

# Federal Prevailing Rate Advisory Committee 655th FPRAC

Janice R. Lachance, Chair, Presiding

Thursday, November 21, 2024

Virtual Meeting via Microsoft Teams  
Office of Personnel Management  
Washington, D.C. 20415

## Attendance

### Members/Alternates:

#### Management Members:

Mark Allen, OPM  
Christopher Lynch, DoD  
Kimberly Eidson, Air Force  
Catherine Anders, Navy  
Sheila Willis, VA

#### Labor Members:

Jacqueline Simon, AFGE  
Travis Reuther, AFGE  
Paul O'Connor, Metal Trades  
Felicia Neal, ACT

### Staff Specialists and Visitors:

Branda Roberts, Designated Federal Officer, OPM  
Ana Paunoiu, OPM  
Samantha Bono, OPM  
Sharon Kwon, OPM  
Karl Fendt, DoD  
Erica Abiera, DoD  
Kieu Nguyen, DoD  
Jerry Dollente, DoD  
Christine Wlezien, DoD  
Angelica Novegil, DoD  
Charles Arnold, DoD  
Mandy Laughlin, Army  
Brandon Anderson, Navy  
Cynthia Bell, VA  
Ralph Reels, VA  
Dale Troll, Metal Trades

Dan Pulliam, Naval Support Activity Monterey

Don Marcetti, U.S. Fish and Wildlife Service

Susan Sato, GAO

Evan Ismail, GAO

Drew Friedman, Federal News Network

Recording Secretary:

Michael Eicher, OPM

[Transcript prepared from digital audio produced by FPRAC.]

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## I. Opening Announcements and Introductions

### a. Introductions

### b. Announcements

- Update on the Federal Prevailing Rate Advisory Committee December 21, 2023 Recommendation to Amend Section 532.211 of Title 5 of the Code of Federal Regulations
- FY 2024 Federal Advisory Committee Act (FACA) report, 655-OC-1

Chair Lachance: Good morning to all of you. Good evening for me, here in Azerbaijan. I want to welcome everybody to the 655th meeting of the Federal Prevailing Rate Advisory Committee. It is November 21st, and the time where you are is 10 a.m.

So we are holding this meeting virtually, which I'm grateful for, and it is going to be recorded as usual. A verbatim transcript will be provided to all members for your review at the next meeting.

For those of you who might be new to this or don't know me yet, I am Janice Lachance. I have the privilege of chairing this committee.

Let's start with introductions and taking the roll so we have everybody on record. We're going to start with the Management members of the committee. OPM?

Mr. Allen: This is Mark Allen for the OPM staff.

Chair Lachance: DoD?

Mr. Lynch: Morning, everybody. This is Christopher Lynch sitting in for Zev Goldrich. And I think we have Karl Fendt here as well.

Chair Lachance: Yes, we have verified Karl, even though his name tag says "unverified." But that's good. We know he's here.

Air Force.

Ms. Eidson: Hello. This is Kimberly Eidson for Air Force.

Chair Lachance: Great. Thank you, Kimberly.

I see two people from Navy, at least.

Ms. Anders: Good morning. Catherine Anders, Department of Navy.

Mr. Anderson: Brandon Anderson, Department of Navy as well.

Chair Lachance: Great. Veterans Administration.

Ms. Willis: Good morning, everyone. Sheila Willis is on. Ms. Vicks will not be able to attend, and we also have staff members supporting. We have Ralph Reels and Cynthia Bell. Thank you.

Chair Lachance: Thank you, Sheila.

Now we'll turn to our partners in the Labor movement. Metal Trades.

Mr. O'Connor: Paul O'Connor with Metal Trades.

Chair Lachance: Thank you. AFGE.

Mr. Reuther: Travis Reuther, AFGE.

Chair Lachance: Thank you, Travis.

Is Jacque on, or are you going to be the representative today?

Mr. Reuther: I thought she would be on, but I don't see that she's joined yet. So it might just be me for today.

Chair Lachance: That's good enough, but she can surprise us.

NAGE.

