

MINUTES OF MEETING  
OF THE INDUSTRIAL COMMISSION OF ARIZONA  
Held at 800 West Washington Street  
Conference Room 308  
Phoenix, Arizona 85007  
Thursday, July 20, 2017 – 1:00 p.m.

Present:	Dale L. Schultz	Chairman
	Joseph M. Hennelly, Jr.	Vice Chair
	Scott P. LeMarr	Commissioner
	Steven J. Krenzel	Commissioner
	James Ashley	Director
	Jonathan Hauer	Acting Chief Legal Counsel
	Sylvia Simpson	Chief Financial Officer
	Renee Pastor	Self-Insurance
	William Warren	ADOSH Director
	Jessie Atencio	ADOSH Assistant Director
	Phillip Murphy	ADOSH Assistant Director
	Kara Dimas	Commission Secretary

Chairman Schultz convened the meeting at 1:00 p.m. Also in attendance were Frank Garcia with Premier Risk Management; Weston Montrose; Susan Cannata; Magali Beorden and Paulino Valerio with State Legislative Staff; and Jessica Aceves with Snell & Wilmer.

Approval of Minutes of July 13, 2017 Regular Meeting Minutes.

Vice Chair Hennelly moved to approve the Minutes of the July 13, 2017 regular session meeting and Commissioner Krenzel 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.

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a. Approval of Proposed Civil Penalties Against Uninsured Employers.

1. 2C15/16-2303 Advantage Adult Healthcare LLC
2. 2C15/16-2304 A Place In The Sun LLC
3. 2C16/17-1630 Carbajal Enterprises LLC, dba Silverado Canta Bar
4. 2C16/17-1619 PKC Enterprises, Inc. (A Dissolved Corporation) dba Diamond Brooks Bottled Water
5. 2C15/16-1440 Recycle King LLC
6. 2C16/17-2078 TAJ Automotive Holdings LLC, dba Royal Car Care





SERIOUS – Citation 1 - Item 2 – 30 W Lynwood St, Phoenix, AZ 85003: Four employees engaged in residential construction activities on the roof of a home were not protected from falling 8 feet 6 inches to 15 feet 7 inches by guardrail systems, safety net systems, or personal fall arrest systems, nor were employee(s) provided with an alternative fall protection measure under another provision of paragraph 1926.501(b). (29 CFR 1926.501(b)(13)).

Div. Proposal - \$1,000.00

Formula Amt. - \$1,000.00

SERIOUS – Citation 1 - Item 3 – 30 W Lynwood St, Phoenix, AZ 85003: The employer did not provide a training program for three employees who were exposed to falls of 8 feet 6 inches to 15 feet 7 inches to enable each employee to recognize the hazards of falling and the procedures to be followed in order to minimize these hazards while working on the roof a residential home. (29 CFR 1926.503(a)(1)).

Div. Proposal - \$1,000.00

Formula Amt. - \$1,000.00

SERIOUS – Citation 1 - Item 4 – 30 W Lynwood St, Phoenix, AZ 85003: One employee jumped 3 feet down from the roof of a residential home into a roll-off trash dumpster and then jumped down 7 feet 11 inches from the roll-off trash dumpster to access the ground level. (29 CFR 1926.1051(a)).

Div. Proposal - \$1,000.00

Formula Amt. - \$1,000.00

TOTAL PENALTY - \$4,000.00

TOTAL FORMULA AMT. - \$4,000.00

Mr. Warren summarized the citation and proposed penalties and reviewed the photographs.

Commissioner LeMarr and Mr. Warren discussed whether Item 4's proposed penalty was the same as the penalty imposed for improper ladder use.

Chairman Schultz noted that the photographs depict the foreman jumping into a dumpster and workers with harnesses that are not tied off.

Commissioner LeMarr moved to approve the citation and proposed penalties as presented and Vice Chair Hennelly seconded the motion. Chairman Schultz, Vice Chair Hennelly, Commissioner LeMarr and Commissioner Krenznel voted in favor of the motion. The motion passed.

#### Discussion of Voluntary Protection Program use of Special Government Employees.

Mr. Atencio provided an update concerning the Voluntary Protection Program. He noted that the program currently has 41 active sites. He said that, as the program continues to grow, there will be a time when they will need to shift resources to keep up with the workload. Mr. Atencio discussed the federal government's Special Government Employees ("SGE") program, which is provided at no cost to federal or state plans. He explained that ADOSH has begun training participants for the SGE Program.

Chairman Schultz and Mr. Atencio discussed the SGE program's training requirements.

