# MINUTES OF MEETING OF THE INDUSTRIAL COMMISSION OF ARIZONA

Held at 800 West Washington Street Phoenix, Arizona 85007 Thursday, April 25, 2024 – 1:00 p.m.

Present: Dennis P. Kavanaugh

Chairman

D. Alan Everett

Commissioner

Maria Cecelia Valdez

Commissioner (Telephonic)

Orion J. Godfrey

Commissioner

Gaetano J. Testini

**Executive Deputy Director** 

Afshan Peimani

Chief Legal Counsel

Lisa Padgett

Deputy Director (Telephonic)

Charles Carpenter

Legislative Affairs Chief/Public Information Officer

Renee Pastor

Self-Insurance (Telephonic)

Melissa Spurgeon Christina Sanchez

Labor Director Labor Supervisor

David Baugh Alissa Bodie Labor Investigator Labor Investigator Labor Investigator

Kimberly Gooby Brian Hudson

ADOSH Director

Phil Murphy

**ADOSH Assistant Director** 

James Reitmeier Ernesto Garcia Silva Jonathon Wright ADOSH Compliance ADOSH Compliance ADOSH Compliance

Victoria Medina
Andrew Dimas
Taryn North

Anna Maria Stonerock

ADOSH Compliance ADOSH Compliance ADOSH Compliance ADOSH Compliance

Valerie Ruiz

Medical Resource Office Manager

Joffrey Drummond

Claims

Yvonne Borunda

**Acting Commission Secretary** 

Chairman Kavanaugh convened the meeting at 1:19 p.m.. In attendance, confirmed by roll call were Anne Ryman (ABC15); Stephanie Hefner (Snell and Wilmer); Russel Rhine, Robert Batty and Caleb Kerr (American Woodmark Corp); Jimmy Daley Jr. (Daley Roofing); Lisa Sandal (Next of Kin); Claudia Castro (Next of Kin); Luis Parra (Atty for Castro's Iron Works); and Rachel Brozina (Kids' Chance of Arizona). Also in attendance on the telephone, confirmed by roll call were Laureen Pew (Pima County); Elizabeth Aguallo (Diocese of Tucson); Mitchell Oscanots (FedEx Freight); Eli Dalton-Webb.

## Approval of Minutes of April 15, 2024 Regular Meeting Minutes.

Commissioner Godfrey moved to approve the Minutes of the April 15, 2024 regular session meeting and Commissioner Everett seconded the motion. Chairman Kavanaugh, Commissioner Everett, Commissioner Valdez and Commissioner Godfrey voted in favor of the motion. The motion passed.

### Consent Agenda:

All items following under this agenda item are consent matters and will be considered by a single motion with no discussion unless a Commissioner asks to remove an item on the consent agenda to be discussed and voted on separately. The Commission may move into Executive Session under A.R.S. § 38-431.03(A)(2) to discuss records exempt by law from public inspection. Legal action involving a final vote or decision shall not be taken in Executive Session. If such action is required, then it will be taken in General Session.

- a. Approval of Requests for Renewal of Self-Insurance Authority.
  - 1. City of Scottsdale
  - 2. Pima County
  - 3. Roman Catholic Church Diocese of Tucson
- b. Approval of Arizona Division of Occupational Safety and Health Proposed <u>Citations</u> and Penalties Less Than \$15,000.

1. CP-2024-JW184-0046	Arizona Merchants, LLC dba Marshalls Distribution
1. 61 2021 0 11 10 1 00 10	Center
2. PP-2024-JW184-0043	Arrowmark Underground LLC dba Local
	Underground Construction
3. UR-2024-JW184-0049	Gray Wolf Integrated Construction Company
4. CP-2024-VM508-0024	Kids Empire Gilbert (AZ) LLC
5. UR-2024-MB431-0032	Kory Excavation, LLC
6. PP-2024-JW184-0041	M S W Contracting LLC
7. PP-2024-JW184-0042	Molina Contracting Inc
8. CP-2024-T3633-0139	Noble Industries LLC
9. CP-2024-VM508-0020	Ocean Blue Cottonwood
10. CP-2024-EG419-0028	Oldcastle APG Northeast, Inc.
11. CP-2024-VM508-0022	Poolman 2000, LLC
12. RF-2024-JR339-0032	Progressive Services, Inc. dba Progressive Roofing
13. CP-2024-T3633-0145	Tucson Rubberized Coatings, Inc.

Chairman Kavanaugh removed the City of Scottsdale from the consent agenda at the request of Ms. Pastor.

Commissioner Everett moved to approve the remaining items on the Consent Agenda and Commissioner Valdez seconded the motion. Chairman Kavanaugh, Commissioner Everett, Commissioner Valdez and Commissioner Godfrey voted in favor of the motion. The motion passed.

# Discussion and Action regarding Proposed Retaliation Penalty.

1. RT-2324-0098 American Solar Electric, Inc.

Ms. Spurgeon summarized the Labor Department's investigation into the Earned Paid Sick Time (EPST) Retaliation claim. Ms. Spurgeon recommended that the Commission approve issuance of a Penalty in the amount of \$21,900.00 for violation of A.R.S. § 23-364.

