

FEDERAL PREVAILING RATE ADVISORY COMMITTEE

577th FPRAC

SHELDON FRIEDMAN, Chairperson, Presiding

Thursday, August 16, 2012

ROOM 5526
Office of Personnel Management
Washington, D.C. 20415

ATTENDANCE:

Members/Alternates:

Management Members:Mark Allen, OPM
Tammy Vankeuren, AF
Carlos Saavedra, NAVY
Michael Chase, VALabor Members:Charles Bernhardt, AFGE
Gina Lightfoot-Walker, NAGE - via phone
Steven Fisher, ACT

Staff Specialists and Visitors:

Jerry Mikowicz, Designated Federal Official, OPM
Madeline Gonzalez, OPM
Mike Eicher, OPM
Terri Avondet, OPM
Lindsey O'Keefe, OPM
Chris Wallace, OPM
Nate Summers, AF Legislative Fellow Assigned to OPM
Jim Brady, DOD
Hank Rovin, DOD
Karl Fendt, DOD
Brian Bauer, DOD
Steven Landis, ACT

Recording Secretaries: Mike Eicher and Terri Avondet

[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. Welcome. My name is Sheldon Friedman, Chairman of the Federal Prevailing Rate Advisory Committee, and we are about to start our 577th meeting as a committee.

As usual, why don't we go around the table and introduce ourselves. Mark, why don't we start with you today.

MR. ALLEN: Mark Allen with OPM.

MS. VANKEUREN: Tammy Vankeuren with Air Force.

MR. SAAVEDRA: Carlos Saavedra, Department of the Navy.

MR. CHASE: Michael Chase, Veterans Affairs.

MR. BERNHARDT: Charlie Bernhardt, American Federation of Government Employees.

MR. FISHER: Steve Fisher, ACT.

CHAIRMAN FRIEDMAN: And we have Gina on the phone. Gina, do you hear me?

MS. LIGHTFOOT-WALKER: I can. Good morning.

CHAIRMAN FRIEDMAN: Why don't you introduce yourself, please.

MS. LIGHTFOOT-WALKER: Gina Lightfoot-Walker with NAGE.

CHAIRMAN FRIEDMAN: And would people around the sides of the room also introduce themselves, please.

MS. GONZALEZ: Madeline Gonzalez with OPM.

MR. MIKOWICZ: Jerry Mikowicz, Designated Federal Official for this meeting, OPM.

MR. BRADY: Jim Brady, DoD.

MR. BAUER: Brian Bauer, DoD.

MR. FENDT: Karl Fendt, DoD.

MR. ROVAN: Hank Rován, DoD.

MR. EICHER: Mike Eicher, OPM.

MS. AVONDET: Terri Avondet, OPM.

MS. O'KEEFE: Lindsey O'Keefe, OPM.

MR. WALLACE: Chris Wallace, OPM.

MR. SUMMERS: Nate Summers, Air Force legislative Fellow assigned to OPM.

MR. LANDIS: Steve Landis, Act.

CHAIRMAN FRIEDMAN: Okay. Thank you, everyone.

We will start with a few announcements. I suspect everyone has heard by now, but let me add to the list that our member, J. David Cox, was elected yesterday as National President of AFGE, and I'm sure we all would like to congratulate him for that. There's a brief story about that,

that we added at the last minute to your packets.

Carlos, I understand this might be your last FPRAC meeting. Maybe toward the end, do you want to say a few remarks, if you feel like it?

[Laughter.]

CHAIRMAN FRIEDMAN: Before you head off to your well-deserved retirement?

MR. SAAVEDRA: Wow! I'm glad I made it to that.

CHAIRMAN FRIEDMAN: Yeah, it's good to see you.

Other than that, you have a letter in your packets to Director Berry from the entire Rhode Island House and Senate Delegation in support of the FPRAC recommendation to consolidate FWS wage areas that lie within GS locality pay areas. That's 577-OC-1.

In addition, under 577-OC-2, you have Director Berry's response to the some 400 letters that he received, largely handwritten letters, from FWS workers at Tobyhanna Army Depot in Pennsylvania, also in support of that same FPRAC recommendation. You previously received the CD-ROM containing all those letters.

