STATE OF ILLINOIS – DEPARTMENT OF LABOR 160 N. LASALLE ST., STE. C-1300 CHICAGO, ILLINOIS 60601

IN THE MATTER OF:)
KYLER MOORE AND JOSEPH ALEX GALVAN AS MEMBERS OF LOCAL 146 OF THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO))))
PETITIONER(S),) STATE FILE NO. 2019-H-PK09-2305
v.) DATE OF NOTICE: 10/2/2018
JOSEPH BEYER, DIRECTOR OF THE) CERT. MAIL/RETURN RECEIPT:
ILLINOIS DEPARTMENT OF LABOR, and THE ILLINOIS DEPARTMENT OF LABOR,	7017 2620 0001 0467 7079
RESPONDENTS.)
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NOTICE OF HEARING

PLEASE TAKE NOTICE that Joseph Beyer, Director of the Illinois Department of Labor, and the Illinois Department of Labor [hereinafter, "Respondents"] have received from Local 146 International Brotherhood of Electrical Workers, AFL-CIO and Kyler Moore and Joseph Alex Galvan, as members of Local 146 International Brotherhood of Electrical Workers, AFL-CIO, [hereinafter, "Petitioner(s)"] written objections to the prevailing wage determinations posted by the Department on its website on August 15, 2018, and a request for hearing on those objections pursuant to Section 9 of the Prevailing Wage Act [hereinafter, "IPWA" or "Act"], 820 ILCS 130/0.01 et seq.

Pursuant to the PWA, Article 10 of the Illinois Administrative Procedure Act, 5 ILCS 100/10-5 et seq., and 56 III. Admin. Code 120.100 et seq., Respondents will convene a hearing on:

DATE:

OCTOBER 25, 2018

TIME:

2:00 P.M.

PLACE:

ILLINOIS DEPARTMENT OF LABOR

160 NORTH LASALLE STREET, SUITE C-1300

CHICAGO, ILLINOIS 60601

ADMINISTRATIVE LAW JUDGE:

CLAUDIA MANLEY
CHIEF ADMINISTRATIVE LAW JUDGE
ILLINOIS DEPARTMENT OF LABOR
160 NORTH LASALLE STREET, SUITE C-1300
CHICAGO, ILLINOIS 60601

The hearing involves the written objections and hearing request filed by Petitioner(s), attached hereto and made a part hereof (Exhibit A).

The parties and their respective representatives must be prepared to proceed at the hearing. The parties must present all information, documents, records or witnesses necessary to substantiate their position(s) at the hearing.

Pursuant to 56 Illinois Administrative Code 120.640, the administrative law judge shall issue a Decision and Order. In the event no timely or proper exceptions are filed, the findings, conclusions, recommendations and order of the administrative law judge shall automatically become the decision and order of the Director of Labor.

The proceedings are subject to judicial review in accordance with the provisions of the Administrative Review Law, 735 ILCS 5/3-101 et seq. The Director of Labor's determination on the objections is final and binding unless a party to this proceeding applies for and obtains judicial review of the final administrative decision in accordance with the provisions of the Administrative Review Law.

Joseph Beyer

Director of Labor

STATE OF ILLINOIS — DEPARTMENT OF LABOR CONCILIATION/MEDIATION DIVISION 160 N. LASALLE ST., STE. C-1300 CHICAGO, IL 606011

IN THE MATTER OF:	
LOCAL 146 OF THE INTERNATIONAL BORTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO, and KYLER MOORE as a Member of LOCAL 146 OF THE INTERNATIONAL BORTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO, and JOSEPH ALEX GALVAN as a Member Of LOCAL 146 OF THE)))) STATE FILE NO.:))
INTERNATIONAL BORTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO,	1019-H-PK09-2305
Petitioners,)
V.))
JOE BEYER, DIRECTOR OF LABOR and the ILLINOIS DEPARTMENT OF LABOR,	EXHIBIT A
Respondents.))

OBJECTIONS AND REQUEST FOR SECTION 9 HEARING

Petitioners Local 146 of the International Brotherhood of Electrical Workers, AFL-ClO, and Kyler Moore as a member of Local 146 of the International Brotherhood of Electrical Workers, and Joseph Alex Galvan, as a member of Local 146 of the International Brotherhood of Electrical Workers, by and through their undersigned attorney, hereby object to the Illinois Department of Labor's ("the Department") August 15, 2018 Prevailing Wage Schedule and request the Department to correct the published rates as set forth herein or, alternatively, request a hearing pursuant to

Section 9 of the Prevailing Wage Act. 820 ILCS §130/9. In support of this objection, Petitioners state as follows:

