

MINUTES OF MEETING
OF THE INDUSTRIAL COMMISSION OF ARIZONA
Held at 800 West Washington Street
Conference Room 308
Phoenix, Arizona 85007
Thursday, May 12, 2016 – 1:00 p.m.

Present:	Dale L. Schultz	Chairman
	Scott P. LeMarr	Commissioner
	Robin S. Orchard	Commissioner
	James Ashley	Director
	Stephen D. Ball	Acting Chief Legal Counsel
	Melinda Poppe	Deputy Director
	Bob Charles	Legislative Affairs Chief / Public Information Officer
	Sylvia Simpson	Chief Financial Officer
	Renee Pastor	Accounting
	William Warren	ADOSH Director
	Steven Ripple	Discrimination Investigator
	Jesse Perez	Discrimination Investigator
	Wendi Frasier	Compliance Officer
	Michael Hempel	Chief Information Officer
	Kara Dimas	Commission Secretary

Chairman Schultz convened the Commission meeting at 1:00 p.m. noting a quorum present. Vice Chair Hennelly was excused. Also in attendance were Ray Byrne with America Roofing, Brad Nally and Robert Cordova with Diversified Roofing, Joe Capek, Jose Perez, and Hector Contreras with Petersen Dean, Curtis Fikes, Lydia Terrazas, Commission Intern, and Jason Weber of Snell & Wilmer.

Chairman Schultz stated that Bob Charles would need to leave the meeting early and wanted to start with his agenda items first.

Discussion and/or Action regarding Legislation. This agenda item may include Discussion and/or Action Regarding the Sunset Review of the Industrial Commission of Arizona, and related Boards, Committees or Councils.

Mr. Charles summarized pending legislation related to the Industrial Commission and when pending bills would likely be signed by Governor Ducey.

Presentation from and/or discussion with the Industrial Commission's Public Information Officer. This agenda item may include discussion regarding the operations of the Industrial Commission.

Mr. Charles commented on the heat awareness campaign initiated by the Industrial Commission and its emphasis on the Zika Virus. He explained why the Zika Virus was included this year with the heat campaign since outdoor workers would have a greater potential for exposure. Chairman Schultz commented that the message is consistent with the CDC guidelines and ADHS guidelines.

He commented that Bob Charles came up with the idea to include the Zika Virus along with the heat campaign to generate public awareness and that the media has responded positively.

Chairman Schultz added it is a significant issue and can spread easily and quickly and it is important to understand the numerous consequences that could result from exposure. Mr. Ashley added it was clear the media was eager to speak to someone locally about the topic.

Approval of Minutes of April 28, 2016 Regular Meeting.

The Commission unanimously approved the Minutes of the April 28, 2016 Regular Session meeting on motion of Commissioner Orchard, second of Commissioner LeMarr.

Discussion and/or Action regarding selection of Acting Chief Legal Counsel.

Chairman Schultz announced that Stephen Ball will be Acting Chief Legal Counsel until the position is filled and thanked him.

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. 2C15/16-2222 Affordable Movers of the Valley, LLC., dba Movers of the Valley
2. 2C14/15-2485 Express Moves LLC
3. 2C14/15-1843 Old School Auto Repair, LLC

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

1. Empire Southwest, LLC
2. The Home Depot, Inc.
3. The Salvation Army USA, Western Territory

Commissioner Orchard requested that agenda item b.3., be removed from the consent agenda and heard separately. The Commission unanimously approved the remaining items on the consent agenda on motion of Commissioner LeMarr, second of Commissioner Orchard.

The Salvation Army USA, Western Territory - Commissioner Orchard requested the Salvation Army USA, Western Territory be removed to ask about denial rates exceeding the standards and how they were going to address the issue. Renee Pastor explained what was being done to address the issue. The Commission unanimously granted renewal of self-insurance authority on motion of Commissioner Orchard, second of Commissioner LeMarr.

Chairman Schultz asked Mr. Ashley if he had anything to add to Items 5 and 6 before moving to Item 7. Mr. Ashley commented on details regarding the passage of SB 1420 and SB 1500, both by a vote of 55-0.

Discussion and/or Action of Arizona Division of Occupational Safety and Health Discrimination Complaint.

