

MINUTES OF MEETING
OF THE INDUSTRIAL COMMISSION OF ARIZONA
Held at 800 West Washington Street
Conference Room 308
Phoenix, Arizona 85007
Thursday, May 24, 2018 – 1:00 p.m.

Present:	Dale L. Schultz	Chairman (Telephonic)
	Joseph M. Hennelly, Jr.	Vice Chair
	Scott P. LeMarr	Commissioner
	James Ashley	Director
	Jason M. Porter	Chief Legal Counsel
	Trevor Laky	Legislative Affairs Chief / Public Information Officer
	Gregg Morgan	Assistant Claims Manager
	Jessie Atencio	ADOSH Interim Director
	Kara Dimas	Commission Secretary

Chairman Schultz asked Vice Chair Hennelly to chair the meeting. Vice Chair Hennelly convened the meeting at 1:02 p.m. Also in attendance was Michael Fassett with Snell & Wilmer.

Approval of Minutes of May 17, 2018 Regular Meeting Minutes.

Approval of the Minutes of the May 17, 2018, regular meeting was postponed to the next meeting.

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. 2CRP17/18-0177 – State of the Art Roofing

Commissioner LeMarr moved to approve the item on the Consent Agenda and Chairman Schultz seconded the motion. Chairman Schultz, Vice Chair Hennelly, and Commissioner LeMarr voted in favor of the motion. The motion passed.

Discussion and Action regarding Appointment of Special Assistant to the Industrial Commission of Arizona.

Mr. Morgan requested that Audrika Gavins, Rebecca Scott, and Lisa Ramirez be appointed as Special Assistants to the Industrial Commission. Mr. Porter confirmed Ms. Scott's full name.

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

Discussion and/or Action regarding proposed settlement in Arizona Division of Occupational Safety and Health discrimination litigation.

Industrial Commission of Arizona v. Farwest Pump Company, Inc. (Case No. CV2017-004718)

Mr. Porter discussed the factual background regarding Arlen Little's discrimination complaint, the Commission's prior decision to pursue a claim against Farwest Pump Company, the procedural background of the litigation, the bankruptcy of Farwest Pump Company, settlement discussions, and the terms of the proposed settlement. Mr. Porter noted that the settlement is subject to Commission and bankruptcy court approval. He noted that the Commission could go into executive session to discuss the specific terms of the proposed settlement. He recommended that the Commission approve the proposed settlement and noted that Mr. Little is in agreement with the proposed settlement.

Commissioner LeMarr, Vice Chair Hennelly, and Mr. Porter discussed whether legal fees were recoverable in discrimination matters, the scope of the legal work performed by the Commission's outside counsel, additional work necessary to conclude the matter, and the use of federal grant funding for outside counsel.

Mr. Porter and Vice Chair Hennelly discussed the remaining work to be done and the bankruptcy.

Vice Chair Hennelly noted that it is quite fortunate to have an insurance carrier that is willing to resolve the case for Farwest Pump Company.

Commissioner LeMarr moved to accept the proposed settlement agreement and to grant authority to Chief Legal Counsel to execute the settlement documents. Chairman Schultz seconded the motion. Chairman Schultz, Vice Chair Hennelly, and Commissioner LeMarr voted in favor of the motion. The motion passed.

Executive Session under A.R.S. §§ 38-431.03(A)(3) & (A)(4) to obtain legal advice and consult legal counsel regarding settlement in Arizona Division of Occupational Safety and Health discrimination litigation.

Industrial Commission of Arizona v. Farwest Pump Company, Inc. (Case No. CV2017-004718)

This item was provisional and on the agenda in the event there was a need for executive session to obtain advice from counsel. There was no need for an executive session.

Discussion and/or action regarding Industrial Commission goals, objectives and key initiatives for 2018. This Agenda Item may include discussion regarding the Commission budget and review of Division, Department, and Section specific objectives.

Mr. Ashley provided an update regarding usage of the Injured Worker Portal, noting that 1,638 users had accessed records through the Portal.

Mr. Ashley provided an update regarding the agency's employee engagement scores, noting the agency's engagement ratio had increased from 4.4 to 5 (which exceeds the national and state averages). He discussed areas of improvement between this year and last year. Vice Chair Hennelly commended staff on the great results, noting that the scores were impressive across the board.

Mr. Ashley announced that Governor Ducey will be visiting to the agency on June 11 to meet the staff in recognition of the agency's successful deployment of the Arizona Management System. He noted that Tucson staff will participate by video conference.

Mr. Laky provided an update about the upcoming transition to Google and discussed the steps that needed to be performed before the data migration. He discussed training opportunities that will be available after the transition.

Announcements, Scheduling of Future Meetings and Retirement Resolutions.

Mr. Ashley commended ADOSH for receiving an "OSCAR" Award (On-Site Consultation Achievement Recognition) from federal OSHA for ADOSH's outstanding contribution to the advancement of safe and healthy workplaces due to the implementation of the Public Entities Partnership Program.

Mr. Ashley announced a Commission trip and Commission Meeting in Casa Grande on June 28, 2018. He noted that trip will include a tour of the VPP worksite of Quemetco Metals.

Ms. Dimas confirmed Commission meeting dates through August 2018.

Public Comment.

There was no public comment.

Commissioner LeMarr moved to adjourn and Chairman Schultz seconded the motion. Chairman Schultz, Vice Chair Hennelly, and Commissioner LeMarr voted in favor of the motion and the meeting was adjourned at 1:45 p.m.

THE INDUSTRIAL COMMISSION OF ARIZONA

By  _____
James Ashley, Director

ATTEST:



Kara Dimas, Commission Secretary