

FEDERAL PREVAILING RATE ADVISORY COMMITTEE

626th FPRAC

JILL L. NELSON, Chair, Presiding

Thursday, July 18, 2019

Room 5526
Office of Personnel Management
Washington, D.C. 20415**ATTENDANCE:****Members/Alternates:**Management Members:Mark Allen, OPM
Christopher Lynch, DoD
Virginia Reynolds, Air Force
Gary Buck, Army
Karen Hannah, VALabor Members:Jacque Simon, AFGE (via phone)
Richard Loeb, AFGE
Robert Shore, NAGE (via phone)
Travis Kielty, ACT**Staff Specialists and Visitors:**Brenda Roberts, Designated Federal Officer, OPM
Madeline Gonzalez, OPM
Brian Bauer, DoD
Leticia DavidQuintero, Navy
Leah Brady, VA (via phone)
Sheila Willis, VA**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

CHAIR NELSON: Good morning, everyone. This meeting will come to order.

This is the 626th meeting of the Federal Prevailing Rate Advisory Committee. It's now 10:03. We're doing well.

The meeting is being recorded on improvised recorders, and a transcript will be provided to the members, off the improvised recorders.

My name is Jill Nelson, Chair of this Committee. We'll start with introductions. We'll start with Union first.

MR. KIELTY: My name is Travis Kielty, with the Association of Civilian Technicians.

MR. LOEB: Richard Loeb, policy counsel with AFGE.

CHAIR NELSON: We'll now go to the Management Side.

MR. ALLEN: Mark Allen with OPM.

MR. LYNCH: Christopher Lynch, Department of Defense.

MS. REYNOLDS: Virginia Reynolds, Air Force.

MR. BUCK: Gary Buck, Department of Army.

MS. HANNAH: Karen Hannah, VA.

CHAIR NELSON: And we have several people on the phone. Could you go ahead and introduce yourselves?

MS. BRADY: Leah Brady with VA.

MR. SHORE: Rob Shore with NAGE.

CHAIR NELSON: I guess we only have two at the moment.

Let's go ahead and go down around the side.

MS. ROBERTS: Brenda Roberts, OPM, Designated Federal Officer.

MS. DAVIDQUINTERO: Leticia DavidQuintero, Department of the Navy.

MS. WILLIS: Sheila Willis, VA.

MR. BAUER: Brian Bauer, DoD.

MR. EICHER: Mike Eicher, OPM.

MS. PAUNOIU: Ana Paunoiu, OPM.

MS. GONZALEZ: Madeline Gonzalez, OPM.

CHAIR NELSON: Thank you. If we hear someone else come on, we'll have to jump at that one.

Announcements. The only announcement I have is like I'm glad most of you have jackets.

[Laughter.]

CHAIR NELSON: It's a little nippy, and Mike has even got his snowman tie on in honor of the fact that it's cold in this room, but what can I say?

MR. EICHER: Well, after being outside, this feels great.

CHAIR NELSON: It feels good. Okay.

MR. EICHER: It feels wonderful.

CHAIR NELSON: I have no formal announcements. Does anyone have an announcement to make today?

[No audible response.]

CHAIR NELSON: No? Okay.

Let's review the minutes of the 625th meeting held on June 20th. OPM received no edits on this transcript. Are there any edits offered today?

[No audible response.]

CHAIR NELSON: It doesn't look like it. So seeing and hearing none, the Chair will entertain a motion to accept the minutes of the 625th meeting.

MR. ALLEN: Move to accept.

MR. LOEB: Second.

CHAIR NELSON: Moved and seconded. So we have accepted the minutes.

We are going to move on to Old Business, and I have a feeling we're going to jump around probably a little bit. But let's start with the NAGE, the March 9, 2016, request to reexamine the placement of Wage Grade employees working in Shawnee County.

I know Rob has been asking for a vote on this; however, this agenda item is still tied up with the broader recommendation, where a new cost analysis study has been requested.

Mark, do you have anything to say on that?

MR. ALLEN: No. I haven't heard from Jacque who had entertained the idea of asking for additional information beyond the costing we did a few months ago.

CHAIR NELSON: She was asked to submit that in writing to you. You haven't received that yet?

MR. ALLEN: No, I haven't seen it yet.

CHAIR NELSON: Okay. So, Rob, I'm assuming we're deferring this item again. I don't think we have enough members here to vote.

