

STATE OF WASHINGTON DEPARTMENT OF LABOR AND INDUSTRIES

Prevailing Wage
PO Box 44540 ● Olympia, Washington 98504-4540
360/902-5335 Fax 360/902-5300

July 11, 2013

Michael R. Schnabel, RCDD General Manager INSI, Intracommunication Network Systems, Inc. 4922 North Pearl Street Tacoma, WA 98407

Re: Telecommunication Technicians and Electronic Technicians Prevailing Wage Scopes of

Work and Electrical Licensing Laws

Dear Mr. Schnabel:

Thank you for your April 3, 2013 letter about Intent and Affidavit filings for telecommunications projects. You ask about the scope of work descriptions and their corresponding pay categories for public works projects. Your letter mentions specific electrical licensing law and rule categories. You note some inconsistencies between the electrical licensing categories and the guidance provided to you as to the prevailing wage categories that apply to the same work and expressed your concern about those inconsistencies.

This is a determination of the Industrial Statistician for the purpose of providing guidance regarding coverage of the referenced work under Washington's prevailing wage laws and is made pursuant to RCW 39.12.015. See the attached document, "Prevailing Wage Determination Request and Review Process."

The state's prevailing wage law is chapter <u>39.12 RCW</u>. The administrative rules for the prevailing wage law are in <u>chapter 296-127 WAC</u>. RCW <u>39.12.020</u> requires prevailing wages on public works.

The electrical licensing law is <u>chapter 19.28 RCW</u>. <u>Chapter 296-46B WAC</u> has administrative rules for electrical safety standards, administration, and installation. I understand that INSI is an electrical contractor with limited energy licenses under <u>chapter 19.28 RCW</u> in two of the categories in <u>WAC 296-46B-920</u>: 06 (limited energy system) and 09 (telecommunications). A copy of the electrical licensing rule, <u>WAC 296-46B-920</u>, with those licensing categories is attached. That electrical licensing rule uses the term "scope of work" in its title.

Michael R. Schnabel July 11, 2013 Page 2 of 3

The term "scope of work" is also used in prevailing wage law for the descriptions set forth in prevailing wage trade and occupation classifications. You note that the prevailing wage scope of work description for Telecommunication Technicians, WAC 296-127-01378, bears little resemblance to the definitions in chapter 19.28 RCW or WAC 296-46B-920 and further observe that WAC 296-127-01378 is reminiscent of the time when telephone cable and analog phone systems were about the only "telecommunications systems." I agree with both those observations. A large number of the prevailing wage scope of work descriptions have been in use for many years. When developed, prevailing wage categories were not based on the electrical licensing categories; rather, these regulations each have their own origin, evolution and application. The prevailing wage scope of work does not regulate who may perform the work (only the wage for the work). Moreover, the prevailing wage scopes of work do not control any aspect of the electrical licensing law.

I understand the confusion that can occur when two different types of regulations divide the same broad classifications of work into categories that do not correspond to each other. For the electrical licensing categories and the prevailing wage categories, those variations are an historic fact. Their use of similar or identical terminology makes thinking separately about those distinct regulations vital to the correct understanding and use of each standard.

As a design expert in the telecommunications market, you likely have a broad concept of what might be telecommunications work. Given the diverse regulations, it is necessary to recognize each more specific area of work and the distinct compartments that each individual regulation addresses. The "Distinctions between the Prevailing Wage Scope of Work Descriptions for Electronic Technicians and Telecommunication Technicians" document Ramona Christensen-Russell previously provided to you, and which you reference in your letter, is our attempt to provide guidance to contractors in identifying specific electrical prevailing wage categories. Although those categories vary from the licensing law and may vary from the industry concept of a large universe of telecommunications, they provide a means for identifying the correct wage in particular circumstances. The prevailing wage scopes do not affect or control those unrelated categories such as electrical licensing categories.