[No audible response.]

Chair Lachance: No one from NAGE.

ACT.

Ms. Neale: Good morning. Felicia Neale for ACT.

Chair Lachance: Thank you, Felicia.

And I see Brenda Roberts is here as the Designated Federal Official under the Federal Advisory Committee Act. Thank you for being here, Brenda.

And the rest of the staff who haven't been mentioned until now, could you please introduce yourselves?

Ms. Paunoiu: Good morning. This is Ana Paunoiu, OPM.

Ms. Bono: Hi. This is Samantha Bono, OPM.

Mr. Eicher: Mike Eicher, OPM.

Ms. Laughlin: Mandy Laughlin, Department of Army.

Ms. Kwan: And this is Sharon Kwan, OPM.

Chair Lachance: Hi, Sharon.

Any other staff?

Mr. Fendt: Janice, this is Karl Fendt again. I just wanted to mention—[audio distortion]. Gosh, I hope that wasn't me.

We list names, as we normally do, on for our wage staff that are attending.

Chair Lachance: That's great, Karl. Thank you so much.

And I know a few people registered to observe, listen to the meeting. Could you introduce yourselves?

LCDR Pulliam: Hi. This is Lieutenant Commander Dan Pulliam. I'm from Monterey. I'm just listening in.

Chair Lachance: Thank you. Thank you, Commander.

Ms. Sato: Hi. This is Susan Sato from GAO. I'm just observing. Thank you.

Chair Lachance: That's great. Thank you, Susan.

Mr. Ismail: Hello. This is Evan Ismail, also from GAO. Just observing. Thank you for having us.

Chair Lachance: Great. Thank you, Evan.

Anyone else?

Ms. Simon: Janice, this is Jacque Simon. I got on late.

Chair Lachance: Okay, great. Glad you're here.

I think we—Drew Friedman is on. She's a reporter joining from Federal News Network, and she's going to be listening in. But she is having mic problems, so we won't call on her for any news or announcements or anything.

And I know a few people, Amber McKinney—we're having—seems there are mic issues with Teams this morning, so happy to just have you all mention your names and your presence in the chat. Thank you all.

Let's move to announcements. We have an update regarding the recommendation made in December that OPM change the regulatory criteria for defining and maintaining FWS wage areas. Mark, do you want to bring us up to date on what's happening with that?

Mr. Allen: Sure. The public comment period for the proposed regulation runs through December the 10th. We're keeping an eye on the number of public comments that come in, and we have more than 350 comments so far. We've taken a look through them but haven't seen any that are objecting to the proposed regulation, but there's still an open period for another 19, 20 days or so.

The OPM staff are taking a look at the comments as they come in and drafting up a final regulation. Of course, we can't move forward with the final regulation in the process we'd have to follow until the comment period ends, and we can consider all the public comments that come in. It's normal for comments to come in on the last day. So we have noticed, though, that the number of comments has been petering out, or the flow has been slowing down a bit.

I see Paul has a question.

Mr. O'Connor: Yeah, not a question. I have a comment. The drafting of that proposed rule change, it's so detailed. The amount of work that went into that is incredible, and the staff that did that work, you know, accolades to them. My God, it's really amazing, and the history piece up front really helped put it into context. I thought that was really awesome. You know, congrats to all of you. Great job.

Mr. Allen: Yeah, thanks very much, Paul. We really appreciate it. That was Ana and Samantha, with my sage guidance pushing them along. We have a really good regulatory attorney at OPM, too, so she helped us a great deal.

Ms. Simon: We have to give a hug every day to every federal employee.

Chair Lachance: Thank you for that. They all deserve it for sure, and certainly the team, as Paul said, who put this together, it was a tremendous amount of work. The attention to detail and the history, the writing, everything was just pitch perfect. I want to add my thanks and gratitude to the team for doing this. I do know it extended beyond this group of people throughout OPM. Everyone I know who touched it was working very hard to push it through. So we're going to keep hoping that it's smooth sailing going forward.



Any other comments?

[No audible response.]