MR. SHORE: Yeah. I mean, I would request the same thing, but I think you beat me to the punch.

CHAIR NELSON: Okay. Let's go ahead and do that, and to be honest with you, I don't think we have a quorum for a vote anyhow.

MR. ALLEN: I was going to do a parliamentary inquiry, but thank you, Chair Nelson, for recognizing that.

CHAIR NELSON: Yeah. So there won't be votes done today.

The definition of Pitt County, we have been deferring that because Jacque has wanted President Cox here to address this issue, and he is not present in the room and not called in, so—

MR. ALLEN: I feel him in spirit.

[Laughter.]

CHAIR NELSON: Okay, J. David.

MR. LOEB: Not as much as I do.

[Laughter.]

CHAIR NELSON: So I'm assuming we're deferring this one again.

MR. LOEB: AFGE would respectfully request that it be deferred.

CHAIR NELSON: Okay. Now we're on to letter (c), which brings this whole issue right back up in front again. That is the request to review a proposal to not allow the Federal Wage System boundaries to split the General Schedule locality pay areas.

At last month's meeting, AFGE requested a new cost estimate for this proposal. Jacque agreed to put the request in writing. Mark has just told us all that he hasn't received Jacque's written request. So I'm assuming we're deferring this one too?

MR. LOEB: It would appear that way. I will bring all this back to Jacque, with whom hopefully I'll be speaking momentarily after this meeting or certainly sometime today.

CHAIR NELSON: Please. Because, I mean, we can't move forward with—

MR. LOEB: I understand completely. Nobody knows how to nag her better than

me.

CHAIR NELSON: Well, thank you. You've just been assigned a nagging detail.

MR. LOEB: That's my full-time job.

CHAIR NELSON: On the definition of Columbia , Missouri, Metropolitan Statistical Area, at the last meeting, Mark discussed the item and stated that Management's recommendation is to keep the metropolitan area whole, as stated in the regulations, and that the best solution is to have Cooper and Howard Counties both added to the St. Louis wage area.

Jacque moved the counties be added to Kansas City.

There was no consensus.

Union asked for this item and asked Management to give it a little more thought in consideration for the possibility of Kansas City.

Mark, do you have any update on this?

MR. ALLEN: I would say if we're going by the letter of the regulations, the Management proposal would be the one that should be followed by OPM.

But having said that, there is prior history to this issue, and back in—I believe it was 2008 —there was a review of the Columbia, MO MSA, which was tabled after there was no consensus on the issue. Basically, we knew at that time there was a split in the metropolitan area, and the Management members agreed with the Labor members to go ahead and just not make any changes.

I think we have to have a really clear-cut reason to change the St. Louis wage area, and frankly, I'm not seeing a good reason to move Boone County into the Kansas City wage area.

Jacque at the last meeting had said it was a toss-up. I don't really see this one as

being a toss-up necessarily, but I would say that we do need a good reason to move a substantial number of employees into a different wage area.

So one option is to just table this one and leave the two fairly rural counties in the Kansas City wage area.

We have followed this course of action in a couple of other cases, where we have a wage area that has a metropolitan area on the very outskirts of the wage area, and it's split between a city with one or two counties that are fairly rural. But because of quirks in metropolitan area definitions and how they're done, those counties are added into the metropolitan area. But I don't think anybody would really think that they are metropolitan, but that's not really how the metropolitan area definitions work. They do add some rural areas to the metropolitan areas.

But that was not the original way the statutory intent or the regulatory intent was back when the pay system was established because the metropolitan areas were much smaller than they are these days.

CHAIR NELSON: So you would like to table this one or defer it until another meeting?

MR. ALLEN: I am interested in discussion with many of the members about that.

MR. BUCK: I'm fine with it.

MR. LYNCH: I have no objection.

MR. LOEB: I think AFGE would like to ask that those be deferred.

CHAIR NELSON: Deferred? Okay.

Are you okay with that?

MR. ALLEN: Yes.

CHAIR NELSON: Okay. Moving on to the New Business. We gave the Definition of the Fort Smith Metropolitan Statistical Area, and that's in your folders. It is 626-MGT-1.

Mark, do you want to brief us on this agenda item?

MR. ALLEN: Sure. This was also one that has been on the agenda in previous years.

In this case, we don't think it's a good idea to split Fort Smith in between two wage areas. So what we are recommending is that Crawford, Sebastian, and Sequoyah Counties continue to be defined to the Tulsa, Oklahoma, wage area.

