MINUTES OF MEETING
OF THE INDUSTRIAL COMMISSION OF ARIZONA
Held at 800 W. Washington
Conference Room 308
Phoenix, Arizona 85007
Thursday, January 7, 2010 — 1:00 p.m.

Present: Brian Delfs
Marcia Weeks
Louis W. Lujano, Sr.
John A. McCarthy, Jr.
David Parker
Laura McGrory
Andrew Wade
Darin Perkins
Teresa Hilton
Chairman (telephonic)
Vice Chairman
Member
Member
Member
Director
Chief Legal Counsel
Director, ADOSH
Commission Secretary

Vice Chairman Weeks convened the Commission meeting at 1:00 p.m. noting a quorum present. Also in attendance were Scot Butler, the agency’s lobbyist, and Teresa Yi of Snell & Wilmer.

Approval of Minutes of December 17, 2009 Meeting

The Commission unanimously approved the Minutes of December 17, 2009 on motion of Mr. Lujano, second of Mr. McCarthy.

Discussion &/or Action regarding Legislation

Scot Butler advised that the legislative session begins on Monday and that the expectation for the Governor’s State of the State address is that the primary focus will be on the budget. For the current year, there is a $1.5 billion deficit remaining and a $3.3 billion deficit is projected for 2010-11. At this point 50 to 55 bills have been prefilled. Mr. Butler stated that he has not seen any proposed legislation relating to the agency but is expecting bills to be filed that deal with liability of IME doctors and elevator inspections. He will be meeting with the parties who plan to initiate a bill authorizing private inspections for elevators.

Discussion & Action of Proposed OSHA Citations and Penalties

Pipe Jacking Unlimited, Inc.
5486 Industrial Parkway
San Bernardino, CA 92407

Accident
Yrs/Business – 19
Empl. Cov. by Insp. – 9

Site Location: 25th Avenue & Broadway, Phoenix, AZ 85041
Inspection #: Y5457/313891087
Insp. Date: 09/24/09

SERIOUS – Citation 1, item 1 – A 75 ton hydraulic crane was not kept at the minimum prescribed distance from a 7200 overhead power line (1926.550(a)(15)(ii).
(One inspection with one serious and two nonserious violations in the past three years).
Div. Proposal - $5,000.00
Formula Amt. - $5,000.00
Darin Perkins summarized the citation and proposed penalty as listed and responded to questions from the Commissioners. He advised that the Division recommendation was for the gravity-based penalty with no adjustment factors since the violation directly related to the accident. Following discussion and inspection of photographs of this violation, the Commission unanimously approved issuing the citation and assessed the recommended penalty of $5,000.00 on motion of Mr. Lujano, second of Mr. Parker.

Side Job Masonry, LLC
P.O. Box 2635
Mesa, AZ 85214

Site Location: 1000 S. Main Street, Florence, AZ 85214
Inspection #: A9339/313639148
Insp. Date: 07/30/09

Accident
Yrs/Business – 4
Empl. Cov. by Insp. – 7

SERIOUS – Citation 1, item 1 – The scaffold had a fall height of 9' on the building side and 12.5' on the non-building side and the crossbraces installed on the sides of the scaffold were being used as top and mid-guardrails (1926.451(g)(1)). There was another instance of this violation.

(No inspection history in the past three years).

Div. Proposal - $1,500.00
Formula Amt. - $1,500.00

GROUPED SERIOUS – The alleged violations below have been grouped because they involve similar or related hazards that may increase the potential for injury resulting from accident.

Citation 1, item 2a – The wheels/casters to the scaffold that collapsed did not have positive locks applied to prevent the wheels/casters from rolling and/or swivelling while the scaffold was used in a stationary manner by two masonry employees working from the scaffold (1926.452(w)(2)).

Citation 1, item 2b - The mobile scaffold that collapsed did not have any locking pins to secure the wheel/caster stems to the frame legs (1926.452(w)(9)). There were two other instances of this violation.

Div. Proposal - $5,000.00
Formula Amt. - $5,000.00

SERIOUS – Citation 1, item 3 – The mobile scaffold that collapsed was not levelled with screw jacks or an equivalent means (1926.452(w)(8)).

