

MINUTES OF MEETING
OF THE INDUSTRIAL COMMISSION OF ARIZONA
Telephonic Meeting
Held at 800 West Washington Street
Phoenix, Arizona 85007
Thursday, February 25, 2021 – 1:00 p.m.

Present:	Dale L. Schultz	Chairman (Telephonic)
	Scott P. LeMarr	Commissioner (Telephonic)
	Steven J. Krenzel	Commissioner (Telephonic)
	James Ashley	Director (Telephonic)
	Gaetano Testini	Chief Legal Counsel (Telephonic)
	Jason M. Porter	Deputy Director (Telephonic)
	Trevor Laky	Legislative Affairs Chief/Public Information Officer (Telephonic)
	Renee Pastor	Self Insurance (Telephonic)
	Jessie Atencio	ADOSH Director (Telephonic)
	Anna Maria Stonerock	ADOSH Admin (Telephonic)
	Kara Dimas	Commission Secretary (Telephonic)

Chairman Schultz convened the meeting at 1:00 p.m. Also in attendance on the telephone, confirmed by roll call were John Ashton, Tracy Foss, Roshell Lee, Garrett Mahoney and Lori Jundt (Securis Insurance Pool); Chris Hansen and Nichole Martinez (City of Tempe); Heng Chin and Libby Block (Roehl Transport, Inc.); Adam Sheppard, Nathan Waite and Paul Gomez (K.L.A.S.S. Services, Inc.); John Baca (NU Flow Services of Phoenix, LLC); and Savannah Scharnhorst (Snell & Wilmer).

Approval of Minutes of February 11, 2021 Regular Meeting Minutes.

Commissioner Krenzel moved to approve the Minutes of the February 11, 2021 regular session meeting and Commissioner LeMarr seconded the motion. Chairman Schultz, Commissioner LeMarr and Commissioner Krenzel voted in favor of the motion. The motion passed.

Consent Agenda:

All items following under this agenda item are consent matters and will be considered by a single motion with no discussion unless a Commissioner asks to remove an item on the consent agenda to be discussed and voted on separately. The Commission may move into Executive Session under A.R.S. § 38-431.03(A)(2) to discuss records exempt by law from public inspection. Legal action involving a final vote or decision shall not be taken in Executive Session. If such action is required, then it will be taken in General Session.

a. Approval of Proposed Civil Penalties Against Uninsured Employers.

1. 2CC20/21-0076 Alba Construction LLC \$5,000
2. 2CSP20/21-0068 Valley Hospice of Arizona Inc \$1,000
3. 2CNP20/21-0284 Safe Clean Sanitation LLC \$1,000
4. 2CSP20/21-0071 RV Life Enterprises Inc dba Dead Horse Diesel & RV \$1,000

b. Approval of Requests for Renewal of Self-Insurance Authority.

1. City of Tempe

c. Discussion and Action of Application for Self-Insurance Authority.

1. Roehl Transport, Inc.

Chairman Schultz thanked Ms. Pastor for recalculating the experience modification factor for Roehl Transport, Inc. to an Arizona only experience modification factor which resulted in .82 which is satisfactory for authorization to self-insure.

Commissioner LeMarr moved to approve the items on the Consent Agenda and Commissioner Krenznel seconded the motion. Chairman Schultz, Commissioner LeMarr and Commissioner Krenznel voted in favor of the motion. The motion passed.

Chairman Schultz thanked Ms. Pastor for her excellent write-up on both the City of Tempe, explaining their progress in implementing new safety initiatives, and for Roehl Transport, Inc. and all of the efforts to ensure good financially solid self-insured participants.

Update Regarding Securis Insurance Pool, Inc.'s Experience Modification and Discussion of Security Requirements.

Ms. Pastor explained that Securis is doing well and is very conservative with its reserves. Securis is well managed and are building their trust to a 70% confidence level. The security deposit exceeds 125% of the claim reserves. She recommended continuance of self-insurance and will keep reporting on a quarterly basis until the first renewal in January 2022.

Chairman Schultz noted the plan for completing capitalization.

Mr. Ashton appreciated that Ms. Pastor attends the Securis meetings and that the Industrial Commission is interested in the success of Securis.

