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

IN THE MATTER OF:	)
GEORGE DANNENBERBER & MARTIN BEDOLLI AS MEMBERS OF LOCAL 193 OF THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO	) ) ) )
PETITIONER(S),	) STATE FILE NO. 2019-H-PK09-2306
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 7086
RESPONDENTS.	) ) 

### 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 193 International Brotherhood of Electrical Workers, AFL-CIO and George Dannenberber and Martin Bedolli, as members of Local 193 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 Ill. 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 193 OF THE INTERNATIONAL BORTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO, and GEORGE DANNENBERBER, as a Member of LOCAL 193 OF THE INTERNATIONAL BORTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO, and MARTIN BEDOLLI as a Member of LOCAL 193 OF THE INTERNATIONAL BORTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO,	STATE FILE NO.:  2019-H-PK09-2306
Petitioners,	
٧.	<i>)</i>
JOE BEYER, DIRECTOR OF LABOR and the ILLINOIS DEPARTMENT OF LABOR,	EXHIBIT A
Respondents.	) )

# OBJECTIONS AND REQUEST FOR SECTION 9 HEARING

Petitioners Local 193 of the International Brotherhood of Electrical Workers, AFL-CIO, and George Dannenberger, as a member of Local 193 of the International Brotherhood of Electrical Workers, and Martin Bedolli, as a member of Local 193 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 193 of the International Brotherhood of Electrical Workers, AFL-CIO (hereinafter "Local 193" or the "Union") is an unincorporated association with its principal office in Springfield, Illinois and is a labor organization representing individuals performing work as inside electricians and electronic systems technicians in counties in central Illinois. Local 193 files these objections on behalf of itself and its members.
- 2. Local 193's jurisdiction covers the following counties of portions thereof: Scott, Sangamon, Morgan, Montgomery, Menard, Mason, Macoupin, Logan, and Cass.
- 3. Local 193 represents workers in the following trades subject to the prevailing wage rates: Electrician and Electrical Systems Technician.
- 4. Local 193 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 193 refers applicants to perform work on public works jobs in the classifications and counties covered by these objections.
- 6. George Dannenberger is a member of Local 193 and from time to time performs work on public works projects as a wireman in a county covered by these objections under Local 193's collective bargaining agreements.
- 7. Martin Bedolli is a member of Local 193 and from time to time performs work on public works projects as a systems tech in a county covered by these objections under Local 193's collective bargaining agreements.

- 8. For years, in furtherance of the Section 9 process, Local 193 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 193's submissions and have used the information provided by Local 193, including the wage and fringe benefits paid to Local 193 represented employees in the applicable classifications as set forth in Local 193'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 193 timely completed and submitted the Union Survey, showing the wage and fringe rates for the classifications and counties covered by this objection.

- 14. On August 15, 2018, the Department published the Current Prevailing Wage Rates on its website.
- 15. On August 23, 2018 the Union notified the Department by letter and e-mail of errors in the Current Prevailing Wage Rates.
- 16. On or around August 21, 2018, the Department posted information unknown to the Union 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 in classifications after June 2018.)
- 22. Some of the rates to which Petitioners object are incorrect either due to errors made in responses submitted by Local 193 contractors or possibly errors by the Department in transcribing data. These errors include but are not limited to:
  - a. Rates do not reflect changes in wages or fringes as of June 2018;
  - 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. There are also several counties where Local 146 represents employees in only a portion of the county. The rate set by the Department is not only incorrect, but also is not for the correct portion of the county.
- 25. 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 193 represented employees, as set forth in Local 193's CBAs, to determine the prevailing rate of hourly wages for the classifications in the counties.
  - The Department failed to give notice to Local 193 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 193 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 193 the opportunity to submit information about the total hours worked by all employees in a trade and county on public works jobs.
- 26. 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.
- 27. 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.

- 28. 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.)
- 29. Based on the Act, as confirmed by past practice, the wage and fringe benefits paid to Local 193 represented employees, as set forth in Local 193's CBAs, determine the prevailing rate of hourly wages for the classifications in the counties.
- 30. Furthermore, and in fact, the wage and fringe benefits paid to Local 193 represented employees, as set forth in Local 193'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.
- 31. Finally, effective September 1, 2018, the wage and fringe rates for the electronic system tech classification increased. Petitioners seek to include these increases in all counties in Local 193's jurisdiction. Attached hereto as Exhibit 2 is a chart showing these increased wage and fringe rates.
- 32. Under Section 9 of the Act, the Department may correct the rates and publish corrected rates following a hearing.
- 33. Under Section 9 of the Act, "[n]othing prohibits the Department from publishing prevailing wage rates more than once per year."
- 34. Local 193 signatory contractors are at a competitive disadvantage resulting from the Department's published prevailing wage rates.

