

FEDERAL PREVAILING RATE ADVISORY COMMITTEE

595th FPRAC

SHELDON FRIEDMAN, Chairperson, Presiding

Thursday, June 19, 2014

Room 5526
Office of Personnel Management
Washington, D.C. 20415**ATTENDANCE :****Members/Alternates :**Management Members:Mark Allen, OPM
David Pedersen, Navy
Gary Buck, ArmyLabor Members:Bill Fenaughty, MTD
Jacque Simon, AFGE (via phone)
Candace Archer, AFGE
Adair Gregory, NAGE
Steven Landis, ACT**Staff Specialists and Visitors:**Jeanne Jacobson, Designated Federal Officer, OPM
Madelaine Gonzalez, OPM
Miranda Rocker, OPM
Luis Lynch, AF
Tracy Schulberg, Navy
Becky Chaves, DoD**Recording Secretaries:**Mike Eicher, OPM
Terri Wallace, OPM

[Transcript prepared from digital audio produced by FPRAC.]

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P R O C E E D I N G

CHAIRMAN FRIEDMAN: Good morning, everyone, and welcome to this, our 595th meeting of the Federal Prevailing Rate Advisory Committee. My name is Sheldon Friedman, Chair of the Committee, and as we usually do, let's start with introductions.

Let's start with you today, Mark.

MR. ALLEN: Mark Allen with OPM.

MR. PEDERSEN: David Pedersen, Navy.

MR. BUCK: Gary Buck, Army.

MR. FENAUGHTY: Bill Fenaughty, Metal Trades and NFFE.

MS. ARCHER: Candace Archer, AFGE.

MR. GREGORY: Adair Gregory, NAGE.

MR. LANDIS: Steven Landis, ACT.

MS. SIMON: Jacque Simon, AFGE (via phone).

CHAIRMAN FRIEDMAN: Let's go around the rest of the room, as well, please.

MS. JACOBSON: Jeanne Jacobson, OPM, Designated Federal Officer.

MR. LYNCH: Luis Lynch, Air Force.

MS. SCHULBERG: Tracy Schulberg, Navy.

MS. CHAVES: Becky Chaves, DoD.

MR. EICHER: Mike Eicher, OPM.

MS. ROCKER: Miranda Rocker, OPM.

MS. GONZALEZ: Madeline Gonzalez, OPM.

MS. WALLACE: Terri Wallace, OPM.

CHAIRMAN FRIEDMAN: Thank you, everyone, and welcome again.

I have no announcements this morning. Does anyone else have any announcements?

[No audible response.]

CHAIRMAN FRIEDMAN: If not, let's move to review the minutes of our previous meeting. Are there any changes that people want to bring to our attention that you haven't already told us about?

[No audible response.]

CHAIRMAN FRIEDMAN: If not, is there any objection to adopting the transcript of our last meeting?

[No audible response.]

CHAIRMAN FRIEDMAN: Hearing no objection, the transcript is adopted.

That brings up Old Business. Is there any item (a) through (d) on the agenda that people would like to talk about

this morning?

MS. SIMON: This is Jacque Simon. I just want to bring up item (c), the third item on the list of Old Business, our request for an FPRAC review of our proposal to redefine Monroe County, Pennsylvania, from the Scranton-Wilkes-Barre wage area to the New York wage area. Of course, this is one element in the proposal that FPRAC passed in October of 2010 that has languished now for several years, so everyone has been politely pretending it doesn't exist, but it exists.

The affected employees, those who are the hourly employees, are in numerous locations around the country; in this case at Tobyhanna Army Depot in Pennsylvania, but we all know that there are other locations, as well.

This disparate treatment between salaried and hourly federal employees is really a scandal that shouldn't be allowed to continue to exist, and President Cox has asked me to bring this up again to try to bring some kind of reckoning through FPRAC, so that some attention can be paid to this by the Director of the Office of Personnel Management. Certainly, every question about the impact and implementation of this proposal has been answered to the nth degree. Our members are very frustrated. President Cox is beyond frustrated, and we

want some action. We want some attention, and we want some movement on this issue.