14-2919-23 - Reconsideration - Fikes vs. Staffing Network and Arizona Technologies (AOT)

Chairman Schultz stated Mr. Warren would only need to present anything that is new or additional to the case. The Commissioners had the opportunity to review the complete file and new or additional information would be considered. Mr. Warren explained that this matter was previously presented to the Commission and the Commission decided not to pursue the matter. Mr. Fikes had submitted a request for reconsideration and Mr. Warren summarized Mr. Fikes' request for reconsideration and the further review performed as a result. Mr. Warren noted that there is no new information that would warrant any change in the decision not to pursue.

Chairman Schultz asked if there was anyone who would like to speak. Curtis Fikes requested to speak and mentioned his review of the report that he received after the initial Commission Meeting. He noted that the respondent stated several times that they were very lenient with him for childcare and health issues and there were multiple statements that they were very forgiving of the position he was in. He noted there were multiple emails at the end of the report. Mr. Fikes stated that if there were all the issues in September and October with attendance and planning on terminating for attendance, he believed he would have been terminated on the 30th or 31st or the 3rd when he worked.

Chairman Schultz asked Mr. Fikes if he remembers talking to his employer on October 21st. Mr. Fikes stated that he did and that his employer told him if he wanted to become a permanent employee he was going to have to make sure that he was more reliable for a full time position.

Chairman Schultz asked Mr. Fikes if he entered the times on the timesheets for his arrival. Mr. Fikes answered the question. Chairman Schultz commented that the times were after 8:30 in many instances and asked if his recollection of his discussion with Andrew on the 21st was about a full time position. Mr. Fikes agreed and commented that he was not full time. Chairman Schultz stated his concerns were from the meeting notes where it states "I spoke with Curtis down to the point of what he needs to do starting next week, if this fails then it is time to set him loose." Mr. Fikes responded that the problem was when he would leave his work, it would not leave tag slips where he stopped so the next person to get the workload would have to figure out where he stopped. Chairman Schultz noted the comment that it was time to set him loose certainly does not evoke an image of being offered a full time position. Chairman Schultz stated the October 21st email was prior to his termination on November 5th and noted the meeting was for other issues other than safety issues. Mr. Fikes stated it was not about safety issues at all. Chairman Schultz agreed and stated that was the point. It still indicates that even at the time there is discussion about setting you loose and before your protected activity, the only thing that the Commission is responsible for is to determine if in fact you engaged in a protected activity, and if there was retaliatory action taken against you by the employer for that protected activity.

Chairman Schultz asked if there was anything else or questions or a motion for reconsideration. Hearing none, Chairman Schultz moved to the next item.

15-2865-19 - Reconsideration - Castillo vs. Sun Valley Solar Solutions

Mr. Warren explained that this matter was previously presented to the Commission and the Commission decided not to pursue the matter. Mr. Castillo has submitted a request for reconsideration and Mr. Warren summarized Mr. Castillo's request for reconsideration and the further review performed as a result of Mr. Castillo's request for reconsideration. Mr. Warren noted this matter was reinvestigated and that there is no new information that would warrant any change in the decision not to pursue.

Chairman Schultz asked if there were any questions or if anyone wanted to speak on this matter or if there was a motion for reconsideration. Hearing none, Chairman Schultz moved to the item.

Executive Session under A.R.S. § 38-431.03(A)(3) and (A)(4) to Discuss Arizona Division of Occupational Safety and Health Discrimination Complaint.

14-2919-23 - Reconsideration - Fikes vs. Staffing Network and Arizona Technologies (AOT)

15-2865-19 - Reconsideration - Castillo vs. Sun Valley Solar Solutions

Chairman Schultz stated 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 Action of Arizona Division of Occupational Safety and Health Proposed Citations and Penalties.

America Roofing LLC	Planned	
1005 S 30 th Ave	Years in Business:	16
Phoenix, AZ 85009	Empl. Covered by inspection:	2
Site Location:	120475 186 th Ave	
	Goodyear, AZ 85338	
Inspection No:	W0250-1120454	
Inspection Date:	1/27/2016	

REPEAT-SERIOUS – Citation 1 - Item 1 – 120475 186th Goodyear, AZ 85395: Two employees engaged in roofing activities on a low sloped roof, were not protected from falling approximately 20 feet to the ground below by use of conventional fall protection or the combination of other fall protection systems required by the standard. (29 CFR 1926.501(b)(10)).

