

FEDERAL PREVAILING RATE ADVISORY COMMITTEE

619th FPRAC

SHELDON FRIEDMAN, Chairperson, Presiding

Thursday, January 12, 2017

Room 5526
Office of Personnel Management
Washington, D.C. 20415**ATTENDANCE:****Members/Alternates:**Management Members:Mark Allen, OPM
Jim Davey, DoD
David Pedersen, Navy
Gary Buck, Army
Arleen Romba, VA (via phone)Labor Members:Randy Erwin, MTD
Jacque Simon, AFGE
Robert Shore, NAGE
Jeff Beltran (ACT)**Staff Specialists and Visitors:**Jeanne Jacobson, Designated Federal Officer, OPM
Madeline Gonzalez, OPM
Kimberly Morris, OPM
Jim Brady, DoD
Karen Kurian, DoD
Jason Munro, Air Force**Recording Secretaries:**Mike Eicher, OPM
Ana Paunoiu, OPM

[Transcript prepared from digital audio produced by FPRAC.]

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P R O C E E D I N G

CHAIRMAN FRIEDMAN: Good morning, everyone. Happy New Year! Let me get that out of the way. And welcome to this, our first meeting of 2017, hopefully not the last for the Committee, but who knows. We'll see. That may be a while. And this is our 619th meeting of the Federal Prevailing Rate Advisory Committee. My name is Sheldon Friedman, Chair of the Committee, and as always, let's please go around the room and introduce ourselves, starting today with you, Mark, please.

MR. ALLEN: Mark Allen, with OPM.

MR. DAVEY: Jim Davey with DoD.

MR. PEDERSEN: David Pedersen with Navy.

MR. BUCK: Gary Buck, Department of Army.

CHAIRMAN FRIEDMAN: Arlene, would you introduce yourself?

MS. ROMBA: [via telephone] Yes. Arleen Romba with VA.

MR. ERWIN: Randy Erwin with the National Federation of Federal Employees representing Metal Trades Department.

MS. SIMON: Jacque Simon, AFGE.

MR. SHORE: Robert Shore with NAGE.

MR. BELTRAN: Jeffrey Beltran with ACT.

CHAIRMAN FRIEDMAN: And if the other folks in the room could also please introduce themselves. Jeanne, starting with you, please.

MS. JACOBSON: Jeanne Jacobson, OPM, Designated Federal Officer.

MR. MUNRO: Jason Munro, Air Force.

MR. BRADY: Jim Brady, DoD.

MS. KURIAN: Karen Kurian, DoD.

MR. EICHER: Mike Eicher, OPM.

MS. MORRIS: Kim Morris, OPM.

MS. GONZALEZ: Madeline Gonzalez, OPM.

MS. PAUNOIU: Ana Paunoiu, OPM.

CHAIRMAN FRIEDMAN: Okay. So the only announcement I have is that you have in your packets the memorandum from our Acting Director regarding fiscal year 2017 prevailing rate pay adjustments, 619-OPM-1. I imagine you all have seen it already, but are there any questions about it?

Maybe, Mark, do you want to give any sort of background information on it?

MR. ALLEN: This one is a little different. It is probably good that I do cover this.

As everybody probably knows, there was no Consolidated Appropriations Act passed late last year, so we're still operating under a Continuing Resolution through—I believe it's April 28th. But, since we are operating under a Continuing Resolution, the previous provisions affecting Federal Wage System pay adjustments continue as long as the Continuing Resolution is in effect. So what that basically means is that the floor increase provision and the pay cap continue at least until April 28th of this year, and then if there's an appropriations bill passed that includes the pay cap and floor increase provisions for the remainder of this fiscal year, then we would probably issue another memorandum on that.

But right now, the pay cap that applies during fiscal year 2017 is 2.43 percent, and the floor -increase provision would vary by locality pay area.

CHAIRMAN FRIEDMAN: Any questions or discussion?

[No audible response.]