Under 577-OC-3, I circulated a link to the Government Accountability Office's recent report comparing the various Federal pay comparability studies that are floating around. I

thought that might be of interest as background information to people, even though they don't look specifically at the FWS pay system.

And under 577-OC-4, Director Berry received another letter from a Member of Congress, Representative Hinchey in New York, also in support of the consolidate wage areas within locality pay areas recommendation.

At this point, I would like to ask Jerry if he wouldn't mind updating the committee on the status of that issue..

MR. MIKOWICZ: Thank you, Mr. Chair.

If you notice on your handout, 577-OC-2, the letter to AFGE about the FPRAC recommendation, towards the bottom, the Director said, "I am now carefully evaluating all the information provided to me," and then he goes on to say the next steps, after he is satisfied, will be in the hands of the Office of Management and Budget. I note that that letter was signed on August 14th, and I was hoping today, August 16th, a couple days later, maybe I would be able to provide an update. And I'm sorry that I cannot. What you have on August 14th is the latest.

CHAIRMAN FRIEDMAN: Okay. Well, thank you.

Last week Mark Allen brought to my attention that this appears to be the 150th anniversary of the Federal Prevailing Rate Pay System, and we hatched a little idea we want to share with people. So, Mark, why don't you tell people about that.

MR. ALLEN: I believe that Charlie and I had a discussion about the history of the prevailing rate concept within the Federal Government quite a number of years ago. It may have been around the 140th anniversary of the concept. I think it is a concept that has worked very well. It's stood the test of time.

It originated in 1862 in naval shipyards during the Civil War, but we're not aware that a whole lot of academic research has been done into how the pay of Federal blue collar workers has been maintained over the years.

I came across what looked like the beginnings of a doctoral dissertation that somebody from Columbia University worked on, but we had an idea -- Sheldon and I talked about this -- that it might be a good idea to suggest to somebody in the academic community that it become a subject for further investigation.

The particular doctoral dissertation that I came across had to do with the Brooklyn Naval Shipyard, which, of

course, is long gone, as are a lot of the other shipyards. I think there's a lot of history behind how labor made those shipyards work and made other Federal activities work well.

So I guess we wanted to throw out the idea to get the Committee's opinion if you think it's a good idea to put a suggestion out there to have a graduate student who might be interested in a general area of labor history to write something.

CHAIRMAN FRIEDMAN: We are thinking there are folks right in town here. So, for example, at Georgetown University, there is a very good labor historian that has students who might be looking for topics, but we don't want to start exploring this without the Committee's input and concurrence.

MR. BERNHARDT: I think it could be a really interesting study, Mr. Chairman.

One of the earliest recorded strikes against the Federal Government took place at one of those shipyards, and a couple of years after that, the unionized shipyards were getting a better deal than the nonunionized shipyards. I think that could be an interesting subject for study. I'd like to read it when it's done.

CHAIRMAN FRIEDMAN: Any other thoughts on that?

MR. FISHER: Do we have an idea how we publicize or request interest from people that might want to write it or look at the issue?

CHAIRMAN FRIEDMAN: I think we'd probably get ideas about that from some of the professors we'd contact. I know, for example, that they have professional organization of labor historians. The Labor Historians have their professional organization with a LISTSERV, and they could put the word out that way, asking if there is any student who might be interested in this topic.

I think once it looks like this might be of interest, if it does look like it's going to be of interest, we could also share something in writing with the Committee, and people on the Committee might have ideas about how to publicize it as well.

So unless somebody thinks it's a bad idea, Mark and I will work on that.

That brings up the approval of the transcript from our last meeting. Are there any other changes or edits beyond those that people have already sent in to Madeline?

[No audible response.]

CHAIRMAN FRIEDMAN: Any objection to adopting the transcript?

[No audible response.]

CHAIRMAN FRIEDMAN: Hearing none, the transcript is adopted.

We have a number of Old Business items, most of which have been moved over into our work group that's going to convene after the end of this meeting, but if there's any of these old business items that people want to discuss in here now, we certainly can do that. So the floor is open.