Div. Proposal - $1,500.00
Formula Amt. - $1,500.00

GROUPED SERIOUS – The alleged violations below have been grouped because they involve similar or related hazards that may increase the potential for injury resulting from accident.

Citation 1, item 4a – Employees who worked on the scaffolds were not trained by a person qualified in the subject matter to recognize the hazards associated with the type of scaffold being used and to understand the procedures to control or minimize those hazards (1926.454(a)).

Citation 1, item 4b - Employees who were involved in erecting, moving and working from the scaffolds had not been trained by a competent person to recognize the hazards associated with the work in question (1926.454(b)).

Div. Proposal - $1,500.00
Formula Amt. - $1,500.00
Darwin Perkins summarized the citations and proposed penalty as listed and responded to questions from the Commissioners. The Division recommendation for Citation 1, items 2a and 2b was for the gravity based penalty with no adjustment factors since these violations directly related to the accident. Following discussion and inspection of photographs of these violations, the Commission unanimously approved issuing the citations and assessed the recommended penalty of $9,500.00 on motion of Mr. Lujano, second of Mr. McCarthy. Mr. Parker stated that staff did a good job on the diagram of the scaffold.

E.W.D. Inc.  
3944 E. Juniper Drive  
Mesa, AZ 85205  

Site Location: 3490 E. Juniper Drive, Mesa, AZ 85205  
Insp. #: A7746/314019993  
Insp. Date: 12/02/09  

SERIOUS – Citation 1, item 1 – Employees working on a steep roof with unprotected sides and edges 6' or more above ground level were not protected from falling by a guardrail system, safety net system or personal fall arrest system (1926.501(b)(11).  
(No inspection history in the past three years).  
Div. Proposal - $750.00  
Formula Amt. - $750.00  

SERIOUS – Citation 1, item 2 – Employees exposed to fall hazards were not trained to recognize the hazards of falling and procedures to be followed to minimize those hazards (1926.503(a)(1)).  
Div. Proposal - $750.00  
Formula Amt. - $750.00  
TOTAL DIV. PROP. - $1,500.00  
TOTAL FORMULA AMT - $1,500.00  

Darwin Perkins summarized the citations and proposed penalty as listed and responded to questions from the Commissioners. Following discussion and inspection of photographs of these violations, the Commission unanimously approved issuing the citations and assessed the recommended penalty of $1,500.00 on motion of Mr. McCarthy, second of Mr. Lujano.

Eric Morice dba Platinum Painting  
43291 N. Friend Avenue  
Queen Creek, AZ 85240  

Site Location: 1224 S. 7th Avenue, Phoenix, AZ 85007  
Inspection #: A7746/314019795  
Insp. Date: 11/20/09  

SERIOUS – Citation 1, item 1 – Employees on a walking/working surface 11'6" high with unprotected sides and edges were not protected from falling by a guardrail system, safety net system or personal fall arrest system (1926.501(b)(1).  
(No inspection history in the past three years).  
Div. Proposal - $750.00  
Formula Amt. - $750.00  

SERIOUS – Citation 1, item 2 – Employees exposed to fall hazards were not provided training to recognize those hazards and the procedures to minimize those hazards (1926.503(a)(1).  

TOTAL DIV. PROP. - $9,500.00  
TOTAL FORMULA AMT - $9,500.00
Darin Perkins summarized the citation and proposed penalty as listed and responded to questions from the Commissioners. Following discussion and inspection of photographs of this violation, the Commission unanimously approved issuing the citation and assessed the recommended penalty of $1,500.00 on motion of Mr. Lujano, second of Mr. Delfs.

K and D Construction, LLC
3802 E. Beck Lane
Phoenix, AZ 85032

Planned Yrs/Business – 1
Site Location: 6300 S. 23rd Avenue, Phoenix, AZ 85040
Empl. Cov. by Inspect. – 4
Inspection #: A7717/313947020
Insp. Date: 10/14/09

GROUPED SERIOUS – The alleged violations below have been grouped because they involve similar or related hazards that may increase the potential for injury resulting from accident.

Citation 1, item 1a – Four employees were working from a light duty tubular welded frame scaffold 21' high, 3' wide and 20' long which was not fully planked (1926.451(b)(1)).