America Roofing LLC was previously cited for a violation of this occupational safety and health standard or its equivalent standard A.R.S. 23.0492(05)(A) which was contained in OSHA inspection number 317820116, citation number 01, item number 01 and was affirmed as a final order on 02/3/2015, with respect to a workplace located at 19800 N 7th St, Phoenix, AZ 85024.

Div. Proposal - \$3,000.00	Formula Amt. - \$3,000.00
TOTAL PENALTY - \$3,000.00	TOTAL FORMULA AMT. - \$3,000.00

Mr. Warren summarized the citation and proposed penalty as listed. Commissioner LeMarr noted that there was a meeting with America Roofing last week and at the meeting they talked about

an inspection where no address was specified, everyone one was wearing fall protection, and no opening conference had taken place and asked Mr. Warren if he was able to research the matter. Mr. Warren stated he has not yet had an opportunity to meet with the compliance officer. Commissioner LeMarr stated he continues to have an issue with employers who seem to have uncannily bad luck based on the number of inspections and asked Mr. Warren to explain the difference between a program planned or unprogrammed inspection. Mr. Warren explained the difference. Commissioner LeMarr asked how the compliance office knew to go to this address on this date, which happened to be the first day working there. Compliance Officer Wendi Frasier explained she lives in the area and was checking out the new construction and saw them.

Chairman Schultz asked Mr. Byrne if he wanted to make any comments. Mr. Byrne asked Ms. Frasier where it was and why she was out there and she responded. He asked if she interviewed them or contacted his office to interview them and she responded that they would not talk to her and left. Chairman Schultz asked Mr. Byrne to direct any questions he may have to direct them to him. Mr. Byrne stated he was frustrated and does not understand how and why his company receives so many violations. He stated they train their employees and it is frustrating that it keeps continuing to happen. He has received three violations in the last two weeks and this will be the fourth. Chairman Schultz stated he understands and that is why they are trying to bring folks together to see if they can figure out a solution to the issue. The Commissioners look at these situations and see abatement as positive action in their eyes. He understands their concern and they have similar concerns but what they all want to do is get to the same bottom line, folks being safe.

Mr. Byrne asked how his guys would know that Ms. Frasier was from ADOSH. Ms. Frasier stated she told them or they would not have left. Chairman Schultz stated those are the issues they are going to try to figure out together, and who is the lead, the foreman, the representative of management and who is a worker and what you do in a case like this and how to connect with the general contractor when they may not have anybody on site and may not have people on site for days. He wants to work through the issues and make sure people are safe and that the Commission is not overly burdensome to the industry because the intent is not to have to interfere with work going on but to make sure people are safe when they are working. He appreciated him coming and sharing and for agreeing to help put together a work group and figure out how to make it work together. Mr. Byrne appreciated the opportunity and expressed concern over the ADOSH process. Chairman Schultz stated the reason the process is in place is so that we do not clog the courts with these kinds of issues and that employers do not have to spend extra money in legal fees, and keep the process focused on keeping people safe and businesses operating without being tied up in the courts for months, years and at incredible expense. The concept of having the Commission hear these is to try to have a less litigious resolution.

Commissioner LeMarr asked Mr. Byrne for clarification about the number of inspections in the last month. He stated he received citations but had not been inspected, but had received four in the last two weeks. Commissioner LeMarr clarified that they did not occur in the last week and they were just received, and reviewed the history and asked how many inspections they had received since December. Mr. Byrne stated he believed it is six. Commissioner LeMarr asked Mr. Warren to find out if America Roofing ever passed or complied.

Commissioner Orchard stated that Mr. Byrne raised a good point regarding the photographs in the citation. The time stamp on every photograph, including the first photograph through the photograph of the employee driving away, all are stamped at 10:00 am. And that if the times were correct that would support ADOSH's findings. Commissioner Orchard commented that she

understands the challenge of offsite management first hand and knows how challenging it is to manage someone not in your building. The company has demonstrated extensive safety practices efforts and the challenge before them is how to hold the supervisors accountable. She asked if America Roofing can speak to disciplinary action on the person who is in charge of the site or general disciplinary action. Mr. Byrne summarized the bonus plans for the crews and are currently looking at a bonus or disciplinary action against the superintendents in charge of job sites. They have reduced the number of communities each superintendent is responsible for. Commissioner Orchard commented that the question was regarding whether they have something formal in place where they are warned once and if it happens again they are terminated. Commissioner Orchard stated in order to improve compliance it is beneficial to target the supervisors and hold them accountable to share the philosophy and corporate culture of safety. Commissioner Orchard asked if this was the second time it happened to this employee and whether he was terminated. Mr. Byrne stated it was the first time for this employee. Commissioner Orchard asked that if it was his second, would the policy be to terminate this worker. Mr. Byrne stated they have guys that have worked for them for 14 years and if it happened five years ago, he was not going to terminate them, but if it was last month or in the last six months he would be gone.