[No audible response.]

CHAIRMAN FRIEDMAN: Just leave them in the work group then? Okay.

We have one New Business item, and that's the definition of the Rochester, Minnesota, Metropolitan Statistical Area, 577-MGT-1, which people should have received in advance.

Mark, would you summarize that one for us, please?

MR. ALLEN: Sure. I'll cover this one just very briefly. I think it's most likely one we'll have consensus on.

The Rochester, Minnesota, MSA is currently split between the Minneapolis-St. Paul, MN, and Southwestern Wisconsin wage areas. Dodge, Olmstead, and Wabasha Counties, MN, comprise the Rochester, MN MSA. Dodge and Olmstead Counties are part of the area of application of the Minneapolis-St. Paul wage area

and Wabasha County is part of the area of application of the Southwestern Wisconsin wage area. We have a map associated with this package. There are no employees affected by the recommendation. The management members recommend that Wabasha County be redefined to the Minneapolis-St. Paul wage area based on an analysis of the regulatory criteria. Redefining Wabasha County to the Minneapolis-St. Paul area of application would place the entire Rochester, MN MSA in the Minneapolis-St. Paul wage area. There are 33 Federal wage system employees who are located in Olmsted County, which is already in the Minneapolis-St. Paul wage area. 30 of those employees work at the Bureau of Prisons with 29 employees being members of AFGE, and 3 employees work at the Department of the Army, with 2 employees being members of ACT.

CHAIRMAN FRIEDMAN: Any questions or discussion?

Steve Fisher: I didn't have any issue with it. I reviewed it.

CHAIRMAN FRIEDMAN: Gina, have you looked at that one? Are you there?

MS. LIGHTFOOT-WALKER: Yeah, I'm here, and, no, I haven't had a chance to really look at it. So I don't have any comments. Sarah didn't leave me with any instructions on this,

so --

CHAIRMAN FRIEDMAN: We're light on our numbers here today.

MS. LIGHTFOOT-WALKER: Sorry?

CHAIRMAN FRIEDMAN: We're a little bit short on numbers of members here today. I don't know. Maybe we should just defer this one.

MR. ALLEN: I think that's okay. We don't have --

CHAIRMAN FRIEDMAN: I'm going to find out why people -
- why we're a little bit shorthanded.

All right. Well, that being the case, unless there's -- any other New Business?

[No audible response.]

CHAIRMAN FRIEDMAN: Well, Carlos, we're going to miss you.

MR. SAAVEDRA: Well, thank you.

CHAIRMAN FRIEDMAN: I hope you've got some good plans, and thank you for many years of service. Feel free to say anything you want to say at this point.

MR. SAAVEDRA: What I've been telling folks for a while, because I'm really good at doing nothing, I'm going to do nothing and enjoy it, and then I'll see what I choose to do, but

thank you. It's been great, all the folks that I worked with here at FPRAC through the years, and it's been a privilege representing the Department of the Navy.

I began my career with Air Force and worked with folks at DoD and the Navy. So I'm a DoD guy, and I'll leave it at that, but thank you. Good luck to all of you. I hope you enjoy doing nothing as much as I'm going to.

[Laughter.]

MR. SAAVEDRA: At least for a while.

MR. ALLEN: Thanks for everything, Carlos.

CHAIRMAN FRIEDMAN: Jim?

MR. BRADY: Yes. If you don't mind, I'd like to say a few words for the Department of Defense.

We regret that the FPRAC member for the Department of Defense couldn't be here today. He was called to an urgent meeting early this morning, but Carlos, we thank you for your service, your interest, and all of your contributions over the years. Your service has been absolutely exemplary, and our gratitude is immense. Thank you very much.

MR. SAAVEDRA: Thank you.

MR. BRADY: And good luck.

CHAIRMAN FRIEDMAN: All right. Well, there are no

other New Business items, and if there's no objection to adjourning, we can do that.

[No audible response.]

CHAIRMAN FRIEDMAN: And hearing no objection, we're adjourned, and then in 10 minutes, we'll have a work group meeting.

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