Chairman Kavanaugh asked if the Commissioners had any questions.

Commissioner Godfrey moved to approve the issuance of a Penalty for Retaliation in the amount of \$21,900.00 to American Solar Electric, Inc. Commissioner Everett seconded the motion. Chairman Kavanaugh, Commissioner Everett, Commissioner Valdez and Commissioner Godfrey voted in favor of the motion. The motion passed.

2. RT-2324-0100 Southwest Airlines Co.

Ms. Spurgeon summarized the Labor Department's investigation into the Earned Paid Sick Time (EPST) Retaliation claim. Ms. Spurgeon recommended that the Commission approve issuance of a Penalty in the amount of \$14,850.00 for violation of A.R.S. § 23-364.

Commissioner Everett moved to approve the issuance of a Penalty for Retaliation in the amount of \$14,850.00 to Southwest Airlines Co. Commissioner Valdez seconded the motion. Chairman Kavanaugh, Commissioner Everett, Commissioner Valdez and Commissioner Godfrey voted in favor of the motion. The motion passed.

3. RT-2324-0104 Southwest Airlines Co.

Ms. Spurgeon summarized the Labor Department's investigation into the Earned Paid Sick Time (EPST) Retaliation claim. Ms. Spurgeon recommended that the Commission approve issuance of a Penalty in the amount of \$9,450.00 for violation of A.R.S. § 23-364.

Commissioner Godfrey moved to approve the issuance of a Penalty for Retaliation in the amount of \$9,450.00 to Southwest Airlines Co. Commissioner Everett seconded the motion. Chairman Kavanaugh, Commissioner Everett, Commissioner Valdez and Commissioner Godfrey voted in favor of the motion. The motion passed.

Discussion and Action of Arizona Division of Occupational Safety and Health Proposed Citations and Penalties.

Chairman Kavanaugh discussed the purpose of and process for the Commission's consideration of ADOSH citations and proposed penalties.

American Woodmark Corporation

4475 E Mohave Airport Dr

Kingman, AZ 86401

Inspection No: UR-2024-VM508-0023

Inspection Date: November 9, 2023

Site Location: 4475 E Mohave Airport Dr

Kingman, AZ 86401

# <u>WILLFUL-SERIOUS</u> – Citation 1 - Item 1 –

a) Dock # 14 Loading Bay Area: Employee was required to operate a Kalmar Ottawa T2 Yard Jockey VIN #11VJ813A6JA001386 Serial # 349709 vehicle attached to a trailer with no functional backup alarms that was involved in a fatality in which a FedEx Freight, Inc. employee was caught in between the backing up trailer and the loading bay which prevented a safe place of employment free form recognized hazards. A.R.S. 23-403.A

Div. Proposal - \$156,259.00

Formula Amt. - \$156,259.00

Fatality/Catastrophe

Empl. Covered by Inspection:

43

5

Years in Business:

Mr. Hudson discussed ADOSH's inspection, summarized the citation and proposed penalty.

Chairman Kavanaugh noted he had a request to speak from Mr. Batty with American Woodmark.

Mr. Batty, the Director of the facility in Kingman Arizona, thanked the Commission for the opportunity to comment, and introduced Mr. Rhine, Safety Manager and Mr. Kerr, Vice President of Manufacturing. He offered his sincere condolences to the family and co-workers. appreciated the ADOSH inspector's sensitivity and concern with all parties during the investigation. They cooperated with ADOSH and appreciated their professionalism; however they are surprised that the citation has been classified as a Willful violation under the general duty clause. Their strong safety programs and safety policies have allowed their facility to maintain an impressive safety record for nearly 40 years with no previous or similar incidents. Through this tragic accident, they have always fully cooperated with OSHA professionals and look forward to a continued strong partnership with them to improve safety in their manufacturing facilities and look forward to meeting with them in conference. He would like to note it said ADOSH has not received abatement, however they immediately held that truck out of service for over 100 days as they worked with the original equipment manufacturer to get the backup alarm repaired. Nationwide they went through their entire fleet at 18 manufacturing facilities and any truck, whether equipped with OEM back up alarm or not was checked and made sure they had those safety devices. Local additional actions were taken, they were under the understanding they would certify abatement after they received the citation. As this is the first time they are seeing the citations, they would respectfully ask for time to review the citation before answering questions.

Mr. Hudson responded that the reason for the Willful classification was that after 197 inspections were completed on the backup alarm it still was not fixed.

Chairman Kavanaugh thank them for the clarification and noted that a lot of times abatement information has not reached the file.

Mr. Dalton-Webb requested to speak but does not have any connection to this matter.

Commissioner Godfrey moved to approve the citation and proposed penalties as presented and Commissioner Valdez seconded the motion. Commissioner Godfrey wanted to take a moment acknowledge the inspectors that go out to these sites and have to witness the aftermath of an incident with the professionalism in which they maintain themselves and the sensitivity in which they use to interact with the agencies and the other people involved. Chairman Kavanaugh, Commissioner Everett, Commissioner Valdez and Commissioner Godfrey voted in favor of the motion. The motion passed.