Citation 1, item 1b - Four employees were working from a light duty tubular welded frame scaffold 21' high, 3' wide and 20' long which was more than 18" from the face of the building (1926.451(b)(3)(ii)).

Citation 1, item 1c - Four employees were working from a light duty tubular welded frame scaffold 21' high, 3' wide and 20' long which was lacking an access (i.e. ladder) installed (1926.451(e)(1)).

Citation 1, item 1d - Four employees were using the cross braces of a light duty tubular welded frame scaffold that was 21' high, 3' wide and 20' long for access and egress to different levels (1926.451(e)(9)(iv)).

Citation 1, item 1e - Four employees were working from a light duty tubular welded frame scaffold 21' high, 3' wide and 20' long that was not erected by a qualified competent person (1926.451(f)(7)). There was another instance of this violation.

Citation 1, item 1f - Two employees were working from a tubular welded mobile scaffold 12' high, 5' wide and 10' long which was lacking 50% of the required cross bracing (1926.452(w)(1)).

Citation 1, item 1g - Two employees were working from a tubular welded mobile scaffold 12' high, 5' wide and 10' long without the caster wheels adequately locked (1926.452(w)(2).
(No inspection history in the past three years).

Div. Proposal - $750.00
Formula Amt. - $750.00

SERIOUS – Citation 1, item 2 – Four employees were working from a light duty tubular welded frame scaffold 21' high, 3' wide and 20' long with footings that were not capable of supporting the loaded scaffold without displacement (1926.451(c)(2)(i))
SERIOUS – Citation 1, item 3 – Four employees were working from a light duty tubular welded frame scaffold 21' high, 3' wide and 20' long which was lacking endrails and midrails (1926.451(g)(4)(i)). There was another instance of this violation.

Div. Proposal - $750.00
Formula Amt. - $750.00

SERIOUS – Citation 1, item 4 – Two employees were working on a rooftop approximately 12' above the ground level without the use of a fall protection system (1926.501(b)(1)).

Div. Proposal - $750.00
Formula Amt. - $750.00

SERIOUS – Citation 1, item 5 – One employee walked in close proximity to reinforcing steel (i.e. rebar) which was lacking a cap or cover to prevent the possibility of impalement (1926.701(b)).

Div. Proposal - $750.00
Formula Amt. - $750.00
TOTAL DIV. PROP. - $3,750.00
TOTAL FORMULA AMT - $3,750.00

Darin Perkins summarized the citations and proposed penalty as listed and responded to questions from the Commissioners. Mr. Lujano questioned the grouping of the first citations since each individual violation would seem to warrant a serious citation. Mr. Perkins explained the rationale behind grouping citations. Mr. Parker questioned item 5 regarding the rebar hazard and stated that due to the location it did not seem likely someone could fall on it. Mr. Perkins explained how the standard implied a hazard and if a person were to fall on the rebar, they could sustain a serious injury. Ms. McGrory explained the analysis for classifying a citation as serious. Following discussion and inspection of photographs of these violations, the Commission approved issuing the citations and assessed the recommended penalty of $3,750.00 on motion of Mr. McCarthy, second of Mr. Lujano. Mr. Parker voted nay.

P B Building and Development
dba The Haworth Corporation
1110 E. Missouri Ave., #200
Phoenix, AZ 85014

Site Location: 5151 E. Speedway, Tucson, AZ 85712
Inspl. #: A9339/313946782
Inspl. Date: 10/08/09

SERIOUS – Citation 1, item 1 – Employees were working on top of a 20' high canopy without any fall protection (1926.760(a)(1)).

Div. Proposal - $1,000.00
Formula Amt. - $1,250.00

Darin Perkins summarized the citation and proposed penalty as listed and responded to questions from the Commissioners. Mr. Perkins explained that in keeping in line with the penalty proposed for the subcontractor, the Division recommendation was different from the formula amount. Following discussion and inspection of photographs of this violation, the Commission unanimously approved issuing the citation and assessed the recommended penalty of $1,000.00 on motion of Mr. Lujano, second of Mr. McCarthy.

Tommy Moore dba Tommy’s Erection
19047 E. Mauna Loa

Unprogram Related
Yrs/Business – 25
SERIOUS – Citation 1, item 1 – Four employees and a foreman were working on top of the canopy 20' above ground level without the aid of any fall protection (1926.760(a)(1)). (Two inspections with one serious and one nonserious violation(s) in the past three years).