Chair Lachance: We also have the committee's Fiscal Year 2024 FACA report to discuss and bring everybody up to date on. Mark, can you give us some of the details that have gone into this report and where it's expected to go and what it's expected to accomplish?

Mr. Allen: Okay. Under the Federal Advisory Committee Act, the General Services Administration has an office that keeps track of all the Federal Advisory Committees, like how much money they spend, what recommendations they make, who's appointed as members of the committees, and that sort of thing. This is an annual exercise. You may have seen this before, but it's basically something that we send over to GSA, and then they'll post it online. They have a database. Anybody can go and look at any Federal Advisory Committee and see what the committees are up to and what recommendations they've made, like how many recommendations have been implemented or not accepted. It's really just kind of a bookkeeping exercise just to make sure everything is public and out there for people to see if they're interested.

Chair Lachance: Great. Any questions or comments for Mark on that?

[No audible response.]

## II. Review of the Minutes of the 654th Meeting

Chair Lachance: Hearing none, we can move to review the transcript of the last public meeting, which was held on September 19th, 2024. Are there any changes or any questions about it that anyone wants to bring to our attention?

[No audible response.]

Chair Lachance: Everybody's so quiet today. Well, if there aren't any, are there any objections to adopting the transcript of the last meeting? If someone says no objection, we can move on.

Ms. Simon: No objection.

Chair Lachance: Thank you, Jacque.

The transcript is adopted. I want to thank all of you for paying attention to that. It is the record of our work, and so it does have some value going forward.

### III. Old Business

- a. Letter from the American Federation of Government Employees, Dated March 22, 2022, Requesting FPRAC Review a Proposal to Limit all Non-Rest of U.S. General Schedule Locality Pay Areas to no more than one Federal Wage System Wage Area and a Proposal to Redefine Monroe County, PA, from the Scranton-Wilkes-Barre, PA, Wage Area to the New York, NY, Wage Area, 637-AFGE-1
- b. Letter from the National Association of Government Employees, Dated September 25, 2019, Requesting FPRAC Reexamine the Placement of Wage Grade Employees Working in the Salinas-Monterey, CA, Wage Area, 628-NAGE-1

Chair Lachance: Now, as I go through at every meeting, there are still some older items under Old Business that we have kept on the agenda at committee members' requests, and they have not been removed. But rather than reading through all the Old Business items, could we instead move to new business and take action on that?

Mr. Allen: Works for me.

Chair Lachance: Thank you. If no one's going to be concerned, I will just move on. It is what we've been doing for the last several meetings since we adopted this format of keeping the topics front and center on the agenda, but not discussing them at every meeting.

#### IV. New Business

- a. Abolishment of Hennepin, Minnesota, as a Nonappropriated Fund Federal Wage System Wage Area, 655-MGT-1

Janice Lachance: Under New Business, we have document 655-MGT-1, abolishment of the Hennepin, Minnesota, area as a Nonappropriated Fund Federal Wage System Wage Area. Mark, do you want to introduce this item and tell us about Hennepin?

Mr. Allen: Yes. Under 655-MGT-1, which is a Management member recommendation to the committee, the Department of Defense has requested that the Hennepin, Minnesota, Nonappropriated Fund Wage Area be abolished because federal employment in local activities has decreased, and they can no longer support local wage surveys in the wage area.

The wage area gets its name from Hennepin County, which is part of Minneapolis. The survey area is just Hennepin County. There's a survey around Minneapolis that can no longer be supported by the activities that are there.

As we note in the document, although there are around 34 Nonappropriated Fund Federal Wage System employees remaining in Hennepin County, they're split

between DoD and VA activities, and they no longer have enough employees or resources to support the local wage surveys around Minneapolis.

Based on an analysis of the regulatory criteria that OPM uses to define NAF wage areas, the following changes are recommended to take place. Hennepin, Morrison, and Stearns Counties, Minnesota, would be defined to the Grand Forks, North Dakota, wage area. Monroe County, Wisconsin, would be defined to the Lake Illinois wage area. Murray, Ramsey, and St. Louis Counties, Minnesota, and Juneau and Polk Counties would no longer be defined to a wage area because they no longer have Nonappropriated Fund Federal Wage System employment.