Chairman Schultz asked if there was a motion to approve or amend the citation and penalty as presented. Commissioner Orchard stated she would make a motion to amend and moved to change the penalty in Citation 1, Item 1 to \$1,000.00. Commissioner LeMarr seconded. The Commission unanimously approved the amended penalty of \$1,000.00.

ANM Enterprises, Inc. dba ANM Roofing and Stone	Planned	
7805 E. Paloma Ave	Years in Business:	13
<u>Mesa, AZ 85212</u>	Empl. Covered by inspection:	1
Site Location:	36457 N Gantzel Rd	
	San Tan Valley, AZ 85142	
Inspection No:	A3807-1121477	
Inspection Date:	1/29/2016	

REPEAT-SERIOUS – Citation 1 - Item 1 – Pinal Professional Village: One employee was engaged in roofing activities on a low-slope roof, with unprotected sides at a height of approximately 20 feet above a lower level and was not protected from falling by the use of conventional fall protection or the combination of other fall protection systems required by the standard. (29 CFR 1926.501(b)(10)).

ANM Enterprises, Inc., DBA ANM Roofing and Stone was previously cited for a violation of this occupational safety and health standard or its equivalent standard 29 CFR 1926.501(b)(11), which was contained in OSHA inspection number 1042020, citation number 1, item number 1 and was affirmed as a final order on April 8, 2015, with respect to a workplace located at 11121 E Ray Rd, Mesa, AZ 85212.

Div. Proposal - \$2,000.00	Formula Amt. - \$2,000.00
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SERIOUS – Citation 2 - Item 1 – Pinal Professional Village: One employee who was already trained did not demonstrate adequate understanding and skill required by this section and did not receive fall protection retraining. (29 CFR 1926.503(c)).

Div. Proposal - \$750.00	Formula Amt. - \$750.00
TOTAL PENALTY - \$2,750.00	TOTAL FORMULA AMT. - \$2,750.00

Mr. Warren summarized the citation and proposed penalty as listed. Commissioner LeMarr asked about the inspection process through the interview and was curious how the employee could have fall protection in his vehicle and in the photograph puts it on and hooks up, and obviously knows how to do that, then how can the Commission say he could not demonstrate understanding and skill and did not receive fall protection training. Mr. Warren reviewed the report and the comments from the interview. Chairman Schultz asked if there was anyone from ANM Enterprises present. Commissioner LeMarr asked about the prior history and Mr. Warren responded with the timeline and the dates.

Commissioner LeMarr moved to issue an amended citations as Serious and not Repeat in the amount of \$2,000.00 and waive the \$750.00 fine on the training, since it seems that the employee did receive adequate training, he just did not follow it. Mr. Warren stated that the lowest allowed penalty is \$100.00 for Citation 2. Commissioner LeMarr stated he would like to delete the citation. There was no second, and the motion failed for lack of a second. Commissioner Orchard stated she agreed with Commissioner LeMarr about Citation 2 and did not believe there was sufficient evidence to support that. She would like to give the employer credit for not only having the equipment there but the abatement and proposed Citation 1, Item 1 have a \$1,000.00 penalty and delete Citation 2, Item 1. Commissioner LeMarr seconded the motion. The Commission unanimously voted in favor of the amended motion.

Diversified Roofing Corporation	Planned	
2015 W Mountain View Rd	Years in Business:	27
Phoenix, AZ 85021	Empl. Covered by inspection:	4
Site Location: 3034 S Whetstone Pl		
	Chandler, AZ 85249	
Inspection No: Y8817-1122749		
Inspection Date: 2/04/2016		

SERIOUS – Citation 1 - Item 1 – Roof Lot 52: Employees engaged in roofing activities on a low-sloped roof, were not protected from falling 13 feet to the ground below by the use of conventional fall protection or the combination of other fall protection systems required by the standard. (29 CFR 1926.501(b)(10)).