  Div. Proposal - $1,000.00  
  Formula Amt. - $1,000.00

SERIOUS – Citation 1, item 2 – The employer was directing and allowing employees to work at a height of 20' above ground level without providing them any fall protection training (1926.761(b)).

  Div. Proposal - $1,000.00  
  Formula Amt. - $1,000.00

  TOTAL DIV. PROP. - $2,000.00  
  TOTAL FORMULA AMT - $2,000.00

Darin Perkins summarized the citations and proposed penalty as listed and responded to questions from the Commissioners. Following discussion and inspection of photographs of these violations, the Commission unanimously approved issuing the citations and assessed the recommended penalty of $2,000.00 on motion of Mr. Lujano, second of Mr. McCarthy.

Apache Nitrogen Products, Incorporated  
P.O. Box 700  
St. David, AZ  85602

  Site Location: 1436 S. Apache Powder Road, Benson, AZ  85602  
  Inspection #: T3633/313990343  
  Insp. Date: 11/12/09

SERIOUS – Citation 1, item 1 – The employer had determined that process equipment should be inspected for mechanical integrity on a ten year schedule and the employer's process safety manager did not have records and could not otherwise determine if qualified inspectors had done more than external inspections of this equipment since it was installed in approximately 1994. There was another instance of this violation. (No inspection history in the past three years).

  Div. Proposal - $2,500.00  
  Formula Amt. - $2,500.00

Darin Perkins summarized the citation and proposed penalty as listed and responded to questions from the Commissioners. Mr. Parker expressed concern with the safety management plan not being followed. Mr. Perkins advised that the compliance officer had reviewed the program with the employer and there will also be a follow-up review with the employer. Following discussion and inspection of photographs of this violation, the Commission unanimously approved issuing the citation and assessed the recommended penalty of $2,500.00 on motion of Mr. Lujano, second of Mr. Parker.

General Rubber Corporation  
2201 E. Ganley Road  
Tucson, AZ  85706

  Site Location: 2201 E. Ganley Road, Tucson, AZ  85706  
  Insp. #: N5645/314020017

Planned  
Yrs/Business – 60  
Empl. Cov. by Insp. – 55
INSPEC. DATE: 12/01/09

SERIOUS – Citation 1, item 1 – The unused portion of the blade on a bandsaw was not enclosed or guarded (1910.212(a)(1)).
(No inspection history in the past three years).
Div. Proposal - $875.00 
Formula Amt. - $875.00

SERIOUS – Citation 1, item 2 – The pulley on an air compressor within seven feet of the floor was not guarded (1910.219(d)(1))
Div. Proposal - $875.00
Formula Amt. - $875.00

SERIOUS – Citation 1, item 3 – Unused openings in the main circuit breaker panel were not effectively closed (1910.305(b)(1)(ii)). There was another instance of this violation.
Div. Proposal - $875.00
Formula Amt. - $875.00
TOTAL DIV. PROP. - $2,525.00
TOTAL FORMULA AMT - $2,525.00

Darin Perkins summarized the citations and proposed penalty as listed and responded to questions from the Commissioners. Following discussion and inspection of photographs of these violations, the Commission unanimously approved issuing the citations and assessed the recommended penalty of $2,525.00 on motion of Mr. Parker, second of Mr. McCarthy.

Pinal’s Crazy 8 L.I.C. dba Pinal Gin
P.O. Box 670
Stanfield, AZ 85172

Site Location: 33601 W. Barnes Road, Stanfield, AZ 85172
Inspection #: T3633/314019829
Insp. Date: 11/23/09

SERIOUS – Citation 1, item 1 – The gin runner had an 8-hour weighted average sound level exposure of 97.1 dBA and the noise exposure was not controlled as recommended by the National Cotton ginning Association (NCGA) and the Pinal Gin safety and health program policy statement. (23.403.A) There were three other instances of this violation.
(No inspection history in the past three years).
Div. Proposal - $1,225.00
Formula Amt. - $1,225.00

Darin Perkins summarized the citation and proposed penalty as listed and responded to questions from the Commissioners. Following discussion and inspection of photographs of this violation, the Commission unanimously approved issuing the citation and assessed the recommended penalty of $1,225.00 on motion of Mr. Lujano, second of Mr. Parker.