- 1. Local 146 of the International Brotherhood of Electrical Workers, AFL-CIO (hereinafter "Local 146" or the "Union") is an unincorporated association with its principal office in Decatur, Illinois and is a labor organization representing individuals performing work as inside electricians and systems technicians in counties in central Illinois. Local 146 files these objections on behalf of itself and its members.
- Local 146's jurisdiction covers the following counties or portions thereof:
 Christian, Coles, Cumberland, Dewitt, Douglas, Effingham, Fayette, Macon,
 Montgomery, Moultrie, Piatt, and Shelby.
- 3. Local 146 represents workers in the following trades subject to the prevailing wage: Electrician and Electronic Systems Technician.
- 4. Local 146 is party to collective bargaining agreements ("CBAs") setting forth terms and conditions of employment, including wages and fringe benefits in all of the classifications and in all of the counties covered in these objections.
- 5. From time to time, Local 146 refers applicants to perform work on public works jobs in the classifications and counties covered by these objections.
- 6. Kyler Moore is a member of Local 146 and from time to time performs work on public works projects as an inside wireman in a county covered by these objections under Local 146's collective bargaining agreements.
- 7. Joseph Alex Galvan is a member of Local 146 and from time to time performs work on public works projects in a classification and in a county covered by these objections under Local 146's collective bargaining agreements.

- 8. For years, in furtherance of the Section 9 process, Local 146 submitted prevailing wage certification forms listing collectively bargained wage rates and fringe benefits for inside electrician and system technician classifications in various Illinois counties to the Department in May or June of each year.
- 9. Historically, and as recently as last year, the Department has accepted Local 146's submissions and have used the information provided by Local 146, including the wage and fringe benefits paid to Local 146 represented employees in the applicable classifications as set forth in Local 146's CBAs, to set the prevailing rate of wages for those classifications in the counties covered by these objections.
- 10. On or around May 31, 2018, the Department posted an online survey with links to a "Contractor Survey" and a "Union Survey" by which entities and persons could submit information about wages and fringe benefits on public works jobs.
- 11. The Contractor Survey includes a field to report the number of workers in a trade and county who performed work on public works jobs from 6/1/2017 to 5/31/2018. It also includes a field to report the total hours worked by all employees in a trade and county on public works jobs from 6/1/2017 to 5/31/2018.
- 12. The Union survey includes a field to report the number of workers in a trade and county who performed work on public works jobs from 6/1/2017 to 5/31/2018. It does <u>not</u> include a field to report the total hours worked by all employees in a trade and county on public works jobs from 6/1/2017 to 5/31/2018.
- 13. A representative of Local 146 timely completed and submitted the Union Survey, showing the wage and fringe rates for the classifications and counties covered by this objection.

- On August 15, 2018, the Department published the Current Prevailing
 Wage Rates on its website.
- 15. On August 17, 2018, the Union notified the Department of errors in the Current Prevailing Wage Rates.
- 16. On or around August 21, 2018, the Department posted information on its website, providing an explanation of the methodology used by the Department for determining the statewide rates the Department published on August 15, 2018, as well as a spreadsheet listing all survey submissions that were considered in determining the published rates.
- 17. Among other things, the methodology sets forth criteria upon which the Department based its determination for each "combination," meaning each category of work in each county, stating:
 - If the Department received one—and only one—valid response from a contractor for the combination, the Department published the wage and fringe benefit rates contained in that response as the prevailing wage rates for the combination.
 - If the Department received more than one valid response from contractors for the combination, the Department published the wage and fringe benefit rates contained in the response submitted by the contractor indicating that it had worked the most hours in the combination between June 1, 2017 and May 31, 2018 as the prevailing wage rates for the combination.
 - If the Department received no valid responses from contractors, and a valid response from one—and only one—union, for the combination, the Department published the wage and fringe benefit rates contained in that response as the prevailing wage rates for the combination.
 - If the Department received no valid responses from contractors, and a valid response from more than one union, for the combination, the Department published the wage and fringe benefit rates contained in the response submitted by the union who, Department records indicated, had, in prior years, submitted wage and fringe benefit rates that the Department

- had published as the prevailing wage rates for the same combination in those years.
- Finally, if the Department received no valid responses at all for the combination, the Department republished the previously published rates for the combination.
- 18. The methodology changed the process by which the Department investigated and ascertained the prevailing wage rate, and in particular used different criteria than in the past to prioritize responses from contractors and to discount responses from unions and contractor associations.
- 19. The Department did not notify the Union in advance of this change in methodology.
- 20. Petitioners object to the prevailing wages rates published on August 15, 2018.
- 21. Attached hereto as Exhibit 1, and incorporated herein, is a summary of Petitioners' objections, showing the rates of each classification, in each county, to which the Union objects and also showing the correct prevailing wage rate for that classification as of June 2018. (Exhibit 1 does not reflect any increases in wages and fringes that occurred after June 2018. Petitioners attach a separate Exhibit 2 for rates that changed after June 2018.)
- 22. Some of the rates to which the Petitioners object are incorrect either due to errors made in responses submitted by Local 146 contractors or possibly errors by the Department in transcribing data. These errors include but are not limited to:
 - a. Rates do not reflect increases;
 - b. Rates include the wrong rate or no rate for foreman;