Div. Proposal - \$4,000.00	Formula Amt. - \$4,000.00
TOTAL PENALTY - \$4,000.00	TOTAL FORMULA AMT. - \$4,000.00

Mr. Warren summarized the citation and proposed penalty as listed. Mr. Cordova asked for clarification regarding the number of employees. Mr. Warren stated it was a typographical error and should be 212. Chairman Schultz asked Mr. Warren to explain the “higher/greater” process and Mr. Warren explained the process.

Commissioner LeMarr reviewed the penalties in the prior matters and the adjustment factors, and then asked Mr. Warren to explain the calculations. Commissioner Orchard asked if there was any abatement in this matter. Mr. Warren stated there was nothing indicated in the file as yet. Commissioner Orchard noted one of the challenges in moving the matters along in a timely manner was that the employer was not given enough time to implement an abatement. She asked if ADOSH routinely offers the opportunity to abate the issue during the inspection. Mr. Warren stated it was an opportunity that they offer and sometimes it happens and sometimes it does not. Sometimes they can readily abate it because the equipment is there, and sometimes they cannot and it depends on the situation.

Mr. Cordova commented that he was on site for every inspection and they did have all of the equipment and controls in place to abate it immediately. Commissioner Orchard asked if it was abated immediately. Mr. Cordova responded that it was.

Commissioner Orchard stated she would like to see the Commission as an organization encourage immediate abatement with every single inspection. If you can fix it, fix it now and get evidence of it. She would like to see that every effort is made, and they offer the employer the opportunity to fix it, while the compliance officer is there and take a picture to show it. She said it is important and important in a partnership. Chairman Schultz also stated that the compliance officer has the ability to shut down the entire job if they believe there is imminent danger, and it is a negotiation at the time, but does not take away from the fact that there was the exposure to those employees for that period of time before it was abated. He added that ADOSH exhibits a tremendous amount of restraint in not shutting down jobs to make sure that people keep working and the jobs get completed.

Mr. Cordova stated the compliance officer did take pictures and he has submitted training records. Mr. Warren has been told by some safety professionals that they do not have to do abatement until after they receive the citation and that there is not requirement to do it. Commissioner Orchard commented that considering that information would be helpful, even if they say they will fix it after they are cited it would impact her decision. Additionally if they refuse to fix it and they get shut down, she would support it. She also thinks that credit and acknowledgment be given if they fix it and work with the compliance officer. Moving forward she would like Mr. Warren to commit that the compliance officers will tell employers that they have the opportunity to abate and that their response be documented. Mr. Warren stated he could do that.

Chairman Schultz thanked the representatives from the company for coming to the meeting. Commissioner LeMarr concurred and seconded the Chairman's comments that fall protection is a serious issue and he had spoken with Mr. Schouten last week regarding the challenges facing the roofing industry. He believed Mr. Cordova when he said it was abated that day and allows them to do a quick fix.

Commissioner LeMarr stated he would like to make a motion to amend the Citation. Chairman Schultz asked if Mr. Nally would like to add anything. Mr. Cordova shared the proactive measures that Diversified Roofing has implemented and what they are doing to help with safety measures. Mr. Nally added his concerns and will continue to work to change the culture in the industry. Chairman Schultz thanked them for sharing and knows it will take time and collaboration.

Commissioner LeMarr proposed an amended citation, he did meet with Mr. Schouten last week and was pleased with the dedication the company has shown to safety and understands the cultural challenges. He was also pleased that the hazard immediately abated, and suggested a quick fix treatment and made a motion to reduce the penalty to \$1,000.00. Commissioner Orchard seconded the motion. The Commission unanimously approved issuing the citation with a total penalty of \$1,000.00.

Metric Roofing, Inc.
3811 W Lower Buckeye Rd
Phoenix, AZ 85021

Site Location: 3103 E Cat Balue Dr

Planned
Years in Business: 44
Empl. Covered by inspection: 3

Phoenix, AZ 85050
Inspection No: S8089-1121713
Inspection Date: 2/01/2016

REPEAT-SERIOUS – Citation 1 - Item 1 – Roof: Three employees were engaged in the installation of roofing materials (i.e. Tile roofing) on a steep-slope roof with unprotected sides and edges approximately 10 feet 1 inches above a lower level and were not protected from falling by guardrail systems, safety net systems or personal fall arrest systems. (29 CFR 1926.501(b)(11)).