Southwest Rubberized Roofing, LLC
526 W. District Street
Tucson, AZ 85714

Site Location: 1815 E. Speedway Blvd., Tucson, AZ 85719
Inspection #: N5645/314019837
Insp. Date: 11/23/09

SERIOUS – Citation 1, item 1 – Prior to beginning work, the employer did not ascertain whether any part of an energized electrical circuit could bring employees, tools or machines into contact
(1926.416(a)(3).
(No inspection history in the past three years).
Div. Proposal - $750.00 
Formula Amt. - $750.00

SERIOUS – Citation 1, item 2 – Employees engaged in re-coating activities on a flat roof with unprotected sides and edges 19' above the lower levels were not protected from falling (1926.501(b)(10).
Div. Proposal - $ 750.00 
Formula Amt. - $ 750.00
TOTAL DIV. PROP. - $1,500.00 
TOTAL FORMULA AMT - $1,500.00

Darin Perkins summarized the citations and proposed penalty as listed and responded to questions from the Commissioners. Mr. Parker questioned Citation 1, item 1 with regard to the electrical hazard. Mr. Perkins explained that the employer is responsible for employee safety any time electrical wires are in close proximity to the work area. Following discussion and inspection of photographs of these violations, the Commission approved issuing the citations and assessed the recommended penalty of $1,500.00 on motion of Mr. Lujano, second of Mr. McCarthy. Mr. Parker voted nay.

Tri-Rentals, Inc. Complaint
3103 E. Broadway, #400 Yrs/Business – 10
Phoenix, AZ 85040 Empl. Cov. by Insp. – 25

Site Location: 3103 E. Broadway #400, Phoenix, AZ 85040
Insp. #: A7717/313990228
Insp. Date: 11/10/09

SERIOUS – Citation 1, item 1 – A 12' synthetic fiber sling was damaged and not removed from service (1910.184(d).
(One inspection with one serious violation in the past three years).
Div. Proposal - $1,250.00 
Formula Amt. - $1,250.00

Darin Perkins summarized the citation and proposed penalty as listed and responded to questions from the Commissioners. Following discussion and inspection of photographs of this violation, the Commission unanimously approved issuing the citation and assessed the recommended penalty of $1,250.00 on motion of Mr. Parker, second of Mr. Lujano.

Vic Gunby Roofing Planned
6140 E. Napa Avenue Yrs/Business – 40
Alta Loma, CA 81701 Empl. Cov. by Insp. – 4

Site Location: 1979 E. Ajo Way, Tucson, AZ 85713
Inspection #: P0775/313962854
Insp. Date: 11/01/09

SERIOUS – Citation 1, item 1 – Employees working near the edge of the roof-top of the building's towers at approximately 20'-30' above the ground were not utilizing fall protection (1926.501(b)(1).
(No inspection history in the past three years).
Div. Proposal - $750.00 
Formula Amt. - $750.00

SERIOUS – Citation 1, item 2 – Employees working near the edge of the roof-top of the
building's towers at approximately 20'-30' above the ground were not trained to recognize the 
hazards of falling or procedures to be followed to minimize those hazards (1926.503(a)(1).
Div. Proposal - $ 750.00          Formula Amt. - $ 750.00
TOTAL DIV. PROP. - $1,500.00     TOTAL FORMULA AMT - $1,500.00

Darin Perkins summarized the citations and proposed penalty as listed and responded to 
questions from the Commissioners. Following discussion and inspection of photographs of these 
violations, the Commission unanimously approved issuing the citations and assessed the 
recommended penalty of $1,500.00 on motion of Mr. Parker, second of Mr. McCarthy.

Discussion & Action of Attorney Fee Petitions

Felipe Fuentes v. Roger Schwartz — Andrew Wade advised that Roger Schwartz has 
requested that the Commission award attorneys’ fees of 25% for an indefinite time period for the 
work his firm, Taylor and Associates, performed for Mr. Fuentes. Mr. Wade described the work 
performed by Taylor and Associates and advised that they have received $2,930.64 in attorney 
fees to date. Mr. Fuentes has terminated his representation and hired another attorney. Based on 
the estimated 24.70 hours spent on the case, staff recommends that an additional $156.86 be 
awarded to Mr. Schwartz. Following discussion, the Commission unanimously awarded an 
additional $156.86 in attorney fees on motion of Mr. Lujano, second of Mr. Parker.