CHAIRMAN FRIEDMAN: Is there something specific you're asking from FPRAC at this point, Jacque?

MS. SIMON: Yes. I'd like FPRAC to reaffirm its support for this proposal and ask directly that OPM Director Katherine Archuleta respond and take action on this recommendation.

CHAIRMAN FRIEDMAN: Is that in the form of a motion?

MS. SIMON: It doesn't have to be in the form of a motion. This is a request from AFGE, AFGE President J. David Cox. He asked me to convey this to you, to the FPRAC Committee.

CHAIRMAN FRIEDMAN: Okay. I'm trying to think how we take action on this. It seems to me we would need to have something from AFGE to pass on to the Director.

MS. SIMON: Okay. I'll put something in writing, specifically asking the Chairman of FPRAC to forward to the Director of OPM a request for action, because you know, 3-1/2 years is long enough to wait for a decision. The proposal has just been sitting on the desk of the Director of OPM. We are now on our second Director that has this proposal on her desk, and the time for action has long passed, so certainly, it needs

to occur now.

CHAIRMAN FRIEDMAN: Okay. Well, I certainly hear you. All right. So you're going to give us something in writing on that then, right? --

MS. SIMON: Yes.

CHAIRMAN FRIEDMAN: Okay. We actually don't have a quorum on the Management side this morning. Once we have something in writing, we can take it from there.

Steve?

MR. LANDIS: I would just like to add on to what Jacque said, as well. This has definitely been a point of frustration for all of us, as well as the fact that Joint Base McGuire-Dix-Lakehurst has been an issue now for almost 5 years, as of October of 2009 when they were combined in one military facility. GS workers were all given the New York pay scale, which is what the eastern portion of the base were paid, and the FWS employees were left out of that.

It was an oversight. It has been recommended by the Congressmen and the Senators from the State of New Jersey to correct this. Again, this has been something that has been going on since October of 2009.

We have documentation from past meetings that it is

general OPM policy that when one facility is split between two wage areas, it is combined within one wage area, but these things have just been left hanging in the breeze now for years.

We're having turnover issues. We have people that are coming in to work as technicians. They are employed for a couple years but then they get frustrated with their pay. They get more experience, and then they take jobs elsewhere. So we're having turnovers. We have an issue there with retention, and it's something that needs to be addressed and fixed, sooner rather than later.

CHAIRMAN FRIEDMAN: Thank you, Steve.

Well, of course, we even heard from the former Base Commander about this.

Is there anything that the Management side would like to say in response at this point?

MR. ALLEN: No. The Management members' position has not changed on the overall AFGE proposal and the FPRAC recommendation by majority vote is still under consideration by the Director of OPM. I don't have any further information on that, that I can share today.

CHAIRMAN FRIEDMAN: Any further discussion at this time?

Steve.

MR. LANDIS: I also received some contact from Congressman Jon Runyan's office. Half of the Joint Base is in his district. I believe that next year's National Defense Authorization Act contains language in it that is directed to correct this issue, as well. I'm not exactly sure. It seems like that is going to get through the House and the Senate. But I don't know. I have also heard rumors that the President is threatening to veto it.

I don't have all the exact details of that bill, but--

MS. SIMON: This is Jacque Simon. Representative Runyan never offered his amendment. He withdrew it, presumably because the Rules Committee had some objection. So it was never actually offered, so it is not part of the NDAA this year.

CHAIRMAN FRIEDMAN: Anything else on this matter?

MS. SIMON: We know the Congressman is very interested in rectifying this, but it is not going to be part of the National Defense Authorization Act for 2015.

CHAIRMAN FRIEDMAN: Anything else on this matter this morning?

MR. ALLEN: Mr. Chairman, I have a procedural question. The agenda item that we are considering under this

discussion is agenda item (c), which is the letter from AFGE that just had to do with Monroe County, Pennsylvania.