Metric Roofing, Inc. was previously cited for a violation of this occupational safety and health standard or its equivalent standard 29 CFR 1926.501(b)(10), which was contained in OSHA inspection number 1096857, citation number 1, item number 1 and was affirmed as a final order on 12/14/2015, with respect to a workplace located at 27175 N 81st Ln. Peoria, AZ 85383.

Div. Proposal - \$3,000.00	Formula Amt. - \$3,000.00
TOTAL PENALTY - \$3,000.00	TOTAL FORMULA AMT. - \$3,000.00

Mr. Warren summarized the citation and proposed penalty as listed. Commissioner LeMarr asked Mr. Warren if it was abated the date of the inspection. Commissioner LeMarr commented on the photographs and asked why the employee had the D-ring on and the harness which is uncomfortable to wear and not be clipped. Chairman Schultz asked if there was anyone from Metric Roofing present. No one was present. Chairman Schulz asked if there was a motion to approve or amend the citation and penalty as presented. Commissioner Orchard proposed an amended penalty proposal. She commented on the four inspections in less than a year that resulted in fall protection violations. She noted that it would be beneficial for the employer to appear at the Commission meeting. She proposed to amend Citation 1, Item 1 to be a Repeat-Serious at \$1,500.00. Commissioner LeMarr seconded the motion. The Commission unanimously approved issuing the citation and assessed the penalty of \$1,500.00.

Petersen-Dean, Inc. dba Petersen Dean
215 S 13th St
Phoenix, AZ 85034

Planned
Years in Business: 32
Empl. Covered by inspection: 3

Site Location: 19955 N 51st Ave
Glendale, AZ 85308
Inspection No: H9685-1117619
Inspection Date: 1/13/2016

REPEAT-SERIOUS – Citation 1 - Item 1 – North Side Roof of Building 9: Two employees engaged in roofing activities on a 4:12 pitched roof were not protected from falling 20 feet to the ground below by guardrail systems, safety net systems, or personal fall arrest systems. (29 CFR 1926.501(b)(10)).

Petersen-Dean, Inc. dba Petersen Dean was previously cited for a violation of this occupational safety and health standard or its equivalent standard 1926.501(b)(10), which was contained in OSHA inspection number 1083193, citation number 1, item number 1 and was affirmed as a final order on 9/22/2015, case closed date on 12/4/2015, with respect to a workplace located at 11416 W Spear Shaft Dr. Marana, AZ 85658.

Petersen-Dean, Inc. dba Petersen Dean was previously cited for a violation of this occupational safety and health standard or its equivalent standard 1926.501(b)(10), which was contained in OSHA

inspection number 1072066, citation number 1, item number 1 and was affirmed as a final order on 11/12/2015, case closed date on 12/15/2015, with respect to a workplace located at 29537 N 23rd Ln Phoenix, AZ 85085.

Petersen-Dean, Inc. dba Petersen Dean was previously cited for a violation of this occupational safety and health standard or its equivalent standard 1926.501(b)(10), which was contained in OSHA inspection number 1048168, citation number 1, item number 1-a and was affirmed as a final order on 9/21/2015, case closed date on 11/23/2015, with respect to a workplace located at 11030 E Tarragon Ave Mesa, AZ 85212.

Div. Proposal - \$12,500.00	Formula Amt. - \$12,500.00
TOTAL PENALTY - \$12,500.00	TOTAL FORMULA AMT. - \$12,500.00

Mr. Warren summarized the citation and proposed penalty as listed. Jose Perez, the National Safety Director for Petersen-Dean, Inc. commented that they only have 80 employees in Arizona and started working in Arizona 16 years ago. He commented on the equipment and training provided to their employees and commented that everything was abated. He reviewed their plan and safety training that they provide and the protocol for violations and they want to do more than ADOSH requires. He also explained the difficult problem of controlling employees. Joe Capek, Division Manager for Peterson-Dean, commented on the challenges of the transient labor force and working towards the same goal to implement safety practices. He commented on the training and equipment and their positive affirmation but have hit a wall and do not know the next thing to do to try to change the behaviors.

Commissioner LeMarr asked if culturally they encounter the same thing with employees in all six of their markets. Mr. Perez commented that in other states the disciplinary action works really good, but here they go to another roofing company and there is not enough man power in Arizona.

Chairman Schultz asked for comment on the review board that Petersen-Dean has. Mr. Perez explained their review board process.