Ivan Pedraza v. Briana Chua — Mr. Wade advised that Briana Chua of Taylor and 
Associates has petitioned the Industrial Commission to set attorney fees with respect to work 
that she performed for Mr. Pedraza in connection with his July 6, 2008 industrial injury claim. 
Mr. Wade gave a history of the claim and the work performed by Taylor and Associates on 
behalf of Mr. Pedraza. Ms. Chua has received $1,137.65 in attorney fees and estimates that she 
spent 14 hours on the case. Mr. Wade presented several options to the Commission. One option 
would be to award attorney fees on an hourly basis, which would award Ms. Chua an additional 
$402.60. Another option would be to award attorney fees on the permanent disability award, 
that had been protested by Mr. Pedraza’s new attorney, based on the contracted for 25% 
contingency fee basis, which would come to $4,779.13. The third option would be to decide that 
Ms. Chua has already been fairly compensated for the time that she had devoted to the case. Mr. 
Wade stated that staff’s recommendation would be that no further attorney’s fees be paid as it 
would appear that Ms. Chua has been fairly compensated for the work that she performed for 
Mr. Pedraza. Following discussion, the Commission unanimously declined to award further 
attorney fees on motion of Mr. Parker, second of Mr. Lujano.

Discussion & Action of Proposed Civil Penalties Against Uninsured Employers

2C09/10-0084  L & R Janitorial and Maintenance Inc.
2C09/10-0293  Magdalene Henshaw Johnson, a Single Woman 
dba Sunlight II Assisted Living aka Sunlight II
2C08/09-1377  Patrick Joulain & Nora Joulain, Husband & Wife 
dba Boulevard Café aka F & L Arizona L.L.C.
2C07/08-1795  Platinum Wireless, Inc. (A California Corporation) 
dba MMM Wireless

Mr. Wade advised that he is removing consideration of a civil penalty against employer 
#1795. With regard to the remaining employers, a compliance investigation confirmed that they 
were operating (or had operated) a business with employees, but without workers’ compensation
insurance. Giving consideration to the factors of A.R.S. §23-907(K), Mr. Wade recommended that civil penalties of $1,000.00 be assessed against employers #0084, 0293 and 1377. The Commission unanimously approved civil penalties of $1,000.00 be assessed against employers #0084, 0293 and 1377 on motion of Mr. Lujano, second of Mr. McCarthy.

Discussion &/or Action regarding Budget and Operations of the Industrial Commission

Ms. McGrory advised that GITA (Government Information Technology Agency) has approved the agency’s project investment justification for the upgrade to the Commission’s claims system.

Discussion &/or Action regarding Industrial Commission of Arizona, for Itself and as Trustee for the Special Fund of the Industrial Commission of Arizona; and the Special Fund of the Industrial Commission of Arizona, Petitioners, v. Dean Martin, Arizona State Treasurer, in his official capacity; Janice K. Brewer, Governor of the State of Arizona, in her official capacity, Respondents. The Commission may move into Executive Session under A.R.S. §§38-431.03(A)(3) and (A)(4) for Discussion and Consultation with the Attorneys of the Public Body regarding Pending Litigation or Settlement Discussions in order to resolve Litigation. 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.

Mr. Wade advised that the Superior Court has granted the motions to intervene and that the intervenors are now plaintiffs in the case along with the Industrial Commission and the Special Fund. He also summarized the status of the case.

Announcements

In response to a question from Commissioner Lujano, Mr. Wade provided a brief update related to the Jenkins v. ICA, et al. case in federal court.

Ms. Hilton reminded the Commissioners that the next meeting was scheduled for Wednesday, January 13th.

There being no further business to come before the Commission and no public comment, Vice Chairman Weeks adjourned the meeting at 2:20 p.m.

APPROVED: THE INDUSTRIAL COMMISSION OF ARIZONA

By [Signature]
Chairman

By [Signature]
Vice Chairman

By [Signature]
Member

ATTEST:

By [Signature]
Member
Commission Secretary

By

Member