FedEx Freight, Inc.

4475 E Mohave Airport Drive

Kingman, AZ 86401

Site Location: 4955 N Interstate Way Kingman, AZ 86401

Inspection No:

FC-2024-VM508-0021

November 9, 2023 Inspection Date:

Fatality/Catastrophe

Years in Business

15

Empl. Covered by Inspection:

Mr. Hudson summarized ADOSH's investigation and reviewed the file. ADOSH was not recommending a citation for FedEx Freight, Inc.

Chairman Kavanaugh checked if anyone else on the phone would like to comment. There was no comment.

Mr. Oscanots representing FedEx Freight offered condolences to the family and friends and appreciation for ADOSH's work do for workplace safety.

The Commission took no action.

Maria Lopez, A Single Woman DBA Mexkitez Landscaping

Fatality/Catastrophe

Years in Business:

Empl. Covered by Inspection:

2

800 W Washington Phoenix, AZ 85007

Site Location:

6421 E Lafayette Blvd

Scottsdale, AZ 85251

Inspection No:

FC-2024-TN976-0021

Inspection Date:

November 2, 2023

Mr. Hudson summarized ADOSH's investigation and reviewed the file and photographs. ADOSH was not recommending a citation for Maria Lopez, A Single Woman DBA Mexkitez Landscaping.

Chairman Kavanaugh checked if anyone would like to comment.

Chairman Kavanaugh checked if anyone else on the phone would like to comment. There was no comment.

The Commission took no action.

Castro's Iron Works & Steel Supply, Inc.

Fatality/Catastrophe

519 East Frontage Road

Years in Business:

Empl. Covered by Inspection:

20 2

Nogales, AZ 85621

248 N Morley Ave

Nogales, AZ 85621

Inspection No:

Site Location:

FC-2024-MB431-0029

Inspection Date:

November 6, 2023

Mr. Hudson summarized ADOSH's investigation and reviewed the file. ADOSH was not recommending a citation for Castro's Iron Works & Steel Supply, Inc.

Chairman Kavanaugh asked if a citation was issued to the general contractor in this matter and confirmed it was on the consent agenda.

The Commission took no action.

Daley Roofing, LLC

2402 S 18th Pl

Phoenix, AZ 85034

Referral

Years in Business:

18

Empl. Covered by Inspection:

5

Site Location:

718 W Polk St

Phoenix, AZ 85007

Inspection No:

RF-2024-TM082-0010

Inspection Date:

November 15, 2023

## <u>REPEAT-SERIOUS</u> – Citation 1 - Item 1 –

a) Roof: Four employees were working on a commercial, low slope roof that was 20 feet above the ground and the employees had not been trained on fall protection. 29 CFR 1926.503(a)(1)

Daily Roofing, LLC was previously cited for a violation of this Occupational Safety and Health Standard or its equivalent Standard 29 CFR 1926.503(a)(1) which was contained in the ADOSH inspection 1374458, citation 1, item 2, and was affirmed final order on August 13, 2019, and abated on January 26, 2019, with respect to a workplace located at 1370 S Higley Rd, Gilbert, AZ.

Div. Proposal - \$12,500.00

Formula Amt. - \$12,500.00

### SERIOUS – Citation 2 - Item 1 –

a) 718 W Polk St, Phoenix: Five employees spray foaming a roof at a height of 20 feet above the ground without fall protection. 29 CFR 1926.501(b)(1)

Div. Proposal - \$6,250.00

Formula Amt. - \$6,250.00

TOTAL PENALTY - \$18,750.00

TOTAL FORMULA AMT. - \$18,750.00

Mr. Hudson discussed ADOSH's inspection, summarized the citation and proposed penalties.

Chairman Kavanaugh noted he had a request to speak from Mr. Daley.

Mr. Daley did not wish to speak.

Commissioner Everett moved to approve the citation and proposed penalties as presented and Commissioner Valdez seconded the motion. Chairman Kavanaugh, Commissioner Everett, Commissioner Valdez and Commissioner Godfrey voted in favor of the motion. The motion passed.

## Announcements, Scheduling of Future Meetings and Retirement Resolutions.

Mr. Testini noted Ms. Brozina is the President of the Arizona Kids Chance and will be at our next meeting to do a presentation about Arizona Kids' Chance.

Mr. Testini congratulated Chairman Kavanaugh, Commissioner Valdez and Commissioner Godfrey for receiving unanimous Senate confirmations.

#### Public Comment.

Mr. Dalton-Webb noted he had some public comments on the Agenda and some additional comments not on the Agenda. Mr. Dalton-Webb commented on ADOSH items 1 and 2. He expressed concern over where the funds go when they are collected by ADOSH. Chairman Kavanaugh explained that the fees collected go into the general fund. Mr. Dalton-Webb discussed

what his understanding was of how the legislature determined how the workers' compensation system should operate.

There was no other public comment.

The meeting was adjourned at 2:29 p.m.

THE INDUSTRIAL COMMISSION OF ARIZONA

Bv

Gaetano J. Testini, Executive Deputy Director

ATTEST:

Yvonne Borunda, Acting Commission Secretary