

MINUTES OF MEETING
OF THE INDUSTRIAL COMMISSION OF ARIZONA
Held in Salon B of the JW Marriott Scottsdale Camelback Inn
5402 E Lincoln Drive
Scottsdale, Arizona 85253
Friday, August 9, 2019 – 2:00 p.m.

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| Present: | Dale L. Schultz | Chairman |
| | Joseph M. Hennelly, Jr. | Vice Chair |
| | Scott P. LeMarr | Commissioner |
| | Steven J. Krenzel | Commissioner |
| | James Ashley | Director |
| | Gaetano Testini | Chief Legal Counsel |
| | Jason M. Porter | Deputy Director |
| | Trevor Laky | Legislative Affairs Chief / Public Information Officer |
| | Renee Pastor | Self Insurance (Telephonic) |
| | Jessie Atencio | ADOSH Director |
| | Michael Mosesso | Chief Administrative Law Judge |
| | Stacey Rogan | Assistant Chief Counsel |
| | Marilyn Carter | HR Manager |
| | Kara Dimas | Commission Secretary |

Chairman Schultz convened the meeting at 2:00 p.m. Also in attendance was Shawna Krenzel.

Approval of Minutes of July 25, 2019 Regular Meeting Minutes.

Commissioner Krenzel moved to approve the Minutes of the July 25, 2019 regular session meeting and Vice Chair Hennelly seconded the motion. Chairman Schultz, Vice Chair Hennelly and Commissioner Krenzel voted in favor of the motion. Commissioner LeMarr abstained. 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. 2-CLP-18/19-0650 Michael Lofthouse dba Lofthouse Enterprises \$1000

- b. Approval of Requests for Renewal of Self-Insurance Authority.
 1. Dole Food Company, Inc.
 2. QuikTrip Corporation
 3. Southwest Gas Corporation

Discussion, Action, and Potential Resolution regarding Proposed Rulemaking to Title 20, Chapter 5, Rule 507 "Safety Code for Elevators, Escalators, Dumbwaiters, Moving Walks, Material Lifts and Dumbwaiters with Automatic Transfer Devices."

Mr. Testini explained that during the course of the rulemaking to allow pneumatic elevators there was a concern raised regarding the current rule on elevator gap clearance in relation to the 2016 guides from ASME A17.1- 2016. He also noted a change in the traditional Commission process by seeking approval to request a letter of exemption from the Governor and a request to start rulemaking upon receipt of that exemption to lessen the timeframe and burden on the Commissioners.

Mr. Ashley added that a member of GRRRC had read articles from other states highlighting incidents where the elevator gap was wider than normal so as a good faith effort we assured GRRRC that we would move forward expeditiously to address this concern.

Mr. Ashley and Mr. Atencio noted that the elevator manufacturers do not have gaps as wide as those in the articles but this will guarantee that there are none in the future.

Commissioner Krenzel moved to approve the initiation of the rulemaking process for Title 20, Chapter 5, Rule 507 Safety Code for Elevators, Escalators, Dumbwaiters, Moving Walkways, Material Lifts and Dumbwaiters with Automatic Transfer Devices. Vice Chair Hennelly seconded the motion. Chairman Schultz, Vice Chair Hennelly, Commissioner LeMarr and Commissioner Krenzel voted in favor of the motion. The motion passed.

Discussion and Action of Request for Lump Sum Commutation. The Commission may move into Executive Session under A.R.S. §§ 38-431.03(A)(2) and (A)(3) to discuss or consider records exempt by law from public inspection or to consult with its attorneys for legal advice.

Manuel Urbina – Mr. Testini reviewed the report for Mr. Urbina's lump sum commutation petition and staff's recommendation for approval. He noted opposition was received from the carrier, because a third party claim that was settled resulted in a credit for the carrier which was not initially accounted for in the recommendation; the credit has now been taken into account.

Vice Chair Hennelly and Mr. Testini discussed the applicant's understanding of the credits involved.

Commissioner LeMarr moved to approve the proposed lump sum commutation and Commissioner Krenzel seconded the motion. Chairman Schultz, Vice Chair Hennelly, Commissioner LeMarr and Commissioner Krenzel voted in favor of the motion. The motion passed.

Discussion and/or Action regarding the Consideration of Candidates for the Assistant Chief Administrative Law Judge Positions, discussion regarding interview questions, second interviews, and the salary. The Commission may move into Executive Session under A.R.S. §§ 38-431.03(A)(1), (A)(2), and (A)(3) to obtain legal advice and to discuss the candidates and the salary.

Judge Mosesso noted the hiring of two new Vice Chief Administrative Law Judges will reorganize the Division to work better for the agency and the community. He noted there were five applicants chosen for interviews, but one declined. He discussed the interview process, the evaluation of the top candidates, the analysis of the Predictive Index results, and the ranking/qualifications of the candidates. He recommended that the Commission offer the position to Candidate #1 and Candidate #4 for the Vice Chief Administrative Law Judge positions. Ms. Carter was available to answer questions regarding the Predictive Index results.

Chairman Schultz stated that he found it fascinating the difference between the two PIs and the qualities presented fit the roles that are being filled and the job they are expected to do.

Commissioner Krenznel inquired whether the top candidates were still available, and Judge Mosesso felt confident they were still available.

Commissioner LeMarr moved to accept Judge Mosesso's recommendations and offer the positions to Candidate #1 and Candidate #4. Commissioner Krenznel seconded the motion. Vice Chair Hennelly thanked Judge Mosesso and Ms. Carter for the work they did, noting they are highly qualified candidates. Chairman Schultz, Vice Chair Hennelly, Commissioner LeMarr and Commissioner Krenznel voted in favor of the motion. The motion passed.

Discussion and/or action regarding Industrial Commission goals, objectives and key initiatives for 2019. This Agenda Item may include discussion regarding the Commission budget and review of Division, Department, and Section specific objectives.

Mr. Ashley noted the Agency's final draft of the Strategic Plan has been discussed with the Governor's Office as well as with OSPB. He reviewed the first page of the 5 year strategy, and the progress and successes to date.

Announcements, Scheduling of Future Meetings and Retirement Resolutions.

Ms. Dimas confirmed Commission meeting dates through October 2019. Commissioner Krenznel noted he will not be available for October 24, 2019. Commissioner LeMarr will be working with his contacts in Douglas for October community outreach.

Mr. Atencio noted the VPP Recertification for GE Healthcare Systems on August 15, 2019 and the Commissioners were invited to attend.

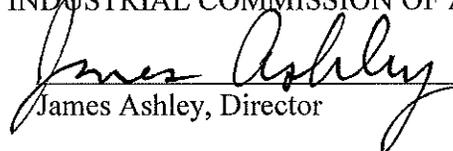
Public Comment.

There was no public comment.

Commissioner Krenznel moved to adjourn and Vice Chair Hennelly seconded the motion. Chairman Schultz, Vice Chair Hennelly, Commissioner LeMarr, and Commissioner Krenznel voted in favor of the motion and the meeting was adjourned at 2:54 p.m.

THE INDUSTRIAL COMMISSION OF ARIZONA

By


James Ashley, Director

ATTEST:


Kara Dimas, Commission Secretary