There are many prevailing wage scopes of work, including some that apply to certain electrical work. The prevailing wage electrical scopes include Electronic Technicians (<u>WAC 296-127-01322</u>), Outside Telephone Line Construction (<u>WAC 296-127-01377</u>), Telecommunication Technicians (<u>WAC 296-127-01378</u>), Power Line Construction Electricians (<u>WAC 296-127-01323</u>), Inside Wireman Electrician (<u>WAC 296-127-01323</u>), and Electrical Fixture Maintenance Workers (<u>WAC 296-127-01325</u>).

The Telecommunication Technicians prevailing wage scope of work is often referred to as the "inside telephone line" construction scope. Generally, the wage rates that correspond to that scope of work are used for work performed on telephone (voice over distance) and data (bits and bytes) systems located *inside the point of demarcation* within a building, but only if the system is not a system specifically assigned to the Electronic Technicians wage rates by <u>WAC 296-127-01322</u>. The attached guidance document on distinctions between those scopes explains those differences.

Michael R. Schnabel July 11, 2013 Page 3 of 3

The Outside Telephone Line Construction prevailing wage scope is used for telephone (voice over distance) and data (bits and bytes) systems work *outside the point of demarcation*, but only if the system is not a system specifically assigned to the Electronic Technicians wage rates by WAC 296-127-01322.

The Electronic Technicians prevailing wage scope (<u>WAC 296-127-01322</u>) does identify work on certain low-voltage systems that specifically must use the Electronic Technicians' prevailing rate of wage:

- Radio
- Television
- Recording systems
- Paging
- Intercommunication
- Public address
- Wired music
- Clocks
- Security
- Surveillance
- Mobile radio
- Fire alarm
- Burglar alarm

As you can see, the specific facts of a situation are vitally important to the correct prevailing wage answer. Knowing that the only issue regulated by prevailing wage law is the *wage* in the work described, please take another look at the guidance document on the distinctions between the Telecommunications Technicians prevailing wage scope of work and the Electronic Technicians prevailing wage scope of work. I think you will find the document is useful for that limited purpose of identifying which prevailing rate of wage should be used.

I very much appreciate your interest in prevailing wage compliance and the opportunity to address your concerns. I hope the information I've provided is helpful in clarifying the relationship between electrical licensing law and prevailing wage scopes of work. If you have questions or additional concerns, please let me know.

Sincerely,

L. Ann Selover

Industrial Statistician/Program Manager

J. Am Seloner

Ann.Selover@Lni.wa.gov

(360) 902-5330

Attachments

Prevailing Wage Determination Request and Review Process

RCW 39.12.015 is the basis for requesting a determination, since it provides:

All determinations of the prevailing rate of wage shall be made by the industrial statistician of the department of labor and industries.

If you disagree with a determination the industrial statistician provides, WAC 296-127-060(3) provides for a review process:

- (3) Any party in interest who is seeking a modification or other change in a wage determination under RCW <u>39.12.015</u>, and who has requested the industrial statistician to make such modification or other change and the request has been denied, after appropriate reconsideration by the assistant director shall have a right to petition for arbitration of the determination.
- (a) For purpose of this section, the term "party in interest" is considered to include, without limitation:
- (i) Any contractor, or an association representing a contractor, who is likely to seek or to work under a contract containing a particular wage determination, or any worker, laborer or mechanic, or any council of unions or any labor organization which represents a laborer or mechanic who is likely to be employed or to seek employment under a contract containing a particular wage determination, and
- (ii) Any public agency concerned with the administration of a proposed contract or a contract containing a particular wage determination issued pursuant to chapter 39.12 RCW.
- (b) For good cause shown, the director may permit any party in interest to intervene or otherwise participate in any proceeding held by the director. A petition to intervene or otherwise participate shall be in writing, and shall state with precision and particularity:
- (i) The petitioner's relationship to the matters involved in the proceedings, and
- (ii) The nature of the presentation which he would make. Copies of the petition shall be served on all parties or interested persons known to be participating in the proceeding, who may respond to the petition. Appropriate service shall be made of any response.