Chairman Schultz, Commissioner LeMarr, and Mr. Atencio discussed the methods by which SGEs are compensated, noting that VPP partners donate the SGE's time. Chairman Schultz said that ADOSH has obtained permission to train SGEs locally.

Mr. Atencio discussed the interplay between VPP, SHARP (Safety Health Achievement Recognition Program), and the creation of an Arizona SGE program. He offered that the SGE program may help increase the number of SHARP sites.

Chairman Schultz noted the SGE program is a wonderful way to expand ADOSH's consultation services and increase available resources to create an employer safety culture that could reduce the need for enforcement.

Mr. Atencio discussed SGE scheduling and usage and the importance of the SGE's perspective. Chairman Schultz and Commissioner LeMarr discussed the benefits of the program.

Chairman Schultz noted that VPP sites mentor other employers, customers, and unrelated businesses.

Chairman Schultz, Mr. Ashley, and Mr. Atencio discussed VPP's positive externalities and how they reinforce the Governor's directives.

Chairman Schultz and Mr. Atencio discussed the diverse nature of VPP sites.

Discussion and/or action regarding Industrial Commission goals, objectives and key initiatives for 2017. This Agenda Item may include discussion regarding the Commission budget and review of Division, Department, and Section specific objectives.

Mr. Ashley discussed a visit to the Lewis Prison Complex in conjunction with Goal Council 4's Recidivism Reduction Program. He noted that America Roofing joined the Commission on the visit and will be participating in the next job fair. Mr. Ashley explained Goal Council 4's mission to reduce recidivism and help find employment, housing, and transportation so that newly-released inmates can become productive members of society. He also stated that ADOSH will be providing OSHA "10-hour" classes to soon-to-be-released inmates.

Chairman Schultz discussed Arizona Department of Corrections Director Charles Ryan's role in the visit.

Chairman Schultz and Mr. Ashley discussed the Department of Economic Security's role in the program and the importance of interagency action. Mr. Ashley also noted private-public partnerships with ridesharing companies.

Mr. Ashley discussed the new Office of Strategic Planning and Budgeting Analyst, Justin Romney, and the new Joint Legislative Budget Committee Analyst, Sam Beres.

Ms. Ashley provided an update concerning the Commission's Claims portal. He explained that there are 718 registered users representing 4,083 claims. Mr. Ashley said that 85% of all claims are now being filed through the portal. Chairman Schultz, Commissioner LeMarr, and Mr. Ashley discussed cost decreases attributable to the new portal, motivating portal use, and the portal roll-out. Chairman Schultz noted that approach has worked virtually perfectly, has made a positive difference in the Commission's workload, and has made it easier to work with the Commission. Mr. Ashley discussed the benefits of online forms.

Mr. Ashley reviewed the Commission's website statistics, noting that the most-visited page was the page containing earned paid sick time and minimum wage FAQs. He also said that five of

the top eight most-visited pages were Labor Division pages. Mr. Ashley discussed FAQ page views over the past several months. Chairman Schultz and Mr. Ashley complimented the MIS, Labor, and Legal Divisions' efforts. Chairman Schultz and Mr. Ashley discussed questions received concerning earned paid sick time.

Announcements, Scheduling of Future Meetings and Retirement Resolutions.

Mr. Ashley noted that the Commission's third-quarter community visit will take place in Payson on August 30 and 31 and the fourth-quarter visit will take place in Tucson on October 11 and 12. The Tucson visit will coincide with Raytheon's 10-year Voluntary Protection Program anniversary.

Chairman Schultz, Mr. Ashley, and Mr. Atencio discussed meetings in Sierra Vista and meetings with various chambers of commerce during the community visits.

Chairman Schultz and Mr. Warren discussed the Safety Summit on September 13 and 14 in Tucson and the Annual Leadership Safety Summit on November 3 and 4 in Phoenix.

Ms. Dimas confirmed the Commission meeting dates through August 2017.

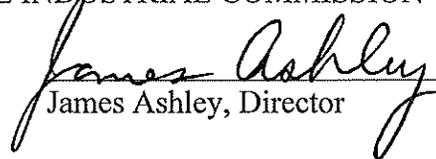
Public Comment.

There was no public comment.

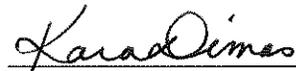
Commissioner Krenzel moved to adjourn. Commissioner LeMarr seconded the motion. Chairman Schultz, Vice Chair Hennelly, Commissioner LeMarr and Commissioner Krenzel voted in favor of the motion and the meeting adjourned at 1:54 p.m.

THE INDUSTRIAL COMMISSION OF ARIZONA

By

  
James Ashley, Director

ATTEST:

  
Kara Dimas, Commission Secretary