

MINUTES OF MEETING
OF THE INDUSTRIAL COMMISSION OF ARIZONA
Held at 800 West Washington Street
Phoenix, Arizona 85007
Thursday, July 10, 2025 – 1:00 p.m.

Present:	Dennis P. Kavanaugh	Chairman
	Joseph M. Hennelly, Jr.	Vice Chair
	D. Alan Everett	Commissioner
	Maria Cecilia Valdez	Commissioner
	Brandt Smith	Deputy Director
	Afshan Peimani	Chief Legal Counsel
	Charles Carpenter	Legislative Affairs Chief/Public Information Officer
	Renee Pastor	Self-Insurance (Telephonic)
	Melissa Spurgeon	Labor Director
	Christina Lasater	Labor Supervisor
	Vincent Argana	Labor Investigator
	Charles Conner	COOP Program Manager
	Kara Dimas	Commission Secretary (Telephonic)
	Yvonne Borunda	Acting Commission Secretary

Chairman Kavanaugh convened the meeting at 1:11 p.m. In attendance, confirmed by roll call was Taylor Thomas (Snell and Wilmer).

Chairman Kavanaugh commented that Paramount Auto Sales would be removed from today's meeting to be heard at a later date.

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 Requests for Renewal of Self-Insurance Authority.

1. BH Automotive, LLC
2. Intel Corporation
3. Kiewit Corporation
4. Wal-Mart Associates, Inc.

Vice Chair Hennelly requested Intel Corporation and Wal-Mart Associates, Inc. be removed and heard separately.

Commissioner Valdez moved to approve the remaining items on the Consent Agenda and Commissioner Everett seconded the motion. Chairman Kavanaugh, Vice Chair Hennelly, Commissioner Everett and Commissioner Valdez voted in favor of the motion. The motion passed.

Discussion and Approval of Requests for Renewal of Self-Insurance Authority.

1. Intel Corporation
2. Wal-Mart Associates, Inc.

Vice Chair Hennelly noted his question applies to both and knows the Experience Modification (Emod) has been modified over the years, both companies seem to be going the wrong way recently and both have requested consultation services.

Ms. Pastor responded noting there were a few factors that may have caused this, the taxes were delayed with a new system and issues arose, so the taxes had to be done manually and put in the system. There were discussions with ADOSH Consultation and there was some overlap.

Vice Chair Hennelly noted that probably by next year there will be feedback.

Chairman Kavanaugh requested some type of follow up in the future.

Vice Chair Hennelly moved to approve Intel Corporation and Commissioner Valdez seconded the motion. Chairman Kavanaugh, Vice Chair Hennelly, Commissioner Everett and Commissioner Valdez voted in favor of the motion. The motion passed.

Vice Chair Hennelly moved to approve Wal-Mart Associates, Inc. and Commissioner Everett seconded the motion. Chairman Kavanaugh, Vice Chair Hennelly, Commissioner Everett and Commissioner Valdez voted in favor of the motion. The motion passed.

Discussion and Action regarding Proposed Retaliation Penalty.

1. RT-2425-0134 Southwest Airlines Co.

Ms. Spurgeon summarized the Labor Department's investigation into the Earned Paid Sick Time (EPST) Retaliation claim. Ms. Spurgeon recommended that the Commission approve issuance of a Penalty in the amount of \$16,650.00 for Letter of Instruction "LOI" violation of A.R.S. § 23-364.

Chairman Kavanaugh checked if the Commissioners had any question and noted he did not have a request to speak.

Commissioner Valdez moved to approve issuance of a Penalty for Retaliation in the amount of \$16,650.00 to Southwest Airlines Co. Commissioner Everett seconded the motion. Chairman Kavanaugh, Vice Chair Hennelly, Commissioner Everett and Commissioner Valdez voted in favor of the motion. The motion passed.

2. RT-2425-0138 Southwest Airlines Co.

Ms. Spurgeon summarized the Labor Department's investigation into the Earned Paid Sick Time (EPST) Retaliation claim. Ms. Spurgeon recommended that the Commission approve issuance of a Penalty in the amount of \$16,800.00 for Letter of Warning (LOW) violation and \$16,800.00 for Fact Finding Warning violation, for a total amount of \$33,600.00 for violation of A.R.S. §23-364.

Chairman Kavanaugh checked if the Commissioners had any question and noted he did not have a request to speak.

Vice Chair Hennelly moved to approve issuance of a Penalty for Retaliation in the amount of \$33,600.00 to Southwest Airlines Co. Commissioner Valdez seconded the motion. Chairman Kavanaugh, Vice Chair Hennelly, Commissioner Everett and Commissioner Valdez voted in favor of the motion. The motion passed.

3. Paramount Auto Sales LLC - RT-2425-0132

This item was removed and will be heard at another meeting.

Announcements, Scheduling of Future Meetings and Retirement Resolutions.

Mr. Smith announced the successful Employee Recognition lunch in the Tucson office on June 25, 2025 and the Pheonix office June 27, 2025 in conjunction with the second Director's Cup, a Yahtzee tournament, with the Claims Division in the lead after the second cup.

Chairman Kavanaugh, Mr. Smith and Mr. Carpenter discussed the status of the Auditorium improvements, they will likely happen this fiscal year.


Public Comment.

There was no public comment.

The meeting was adjourned at 1:32 p.m.

THE INDUSTRIAL COMMISSION OF ARIZONA

By


Gaetano J. Testini, Director

ATTEST:


Kara Dimas, Commission Secretary