Jacque, are we just talking about Monroe County, Pennsylvania, or are we talking about the overall FPRAC recommendation from October 2010?

MS. SIMON: We are talking about both our request for the redefinition of Monroe County and the proposal that was adopted by FPRAC in October of 2010 that would have resolved the issue, not only for Monroe County, Pennsylvania, but for numerous other counties throughout the country.

MR. ALLEN: Okay.

MS. SIMON: The answer is both, not either/or.

CHAIRMAN FRIEDMAN: Anything else on this?

[No audible response.]

CHAIRMAN FRIEDMAN:

So are there any other (a) through (d) items of Old Business that people want to talk about this morning?

[No audible response.]

CHAIRMAN FRIEDMAN: If not, I suggest we move on to item (e), on which at this point, we have accumulated quite a few different exhibits, data, analysis, and so forth. We have received the Management proposal. I think we are still awaiting

a definite Labor proposal. The Labor side has indicated that the Management proposal is not acceptable to the Labor folks.

We could summarize some of the background again, but I think we have done that at previous meetings.

Is there any discussion at this point of this question of the disposition of the Portland, Maine, wage area?

MR. ALLEN: Mr. Chairman, if I may, I can kind of boil down what I think are the essential issues on this.

CHAIRMAN FRIEDMAN: Sure.

MR. ALLEN: The Management proposal recommends that the current Portland wage area be split into two parts, with some of the counties going to the Augusta, Maine, wage area and some to the Portsmouth, New Hampshire, wage area.

It is my understanding that the Labor members would prefer that the Portland wage area's counties be kept together and be put into the Portsmouth wage area.

And the other issue is whether to continue having surveys conducted in one of the counties in the Portland wage area where there is a very large private sector employer.

CHAIRMAN FRIEDMAN: There are three survey counties in the current Portland wage area, so there is the question of their status, do they continue as survey counties or not -- all

three of them or fewer? Those answers need to be part of our eventual recommendation.

Any discussion on this one?

MR. FENAUGHTY: Just a question. What I remember from May was that Labor was going to work on getting a proposal together.

CHAIRMAN FRIEDMAN: That was my understanding. I don't think we have received it yet, though.

MR. FENAUGHTY: Jacque, is that your understanding of where we're at with this?

MS. SIMON: Bill, I could hear that you were talking, but I couldn't make out what you said. Did you say that we are still working on our Labor response to Management's proposal?

MR. FENAUGHTY: Yes. And that's pretty much where we're at. We still owe the Committee a proposal regarding this issue on the Portland wage area.

MS. SIMON: Yes, that's correct.

MR. FENAUGHTY: Okay.

CHAIRMAN FRIEDMAN: Okay. Well, I think I am going to suggest we defer any further discussion of this issue until we receive that proposal. Is that agreeable?

MR. ALLEN: That sounds like a good idea to me.

CHAIRMAN FRIEDMAN: Okay.

MR. ALLEN: I don't think there's anything urgent on the timeline for the wage survey in Portland that would impede the start of the wage change survey.

CHAIRMAN FRIEDMAN: Well, the thing that concerns me a little is presumably the survey is being conducted without Labor participation at this point. Ms. Chaves, would you happen to know if that is correct?

MS. CHAVES: I'm sorry. I would not know.

CHAIRMAN FRIEDMAN: Okay. That is a concern to me.

Anyway, we do need one more piece of data before we can move ahead on this.

Well, I have no New Business today. Does anyone else?

[No audible response.]

CHAIRMAN FRIEDMAN: We do have a working group meeting scheduled shortly after we adjourn here, but if there is no new business, it would be entirely appropriate for us to adjourn. Is there any objection to adjourning?

[No audible response.]

CHAIRMAN FRIEDMAN: Hearing no objection, we are adjourned, so see everyone in July. And have a good first month of summer. Stay cool. Thank you.