35. Local 193 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.

36. 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.

37. 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

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(314) 621-2378 (fax)

cng@schuchatcw.com

September 14, 2018

Mike Broglin, via e-mail CC: Paul Noble, via e-mail

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	Name and Publisher of the Publisher of t	CO. C.			- 1		Rate				Fringe	Fringe			
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	IIR	BLO	100L Rate	\$35.44		[OMITTED]	1.5	1.5	2,0	2.0	\$7.58	\$10.61	\$0.00	\$0.40	\$0.00
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# WAGE RATE FORM - LOCAL #193 SPRINGFIELD DIVISION - SPRINGFIELD, IL

Mr. Billy J. Serbousek Chapter Manager Illinois Chapter, NECA 3701 S. 6th St. Road Springfield, Illinois 62703 (217) 585-9500

South-Central Telecommunications Labor Agreement

Mr. Neil Hervey Business Manager Local Union #193, IBEW 3150 Wide Track Drive Springfield, IL 62703 (217) 544-3479

	Effe	ective Se	Effective September 1, 2018 through August 31, 2019	1, 2018	throug	th Augus	131, 201	9		
Classification	Base Wage	Health & Welfare	Local Pension	NEBF 3%	JATC	JATC NLMCC	AMF (20¢)	Sub- Total	NECA (0.5%)	Total Package
Installer Technician	32.14	7.05	8.55	0.96	0.40	0.01	0.20	49,31	0.16	49.47
Forеman + \$2,00	34.14	7.05	8.55	1.02	0.40	0.01	0.20	51.37	0.17	51.54
Appentices:										
0-800 Hours / 45%	14.46	7.05		0.43	0.40	0.01	0.20	22.55	70.0	22.62
801-1600 Hours / 50%	16.07	7.05	8.55	0.48	0.40	0.01	0.20	32,76	0.08	32.84
1601 - 2400 Hours / 60%	19.28	7.05	8,55	0.58	0.40	0.01	0.20	36.07	0.10	36.17
2401-3200 Hours / 65%	20.89	7.05	8.55	0.63	0.40	0.01	0.20	37.73	0.10	37.83
3201-4000 Hours / 75%	24.11	7.05	8.55	0.72	0.40	0,01	0.20	41.04	0.12	41.16
4001-4800 Hours / 80%	26.71	7.05	8.55	0.77	0.40	0.01	0.20	42.69	0.13	42.82
NOTE: Totak Working Assessments 4% Deduction. 1st and 2nd year apprentices 3%.	'uclion. 1st e	N nd 2nd year ap	NOTE: Totals may be off due to rounding apprentices 3%.	s may be	off due t	o rounding				

# CERTIFICATE OF SERVICE

Under penalties as provided by law, including pursuant to Section 1-109 of the Code of Civil Procedure, I \_\_C.Y. Jackson\_, a non-attorney, affirm, certify or on oath state, that I served notice of the attached Notice of Hearing upon all parties to this case, or their agents appointed to receive service of process, by enclosing a copy of the Notice of Hearing in Case No. 2019-H-PK09-2306 and a copy of the Certificate of Service in an envelope addressed to each party or party's agent at the respective address shown on the Certificate of Service, having caused each envelope to be served by U.S. mail certified mail return receipt requested and at 100 W. Randolph Street, Chicago, Illinois on the 2nd day of October\_, 2018 prior to 4:30 p.m. and placed on the Illinois Department of Labor's official website at and placed on the Illinois Department of Labor's official website at <a href="https://www.state.il.us/agency/idol/">www.state.il.us/agency/idol/</a>

George Dannenberber & Martin Bedolli/ Local 193 IBEW, AFL-CIO c/o Christopher N. Gant, Esq. Schuchat, Cook & Werner 1221 Locust Street, 2<sup>nd</sup> 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\_

\_day of \_

, 2018

Notary Public

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