CHAIRMAN FRIEDMAN: If not, we could—were you done, Mark?

MR. ALLEN: Yeah. I'm done with that.

CHAIRMAN FRIEDMAN: If not, we can move on to our review of the transcript of our December meeting. Are there any changes that people want to bring to our attention? Any corrections beyond those about which we have already heard from you?

[No audible response.]

CHAIRMAN FRIEDMAN: If not, is there any objection to adopting the transcript of our last meeting?

MR. ERWIN: No objection.

MR. BELTRAN: No.

CHAIRMAN FRIEDMAN: Hearing no objection, the transcript is adopted.

Thank you.

Before we turn to Old Business, I think it might be a good idea to skip down to New Business, where we do have just one item, which is the annual report or annual summary of our 2016 business, which was prepared in record time. Thank you, Madeline, for that. Have people had a chance to review that? Is there any discussion? We do need to adopt it. Is there any objection to adopting it?

MR. ALLEN: No objection, Mr. Chairman.

MR. ERWIN: No objection.

CHAIRMAN FRIEDMAN: No objection? Okay. Very good. So we have adopted our 2016 annual summary. It will be duly placed on the OPM website in due course, at least I hope it will be. It will be. All right.

Old Business. The first item is the Topeka wage area issue that NAGE has

brought to our attention. Would you like to kick off some discussion of that, Rob?

MR. SHORE: Yeah. Well, first, I'd like to apologize to everybody for being late. I try not to be.

CHAIRMAN FRIEDMAN: You don't know this, but we actually were kept out of the meeting room until—

MR. SHORE: Okay. Nonetheless—

[Laughter.]

MR. SHORE: I did want to apologize.

CHAIRMAN FRIEDMAN: Maybe I shouldn't have told you.

MR. SHORE: Makes me feel a little better.

Yeah. Well, I guess at the last meeting, I had requested additional information, and I think Mark said it wouldn't be available at this meeting. But I did some additional research myself, and I wanted to confirm with Mark that the distance calculations are done based on the largest installation in each wage area. Is that right?

MR. ALLEN: Yeah. What we tend to do is to measure distances from an individual county, where the majority of the employees are located, if there are any, and then measure distances from that county to the largest city or cities in the current wage area and a neighboring wage area, and then also measure to the host installation for each wage area, which may or may not be the largest federal installation.

We are still working on the Topeka wage area review. We will not have an FPRAC Chairman for some time, but I don't really foresee a problem with getting that information out to everybody on the Committee prior to having an FPRAC Chairman appointed.

MR. SHORE: Okay.

MR. ALLEN: So it will be out there. People could at least take a look at it. I don't have a definite date to get that to everybody yet, but what it will show will be the hypothetical placement of counties that are currently part of the Topeka wage area if there were an OPM decision to abolish a wage area.

MR. SHORE: I'd like to ask if Labor could have a caucus.

CHAIRMAN FRIEDMAN: Of course. I think we have the Small Pendleton Room available for caucuses.

MR. SHORE: Okay.

[Labor members go in caucus off the record.]

CHAIRMAN FRIEDMAN: The Labor has returned from its caucus. Anything you want to report on the caucus or continue the discussion of this issue or—

MS. SIMON: Well, I have a question. One of the things that we were considering discussing further is this proposal to abolish the Topeka wage area, and my question is what would happen to the employees at Fort Riley when they move to the Wichita wage area.

CHAIRMAN FRIEDMAN: I guess that's the analysis that has yet to be provided.

MS. SIMON: I don't want to vote until I know the answer to that question.

MR. ALLEN: We will be providing that information at some point. It's indeterminate right now, but at some point, we will.

CHAIRMAN FRIEDMAN: Okay. Anything else on the Topeka wage area issue?

[No audible response.]

CHAIRMAN FRIEDMAN: So we'll just defer that until whenever.

MS. SIMON: Until the Messiah comes.

