list from TDOT from commission member Wayburn Crabtree.

R.T. Summers motioned. Alan Robertson seconded.

All approved. Motion carried.

Discuss and approve schedule for 2013 Prevailing Wage Survey

Michael Dattilo stated the survey for this year's 2013 Prevailing Wage Survey will include the standard Highway and Bridge form, a letter explaining what information is gathered, with the specific code to enter the company information online, and lastly the list of classifications.

R.T Summers stated that the Tennessee Road Builders Association requested that a rate be added for Crane Operator. Currently "Crane Operator" is listed under Classification Class A Operators. Industry practice is that a Crane Operator is paid \$4.00-\$5.00 above what a Class A Operator is paid currently. A Crane Operator is considered to be a much higher skill position, almost unique. Because Crane Operator is categorized under Class A Operator it inflates the classification wage. A definition has been added for Crane Operator as ***"equal to or greater than 20 tons"***.

Commissioner Phillips asked if this type of crane would be the only one that would fit into this category.

R. T Summers stated yes, classified as ***"boom type equipment equal to or greater than 20 tons to hoist"***.

Commissioner Phillips asked what the difference is between the average Class A Operator and the Crane Operator rates.

R.T. Summers stated that he could not give Commissioner Phillips a definite answer on this question because contractors do not break up that information on the payroll; Crane Operators are classified under Class A Operators.

Michael Dattilo commented that if the commission chooses to survey the two classes as separate that the results of the survey will give the commission an accurate rate.

R. T. Summers asked that a motion be made to add a classification of Crane Operator, over twenty tons, as another classification to the survey. When the survey is completed then the commission can make the decision if it is appropriate to make a rate for this particular classification.

Commissioner Phillips made the motion to survey for the Crane Operator for over 20 tons and adjust the Class A Operator class and definition.

Motion seconded by Alan Robertson. Motion carried.

Sydne Ewell asked for a discussion on surveying for Crane Operator. She questioned if this surveying for this classification was in lieu of the definition in the Prevailing Wage rules?

R.T. Summers stated that the Crane Operator is listed in the original law as one of the classifications. Therefore the commission is not changing anything in the original law. The commission is surveying a classification that should be surveyed; the commission is just breaking it out of the Class A Operator. In the past the Commission has moved one thing from one classification to another when the Commission has thought it would be more appropriate in a specific classification.

Sydne Ewell stated that the commission has definitions within the Prevailing Wage Act rules that contain a provision that allows the commission to change classification definitions. Is this change an addition to what is in the rules?

Commissioner Phillips wanted to know what the rules specifically state.

Sydne Ewell stated that the texted marked under § 0800-3-2-.02 (b) 3. "Class A Operator" and § 0800-3-2-.08 (4) give the commission the authority to designate the classifications of crafts of workers subject to the Prevailing Wage Act.

Commissioner Phillips stated that the rules would allow the Commission to make this change without having to alter the rules.

Michael Dattilo stated that from his understanding that if the rules needed to be changed that it would occur after the survey was completed.

The commission was in agreement.

The survey will help the commission see what the impact of this classification, Crane Operator, within the Class A Operator and if it is significant enough then the commission has the authority to create the new classification.

Dan Bailey, general counsel, stated that the rules will need to be changed given the new statute because the Prevailing Wage Commission will no longer have building construction under its authority.

The commission then looked at the date for the survey notice to be mailed, September 25th or 26th, 2013. The commission also looked at the deadline for receipt of survey responses, which would be the 3rd working day past October 31, 2013 (November 5, 2013).

Michael stated that November 5, 2013 is the last day that information will be received, if postmarked by the October 31, 2013.

The commission then looked at dates to review data and set preliminary rates. The commission also looked at dates for final meeting to establish the final Highway & Bridge rates.

Commission members choose November 18th, 2013 at 8:30 a.m. C.S.T. to review data and set the preliminary rates for the Highway and Bridge Prevailing Wage rates. November 25th, 2013 at 9:00 a.m. C.S.T. was chosen as for the final meeting to set the final rates for the Highway and Bridge Prevailing Wage rates.

The deadline for setting the final rates is December 1, 2013.

Arthur Franklin approached the chair, Commissioner Phillips, and wanted to bring to the attention of the commission, that the legislature has passed the House Bill 850 and Senate Bill 1209 to do away with the building survey. As of January 1, 2014 the building survey will now use the Tennessee Occupational Wage Report. Mr. Roger Broach who is with Research and Statistics in Employment Security will be able to address any issues as such.

R. T. Summers addressed Mr. Broach as to if the commission has any role in the building trade going forwarded.

Arthur Franklin stated that under the new law that the commission will no longer have a role.

Alan Robertson questioned how the rates will be provided. Will they be provided by the Tennessee Occupational Wage?

Mr. Broach answered that contractors will be asked to access Tennessee Occupational Wage website and look under the subdivision of what is called standard occupational classification, it is under a major grouping and they would select the occupation that that best suits the job that they are looking for.

Mr. Broach talked about how the information is collected and how rates are accessed via the Standard Occupational Code Classification.

Alan Robertson asked if our Labor Market Information office get involved with this process.

Mr. Broach stated yes we are directly involved with the process.

A commission member asked if there is an audit mechanism in place to ensure that there is compliance with those rates across the state.

Mr. Broach stated there are confidentiality requirements therefore he could not disclose the companies names but the information is pulled at the national level based on the database on what information we need for the survey collection.

Any information or further inquiry from contractors would need to be referred to the Tennessee Occupational website.

There was further discussion regarding building wage rates and the new law.

Mr. Broach again referenced his website and how contractors can access information.

Commissioner Phillips made a motion to adjourn the Prevailing Wage Commission meeting

Alan Robertson motioned. R. T. Summers seconded.

All approved. Motion carried.