Several years ago, there was a change that moved some of these counties from the Little Rock, Arkansas, wage area to the Tulsa wage area.

Franklin County should continue to be defined to the Little Rock wage area, but part of it includes Fort Chaffee, which has a tiny part of it located in Franklin County. There are now a few employees there.

Given the standard operating rules of the Federal Wage System, we don't think it's a good idea to have a single installation split between two wage areas, so we recommend moving that part of Franklin County into the Tulsa wage area. The rest of Franklin County should, however, stay in the Little Rock wage area so as not to split the Ozark National Forward between wage areas.

CHAIR NELSON: Any discussion on this?

MR. LOEB: My only question for Mark is, this is three employees at Wage Grade 9?

MR. ALLEN: That is correct, yes.

MR. LOEB: That's it. I mean, I will have to go back because this is the first time we've seen it, and also because this does seem to involve splitting a county, as I understand it.

MR. ALLEN: Yes.

MR. LOEB: Okay. I will ask and bring this back. I don't see any real issue with the three Wage Grade 9's.

CHAIR NELSON: Actually, from what I was looking at, after they get past Step 2, there is a definite increase.

MR. LOEB: Right. It is an interesting wage table, but I want to run it by—

CHAIR NELSON: Stop a second.

It sounds like we've had somebody else come on. Has somebody else come on to the meeting?

MR. EICHER: Can I ask who just joined the phone call?

MS. SIMON: Yes. This is Jacque Simon.

CHAIR NELSON: Thanks, Jacque.

Okay. I didn't mean to cut you off, Richard.

MR. LOEB: Hi, Jacque. We are discussing the new case that splits one of the counties, and the Chair was pointing out that the three affected employees who are Wage Grade 9 would actually be moved to the Tulsa, Oklahoma, wage area, which—

MS. SIMON: I'm sorry. I don't know if you can hear me, but I can't hear you.

MR. LOEB: Okay.

MR. ALLEN: That is because the phone is all the way over there.

MR. LOEB: That could be one reason.

CHAIR NELSON: We are having technology issues today.

MS. SIMON: I'm sorry.

MR. LOEB: But I understand the impact on those three employees, and it is a positive one. But I would want to just check back. The two issues obviously are the lower wage grades, although there is nobody at that wage grade.

Also, the splitting of the county issue, I want to just discuss that maybe when we have a—I can actually be heard.

MR. ALLEN: I will just mention—

CHAIR NELSON: Speak loud.

MR. ALLEN: Hi, Jacque. Can you hear me?

MS. SIMON: Hi. Yes. I mean, I can hear you because you're yelling. That's the only reason I can hear you.

MR. ALLEN: Okay. The current definition of the wage area has Franklin County, Arkansas, as part of the Little Rock wage area. The decision to split the Fort Smith, Arkansas, MSA was made several years ago so that the employees who were closer to Tulsa at Fort Chaffee could go into the Tulsa wage area. However, the employees who were working at the Ozark National Forest in Franklin County, with Franklin County being closer to Little Rock than Tulsa, we did not want at that time to split the employees into two separate wage areas if they're working at the Ozark National Forest.

Since that time, there are now three employees in Franklin County who are in a sliver of Fort Chaffee that extends into Franklin County, and the Management members think it's not a good idea to have those employees separated from the rest of their coworkers in the majority of the installation. It's just a standard operating procedure.

CHAIR NELSON: Do you have any comments on it, Jacque or Rob?

MS. SIMON: Well, I don't think we're ready to take a vote on it today. I want to have a chance to look into it a little more.

MR. LOEB: Jacque, it's Richard. That's exactly what I said.

The other thing is I'm not sure we have a—

CHAIR NELSON: We don't have a quorum.

MR. LOEB: We don't have a quorum. That is why we are going to discuss it, just simply examining it some more, so thank you.

CHAIR NELSON: Okay. So let's go ahead and defer this item.

At this point, we've moved through our agenda pretty rapidly, and we have a lot on the calendar for August, don't we?

Future meeting dates are set forth on the agenda.

Since we have covered everything, is there a motion for adjournment?

MR. LOEB: Motion to adjourn.

CHAIR NELSON: Do we have a second?

MR. ALLEN: And a second.

CHAIR NELSON: All in favor of adjourning?

[Chorus of ayes.]

CHAIR NELSON: Thank you.