CHAIRMAN FRIEDMAN: Well, hopefully, not that long, although—well,

whatever. I'm not going to get into that illogical discussion.

Okay. That brings up item (b) under Old Business, definition of Pitt County, North Carolina, to a non-appropriated fund Federal Wage System wage area. We've got a couple of documents on that. Anybody need a memory refresher on that one?

MS. SIMON: I'd like to defer that. We have a few questions that we'd like to submit to OPM for further analysis on that issue.

CHAIRMAN FRIEDMAN: So you just want to defer that one?

MS. SIMON: Yes.

CHAIRMAN FRIEDMAN: Okay. That's also deferred.

And that brings up item (c), Review of San Antonio, Texas, Federal Wage System wage area.

I have to confess that I've totally forgotten this issue. One of the benefits of cleaning out your office, as I'm in the middle of doing, is I've discovered this notebook from 2010, where we had a presentation from the folks in Austin, which I thought we shouldn't forget about. I had forgotten about it. So, whenever this issue is revisited, you might want to take a look at that.

I don't know what—any discussion of the San Antonio wage area issue this morning?

MS. SIMON: I think we should defer that one also.

CHAIRMAN FRIEDMAN: I'm guessing there's no objection on the Management side to deferring that one.

MR. ALLEN: No objection.

CHAIRMAN FRIEDMAN: All right. Wow. Well, that might be it, then.

Well, I just want to say it's been a great pleasure and privilege to serve as this Committee's Chairman for the last 6-plus years, and I wish you all the very best of luck in the new era that is about to dawn.

MS. SIMON: Well, on behalf of the Prevailing Rate Employees who are members of the American Federation of Government Employees, I want to extend our most sincere thanks for your service, Sheldon. You've been a fantastic Chair, and we've all learned so much from you, and we will miss you very, very much. And thank you so much for your service.

CHAIRMAN FRIEDMAN: Well, thank you. You're embarrassing me, but thank you very much.

All right. If there's no—

MR. DAVEY: On behalf of DoD, we appreciate your service as well and wish you the best in your next endeavor.

CHAIRMAN FRIEDMAN: Thank you very much, Jim.

MR. ALLEN: And likewise from the OPM staff, who represent OPM at the Committee. We'd like to thank you for the contributions you made to administer the Federal Wage System for the last few years. We haven't always agreed on both sides of the table with every issue, but I would say we've agreed on the majority of issues. I think you've incited us on a lot of things.

CHAIRMAN FRIEDMAN: I think it's a very unique Committee. It's been a privilege to be associated with it.

Well, anybody else? You know, I want to get this all—

MS. SIMON: That's right. All praise for Sheldon.

[Laughter.]

MR. ERWIN: I think on behalf of all of Labor at the table, we would echo Jacque's and everybody else's sentiments. Thank you for all your hard work on this Committee.

CHAIRMAN FRIEDMAN: Thank you. It's been a very—I've learned a lot. It's been a very interesting experience for me too.

Anyway, well, if there's no—any other New Business item people want to bring up? Of course, we do not know when the Committee will meet again, but I am sure you will be notified of that in due course. So if there's no further new business—is there any?

MR. SHORE: I would just add, Mark, if it's possible, if we don't have a meeting for a while, whenever the findings of your staff are finished, if they could be circulated anyway—

MR. ALLEN: Sure.

MR. SHORE: —I would appreciate that.

MR. ALLEN: Yeah.

CHAIRMAN FRIEDMAN: Anything else?

[No audible response.]

CHAIRMAN FRIEDMAN: If not, it would be in order for us to adjourn.

MR. ERWIN: Motion to adjourn.

CHAIRMAN FRIEDMAN: Okay.

MR. ALLEN: Second.

CHAIRMAN FRIEDMAN: Any objections to adjourning?

MR. ERWIN: No objections.

CHAIRMAN FRIEDMAN: Hearing no objection to adjourning, we are adjourned. Thank you very much.