Commissioner Krenznel moved to approve continuing the current security deposit and Commissioner LeMarr seconded the motion. Chairman Schultz, Commissioner LeMarr and Commissioner Krenznel voted in favor of the motion. The motion passed.

Discussion and Action of Arizona Division of Occupational Safety and Health Proposed Citations and Penalties.

Chairman Schultz discussed the purpose of and process for the Commission's consideration of ADOSH citations and proposed penalties.

K.L.A.S.S. Services, Inc.
12819 W. Missouri Ave
Litchfield Park, AZ 85340

Complaint
Years in Business: 8
Empl. Covered by Inspection: 4

Site Location: 3322 S. Ellsworth Road
Mesa, AZ 85212
Inspection No: Q3895 - 1501332
Inspection Date: 11/5/2020

provide a safer environment for all of their people and are thankful for ADOSH bringing it to their attention. It has really opened their eyes.

Chairman Schultz appreciated the fact that they do have an extensive safety and health program and it is a good start but it's about the implementation of the program and where the rubber meets the road. Chairman Schultz also thanked him for taking the inspection in the spirit it was intended, this Commission is very focused on helping businesses to understand how to work safely and to promote businesses in being profitable by working safely. Chairman Schultz thanked him for his cooperation with the inspection.

Commissioner Krenzel clarified with Mr. Baca that everyone attended the class for fall protection and basically pulled all of the techs off of the job for a day to go through this training and going forward intends to use tool box talks to carry forward some of this training education and awareness. Mr. Baca noted every Monday morning they have a foreman's meeting and talk about a specific topic. They have been doing that for some time, but they need to make sure that they are following the safety rules and the company needs to hold everybody accountable to keep them safe.

Commissioner Krenzel moved to amend the citation and proposed penalties to include as 25% reduction for good faith consideration for the efforts made by the employer for a total penalty of \$3,375.00. Commissioner LeMarr seconded the motion. Chairman Schultz, Commissioner LeMarr and Commissioner Krenzel voted in favor of the motion. The motion passed.

Announcements, Scheduling of Future Meetings and Retirement Resolutions.

Mr. Ashley commented the Industrial Commission's pursuit and achievement of VPP status caught the attention of the Arizona Department of Administration (ADOA), who in acknowledgement of the great work the ICA safety committee does invited Janine Locke and Rebecca Schaar to share and present information about the agency's Near Miss program to 30 other agencies. He shared a letter he received from the Loss Prevention Manager, Doug Brown.

Chairman Schultz thanked Mr. Ashley, he noted it was an arduous journey to achieve VPP status and it's about continual improvements and recognized how much Mr. Ashley wanted an effective safety program at the Commission to use VPP and the efforts of the ICA as an example for other state agencies and employers throughout Arizona to try to lift everyone up and it is working.

Mr. Ashley thanked Chairman Schultz for joining the Special Fund Division for the virtual farewell to Bonnie Holly, the Special Fund Manager as Ms. Holly will be leaving the agency relocating outside of the Valley. He highlighted Ms. Holly's contributions to the success of the Special Fund, the agency and the state for the functions they perform and the great standards that they have set.

Chairman Schultz noted the Special Fund is a terrific team who has made huge strides in an area that is very special as the Special Fund handles claims when employers have failed to fulfill their obligation to their employees by purchasing workers' comp insurance to protect them and if there is an injury or claim the Special Fund picks up the ball; Chairman Schultz appreciates their focus on getting benefits out as quickly as possible and the fair adjudication of those claims.

Ms. Dimas confirmed Commission meeting dates through April 2021.

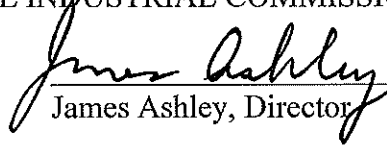
Public Comment.

There was no other public comment.

Commissioner Krenzel moved to adjourn and Commissioner LeMarr seconded the motion. Chairman Schultz, Commissioner LeMarr and Commissioner Krenzel voted in favor of the motion and the meeting was adjourned at 1:53 p.m.

THE INDUSTRIAL COMMISSION OF ARIZONA

By


James Ashley, Director

ATTEST:



Kara Dimas, Commission Secretary