- c. Rates are for the wrong quadrant or portion of a county or the 2017 rates were used because data was ascribed to the wrong quadrant or portion of a county;
- d. Rates for overtime are omitted or incorrect:
- e. Rates show the wrong amount for a fringe benefit, do not include certain fringe benefits, or include amounts that should not be included as a fringe benefit.
- 23. The Union is in the process of contacting signatory contractors to request that they contact the Department with the appropriate corrections to the extent a contractor submitted incorrect information. But, even if a contractor fails to provide this information, the Department should make the requested corrections.
- 24. The rates for electrician and electronic systems tech for Fayette county are incorrect. Local 146 represents the employees in the northern part of the county and the Department should use Local 146's rates to set the prevailing wage for that part of the county.
- 25. The rates for electronic systems tech for several other counties are wrong to the extent they are for the entire county. Petitioners seek their rates for the portion of the county in Local 146's jurisdiction.
- 26. The other rates to which the Petitioners object are based on information submitted by non-signatory contractors. Petitioners object to these rates as being the "prevailing rate" for a variety of reasons including but not limited to:
 - a. The Department deviated from past practice and the status quo by not using the wage and fringe benefits paid to Local 146 represented

- employees, as set forth in Local 146's CBAs, to determine the prevailing rate of hourly wages for the classifications in the counties.
- The Department failed to give notice to Local 146 that it had changed its methodology.
- The Department failed to engage in required rule-making to change its methodology.
- d. The Department arbitrarily and unreasonably determined to favor responses from one - and only one - contractor over responses from a union or a contractor association.
- e. The Department apparently relied on rates paid by the non-signatory contractor at the time of the work in question rather than consider any increases since that time.
- f. The Department failed to properly consider or ignored information submitted by Local 146 and a contractor association about the number of workers in a trade and county who performed work on public works jobs.
- g. The Department failed to give Local 146 the opportunity to submit information about the total hours worked by all employees in a trade and county on public works jobs.
- 27. In some instances, the Department accepted wage and fringe data submitted by a single contractor, showing only a few hours of work, to set the prevailing rate of wages for a particular classification in a particular county.

- 28. In addition, the Department in relying on rates reportedly paid by the contractor at the time of the work in question is effectively freezing the prevailing wage at last year's rate, when the Department should consider any increases as of the month of June 2018.
- 29. Petitioners also object to all the rates in all the classifications and counties in the Union's jurisdiction if they do not require overtime at time and one-half after eight hours on Monday through Friday. The Union's CBAs require time and one-half after eight hours. (Exhibit 1 does not include this correction for every classification in every county.)
- 30. Based on the Act, as confirmed by past practice, the wage and fringe benefits paid to Local 146 represented employees, as set forth in Local 146's CBAs, determine the prevailing rate of hourly wages for the classifications in the counties.
- 31. Furthermore, and in fact, the wage and fringe benefits paid to Local 146 represented employees, as set forth in Local 146's CBA's are the most frequently paid wage and benefit rates to employees on public works in the classifications and counties covered by this objection.
- 32. Finally, effective September 1, 2018, the wage and fringe rates for the electronic system tech classification increased. Petitioners seek to include these increases in this classification in all counties in Local 146's jurisdiction. Attached hereto as Exhibit 2 is a chart showing these increased wage and fringe rates.
- 33. Under Section 9 of the Act, the Department may correct the rates and publish corrected rates following a hearing.

34. Under Section 9 of the Act, "[n]othing prohibits the Department from publishing prevailing wage rates more than once per year."

35. Local 146 signatory contractors are at a competitive disadvantage resulting from the Department's published prevailing wage rates.

36. Local 146 and its members are harmed by the Department's published prevailing wage rates, in that they could lose work opportunities on public works jobs, and in the form of downward pressure placed on their wages and benefits due to the Department's determinations.

37. Petitioners request that the Department correct the existing Prevailing Wage Schedule to reflect the correct prevailing wage rates as set forth herein and Exhibits 1 & 2.

38. Alternatively, Petitioners request a hearing on these objections and a ruling that that rates as set forth herein and Exhibits 1 & 2 are the prevailing wage rates for the classifications and counties covered by this objection.