If you choose to utilize this review process, you must submit your request within 30 days of the date of the applicable industrial statistician's determination or response to your request for modification or other change. Include with your request any additional information you consider relevant to the review.

Direct requests for determinations, and for modification of determinations via email or letter to the prevailing wage industrial statistician:

L. Ann Selover
Industrial Statistician/Program Manger
Department of Labor & Industries
Prevailing Wage
P O Box 44540
Olympia, WA 98504-4540
Ann.Selover@Lni.wa.gov

Prevailing Wage Determination Request and Review Process

Direct requests via email or letter seeking reconsideration (redetermination) by the assistant director to:

Elizabeth Smith, Assistant Director Department of Labor & Industries Fraud Prevention and Labor Standards P O Box 44278 Olympia, WA 98504-4278 Elizabeth.Smith@Lni.wa.gov

Direct petitions for arbitration to:

Joel Sacks, Director Department of Labor & Industries P O Box 44001 Olympia, WA 98504-4001

If you choose to utilize this arbitration process, you must submit your request within 30 days of the date of the applicable assistant director's decision on reconsideration (redetermination). Submit an original and two copies of your request for arbitration to the Director personally, or by mail. The physical address for the Director is 7273 Linderson Way, SW, Tumwater, WA 98501.

WAC 296-127-061 also contains the following provisions regarding petitions for arbitration:

In addition, copies of the petition shall be served personally or by mail upon each of the following:

- (a) The public agency or agencies involved,
- (b) The industrial statistician, and
- (c) Any other person (or the authorized representatives of such person) known to be interested in the subject matter of the petition.
- (2) The director shall under no circumstances request any administering agency to postpone any contract performance because of the filing of a petition. This is a matter which must be resolved directly with the administering agency by the petitioner or other party in interest.
 - (3) A petition for arbitration of a wage determination shall:
- (a) Be in writing and signed by the petitioner or his counsel (or other authorized representative), and
- (b) Identify clearly the wage determination, location of project or projects in question, and the agency concerned, and
- (c) State that the petitioner has requested reconsideration of the wage determination in question and describe briefly the action taken in response to the request, and
 - (d) Contain a short and plain statement of the grounds for review, and
 - (e) Be accompanied by supporting data, views, or arguments, and
- (f) Be accompanied by a filing fee of \$75.00. Fees shall be made payable to the department of labor and industries.



The Scope of Work Descriptions

WAC 296-127-01322

Electronic technicians.

- (1) For the purpose of the Washington state public works law, chapter 39.12 RCW, electronic technicians install, operate, inspect, maintain, repair, and service:
 - (a) Radio, television and recording systems and devices;
- (b) Systems for paging, intercommunication, public address, wired music, clocks, security and surveillance systems and mobile radio systems; and
 - (c) Fire alarm and burglar systems.
- (2) When installed for the specific purpose of carrying low voltage wiring, the work identified in subsection (1) of this section includes:
 - (a) Installing unlimited lengths of nonmetallic conduit;
 - (b) Installing incidental metallic conduits of no longer than ten feet nor larger than one inch;
 - (c) Pulling wiring through conduit, except as provided in subsection (3) of this section; and
 - (d) All the cleanup required in connection with electronic technician's work.
- (3) The work identified in subsection (1) of this section does not include pulling wiring through conduit that exceeds ten feet in length for the purpose of installing fire alarm systems.

[Statutory Authority: Chapter 39.12 RCW and RCW 43.22.270, 09-19-118, § 296-127-01322, filed 9/22/09, effective 11/1/09. Statutory Authority: Chapter 39.12 RCW, RCW 43.22.270 and 43.22.051. 00-15-077, § 296-127-01322, filed 7/19/00.]

WAC 296-127-01378

Telecommunication technicians.