This recommendation would affect a total of around 98 Nonappropriated Fund Federal Wage System employees. We've included maps at Attachment 1 that show the current wage area definition and proposed wage area definitions. The analysis of the regulatory criteria is at Attachment 2 and is common with Nonappropriated Fund Wage Areas. The distance to the nearest continuing wage survey area is the deciding factor, but let us note for the members' attention that the distances in this case, since we're dealing with the Upper Midwest, the distances are going to be quite large between counties that are currently in the Hennepin wage area and where they would be assigned to.

Just for example, Hennepin County is around 338 miles from Grand Forks Air Force Base in North Dakota, and that is the nearest continuing post installation for a NAF wage area. But that's not actually all that uncommon for how Nonappropriated Fund Wage Areas are defined. There tend to be pretty significant distances between area of application counties and survey counties.

I will note for the members' attention also that the Lake and Grand Forks wage schedules are currently slightly lower than the current wage schedule for Hennepin. For example, the NA1 Step 1 rate for Hennepin is \$17.06 an hour, and for Lake, it's \$16.89 per hour. However, the 2025 pay adjustment was expected to be around 2 percent, would actually take those rates above the rates for the wage schedules where employees from the current Hennepin wage area would be defined.

Just to give you an example, if the current—

Chair Lachance: Mark, hold on just a second. I'm sorry. The person calling from [REDACTED], we're getting some background noise, so I wonder if you could mute your phone.

Okay. Let's try again, Mark. I'm sorry.

Mr. Allen: The point I was making is there's an annual adjustment that's coming up for—let's see—the Lake and Grand Forks wage areas that would actually place wage rates on those schedules above the current rates for the Hennepin wage schedule. So it may not be the case, depending on timing of the final regulation, that the pay retention would be required, but it would mean that the employees would be placed on a different wage schedule that currently has rates of pay that are lower than what they're currently receiving, but with the annual adjustment, they will go higher than the current schedule. The timing of the schedules is important here because it usually takes us a few months, takes OPM a few months to get a final regulation out, and the wage schedules are adjusted at different times of the year. I believe the Lake and Grand Forks wage schedules are adjusted this summer, and if the Hennepin wage area was still existing, the wage schedule there wouldn't be adjusted until I think September. So

there's a gap there, which I would expect a final regulation to be published in, because it would prevent anybody from actually seeing a reduction in their wage rate, setting aside the issue of pay retention.

Chair Lachance: Thank you so much, Mark.

Are there questions for Mark on this? Any discussion?

[No audible response.]

Chair Lachance: Can we go ahead with this proposal with a consensus vote, or do you all want to do ayes and nays?

Mr. Allen: Yeah, we have a quorum. So I believe we could just do a consensus, if there's consensus on it.

Chair Lachance: Are there any concerns or objections? I guess we could start there. Otherwise—

Ms. Simon: No objection. No objection here. This is Jacque.

Chair Lachance: Thank you, Jacque.

Then are we okay to go by consensus?

Mr. O'Connor: Let's go.

Chair Lachance: All right. Sounds like it. Terrific. Everybody's nodding. I appreciate that. Thank you so much for that.

There really are no other items under New Business, so we could adjourn. Or is there any further discussion or any other questions anybody has?

[No audible response.]

Chair Lachance: So quiet. Okay. Well, hearing none and hearing no further discussion, thank you all for joining. Thank you for the action you've taken on Hennepin,

Minnesota, and if there's no objection, we will adjourn this meeting.

Mr. Allen: If I could just add one thing, we have the next meeting on December 19th, so we could have a virtual holiday party.

Chair Lachance: That would be nice.

Mr. Allen: Or if somebody wants to come to OPM, we could have an in-person party.

Chair Lachance: That's right. I'll be there for that meeting, so we could do a celebration.

Okay. Thank you all so much, and we will see you next month.

[End of recorded session.]