For the reasons set forth above, Petitioners object to the prevailing wage rates as described herein, and for the reasons set forth herein. Petitioners request that the Department correct the published rates or, alternatively, request a hearing on these objections pursuant to Section 9 of the Prevailing Wage Act (820 ILCS 130/9).

Respectfully submitted.

Christopher N. Grant (III. Bar #6277560)

Schuchat, Cook & Werner 1221 Locust Street, 2nd Floor St. Louis, Missouri 63103

(314) 621-2626

(314) 621-2378 (fax) cng@schuchatcw.com

September 14, 2018

cc: Josh Sapp, via e-mail Paul Noble, via e-mail

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IBEW Local #146 3390 N. Woodford St. Decatur, IL 62526 SCI TELECOMMUNICATIONS AGREEMENT

www.lbew146.com WAGE-FRINGE SUMMARY

217-877-5204 (fax)

217-877-4604

Effective September 1, 2018 - August 31, 2019

Contract expires August 31, 2021

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Classification	Base Rate	Hourly	Pension	Heallh &	NEBF	Sub-total	JATC	AMF	NLMCC	Total Package
			6.12	Welfare	3%			0,20	0,01	•
	34.49			7.05						
Installer Technician	100%	34,49	6.12	7.05	1.04	48.70	0.40	0,20	0,01	49.31
Foreman = IT + \$2.00		36.49	6,12	7.05	1.09	50.75	0.40	0.20	0.01	51.36
Apprentices										
0- 800 Hours	45%	15.52	n/a	7.06	0.47	23.04	0.40	0.20	0.01	23,65
801 - 1600 Hours	50%	17.25	6.12	7.05	0.52	30.94	0,40	0.20	0.01	31.55
1601 - 2400 Hours	%09	20,69	6.12	7.05	0.62	34.48	0,40	0.20	0.01	35.09
2401 - 3200 Hours	65%	22.42	6.12	7.05	0.67	36.26	0.40	0.20	0.01	36,87
3201 - 4000 Hours	75%	25.87	6,12	7.05	0.78	39.82	0.40	0.20	0.01	40.43
4001 - 4800 Hours	80%	27.59	6,12	7.05	0.83	41.59	0.40	0.20	0.01	A7 70

NECA Members pay a 5/10% service charge - 3701 S. 6th St. Road, Springfield, IL 62703

All reporting and funds are due in respective offices by the 15th of the month. Contact NECA 1-800-252-8922 for access to aprLive

NECA-IBEW Pension Trust Fund -- \$5.99/hour worked

NECA-IBEW Welfare Trust Fund -- \$7.05/hour worked 2120 Hubbard Ave., Decatur, IL 62526

2120 Hubbard Ave, Decatur, IL 62526

Midstate Electrical Training Center - \$0.40 per hour worked

(paper forms must be submitted with remittance)

3390 N. Woodford St., Decatur, IL 62526

NEBF - 3% of gross labor payroll

Illinois Employees Benefit Board II.7

3701 S. 6th St. Road, Springfield, IL 62703

Administrative Maintenance Fund - \$0.20/hour worked

3701 S. 6th St. Road, Springfield, IL 62703

NLMCC - \$0.01/hour worked 3701 S. 6th St. Road, Springfield, IL 62703

The following must have paper reports submitted along with separate checks mailed to 3390 N. Woodford St., Decatur, IL 62526

Deductions from Employee's check:

Working dues/assessments -- 4% of gross wages

PAC Contributions--voluntary cents/hour worked

401(k) Plan--voluntary % of gross wages (pre-tax federal & state)

|BEW Local #146 Credit Union -- voluntary % or \$/week

IBEW Local #146 PAC Lincoln Financial Group

IBEW Local #146

check payable to:

IBEW Local #146 Credit Union

EXHIBIT ENGINEES

CERTIFICATE OF SERVICE

Kyler Moore and Joseph A. Galvan/ Local 146 IBEW, AFL-CIO c/o Christopher N. Gant, Esq. Schuchat, Cook & Werner 1221 Locust Street, 2nd Floor St. Louis, Missouri 63103 cng@schuchatcw.com

Via messenger:

Joseph Beyer Director of Labor Illinois Department of Labor 160 N. LaSalle St., Ste. C-1300 Chicago, IL 60601

Illinois Department of Labor c/o Benno Weisberg General Counsel Illinois Department of Labor 160 N. LaSalle St., Ste. C-1300 Chicago, IL 60601

Subscribed and Sworn to this

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UCT.

2018

Notary Public

Official Seal Laura Mary Kotelman Notary Public State of Illinois My Commission Expires 12/03/2019