Mr. Warren commented that California is also having difficulty with the six foot residential fall protection standard currently with Federal OSHA and presumed that California will also fall under the six foot rule versus the current fifteen foot rule. Chairman Schultz commented on the reason for getting the group together to address this sort of industry issue is to share best practices and look at things like incentives and to look at positives as well negatives.

Commissioner Orchard asked about the other violations listed, and without a size discount. Mr. Warren explained the repeat violations and the reason for no size discount. Commissioner LeMarr added that was his question because not all of the 1,300 employees fall under the purview of the Industrial Commission.

Commissioner LeMarr commented that he has heard the same thing from the different companies and looks forward to when there is not a roofing company on the agenda with a citation. He noted other inspections on this job site and presumed that if the other trades had violations they would have been sited. Mr. Warren responded about the multi-employer site. Commissioner Orchard commented that moving forward if ADOSH was going to try to present packages that included all information on a multi-employer site. Mr. Warren commented that if under the \$2,500.00 they have been issuing moving it on, but they wanted to start adding it to the packets they

can. Commissioner Orchard requested that the information if it was under the \$2,500.00 amount be included for a big picture of the inspection.

Commissioner LeMarr made a motion to amend Citation 1, Item 1 Repeat-Serious and reduce the fine for a quick fix through the photographic evidence of abatement from \$12,500.00 to \$6,000.00. Commissioner Orchard seconded the motion. The Commission unanimously approved the amended penalty of \$6,000.00.

Presentation and Discussion regarding the operations of the Industrial Commission's Management Information Systems (MIS) Division.

Michael Hempel had his team introduce themselves and describe what they do for the Commission. He described the supportive functions and technologies and commented on the projects that the team has completed and the updates made in equipment and the reduction of costs that they were able to make. He commented on the standardization and automation of the data center. He described current and future projects such as the ALJ Portal, the Claims Interested Parties Access, the Medical Resource Office Portal, and Accounting-Self Insured Employee Tracking. Chairman Schultz commented that he would like to reduce the tax plans in the future and it will help create an audit.

MIS is working on helpdesk update systems and new tableau and new website to help improve customer service. Anthony Grandlich explained the new website changes they are looking to make and the metrics. Mr. Hempel stated he is hoping to have it compete in the next couple of months. Mr. Ashley commented on the measurement tools to identify where people are clicking on the website and what is most popular.

Mr. Hempel commented on the forms processes that they are adding and hopefully will help with time frames and expense, the automation applications.

Mr. Ashley commented on the great number of irons in the fire with portals and online forms, and that staff and stakeholders are looking forward to the completion of the projects. Ms. Poppe added that one of the projects will be a self-service center to go to the portals for access and will hopefully make the website more accessible.

Chairman Schultz thanked Mr. Hempel and his team for the presentation and that he appreciated all of their efforts.

Discussion and/or action regarding Industrial Commission goals, objectives and key initiatives for 2016. This Agenda Item may include discussion regarding the Commission budget and review of Division, Department, and Section specific objectives.

Ms. Poppe commented that Mr. Hempel gave the update for the IT projects and the website and the three portals in testing, and would be great for training at the seminar in August and at the State Bar.

Ms. Poppe announced that Ruby Tate will be the new Special Fund Manager and provided her experience and her strengths and background, and commented on the strong pool of candidates. Commissioner Orchard commented that it speaks very highly of the current leadership at the Industrial Commissioner that there was such a strong pool of talent that has aggressively been

pursuing work here, and commended them for their work. The word in the industry is that people want to work for the Industrial Commission since they are making great changes. She has not heard that before and she has been doing workers' comp since 1991, and congratulated her on the paradigm shift. Ms. Poppe congratulated the Commissioners and stated it was the direction of the Commission which is to be credited.

Announcements, Scheduling of Future Meetings and Retirement Resolutions.

Mr. Warren announced that the Safety Summit will be in Flagstaff on July 6th and 7th.

Mr. Ashley stated that July 14th will be the next out of town Commission meeting in Prescott and will be working on scheduling stakeholder meetings.

Public Comment.

There was no public comment. Commissioner LeMarr moved to adjourn and Commissioner Orchard seconded the motion. The Commission unanimously voted to adjourn and the meeting was adjourned at 3:49 p.m.

THE INDUSTRIAL COMMISSION OF ARIZONA

By


James Ashley, Director

ATTEST:


Kara Dimas, Commission Secretary