For the purpose of the Washington state public works law, chapter <u>39.12</u> RCW, telecommunications technicians install, inspect, maintain, repair and service telecommunication systems.

The work includes, but is not limited to:

- (1) Main distribution frame (MDF). The distribution frame where the permanent outside lines entering a building terminate and the subscriber's line multiple cabling and truck multiple cabling originate. It is usually located on the ground floor of a building.
- (2) Intermediate distribution frames (IDF). Distribution frames which provide flexibility in allocating the subscriber's number to the line or equipment in the office which is to be associated with the particular line. These frames are located on each floor of a building.
 - (3) Blocks. Subpanels. They are connecting devices where large feed cables terminate at the distribution frames.
- (4) Common equipment or key service unit. Consists of a backboard assembly, an equipment mounting frame, for connecting external telephones and Pacific Northwest Bell lines.
- (5) Instruments, terminals, sets. Communications equipment at either end of a circuit. Equipment at a subscriber's or user's terminal including such items as telephones.
 - (6) Ancillary equipment. Add-on equipment such as bells, buzzers, speakerphones, headsets, automatic dialers,

7/3/2012

recorders, etc.

(7) Telephone cable.

(a) Network channel service cable owned by the telephone companies.

(b) Riser cables between floors of a building.

(c) Distribution cables installed on each floor of a building in the floor or the ceiling.

(d) Inside wires between the telephone and the connection to the distribution cable.

[Statutory Authority: Chapter 39.12 RCW, RCW 43.22.270 and 43.22.051. 00-15-077, § 296-127-01378, filed 7/19/00, effective 7/19/00.]

Scopes of Work and the Prevailing Rate(s) of Pay

Prevailing Wage scope of work descriptions are adopted to describe the different trades and occupations that perform work subject to the Washington State prevailing wage law, Chapter 39.12 RCW. Under the provisions of RCW 39.12.015, the Industrial Statistician establishes the prevailing rate of pay.

Electrical Scopes of Work for Inside Work

Certain scopes of work for electrical work have some commonality and some important distinctions. For example, an Inside Wireman Electrician (WAC 296-127-01323) may perform the work described in the Inside Wireman Electrician scope, work that happens to fully include the smaller universes of work described in the Electronics Technician scope of work (WAC 296-127-01322) and the Telecommunications Technicians scope of work (WAC 296-127-01378).

Specific Work Called Out in a Scope of Work Description

Often scopes will identify certain work that is specifically performed by that particular scope of work. For example, the Electronic Technician scope of work identifies specific systems that are the work of an Electronic Technician:

- Radio
- Television
- Recording systems
- Paging
- Intercommunication
- Public address
- Wired music
- Clocks
- Security
- Surveillance
- Mobile radio
- Fire alarm
- Burglar alarm

Public work on those specific systems requires, at a minimum, the Electronic Technician scope of work and its corresponding prevailing rate of pay for public work.

Although the prevailing wage scope of work descriptions are not derived from and do not necessarily parallel the electrical licensing laws, it may be useful to note certain systems that cannot be done by a Telecommunication Technician under those electrical licensing laws. Please remember the prevailing wage law and scope of work descriptions often will have further limits or parameters.

The electrical licensing laws do not allow Telecommunication Technicians to work on these systems:

- fire protection signaling systems
- intrusion alarms
- access control systems
- patient monitoring systems
- energy management control systems
- industrial and automation control systems
- HVAC/refrigeration control systems
- lighting control systems
- stand-alone amplified sound or public address systems

The Electronic Technicians Scope of Work (WAC 296-127-01322)

The Electronic Technicians scope is for work on limited energy systems that are not voice over distance systems unless that voice function is combined with one or more of the low voltage systems such as those identified in the Electronic Technicians scope of work:

- Radio
- Television
- Recording systems
- Paging
- Intercommunication
- Public address
- Wired music
- Clocks
- Security
- Surveillance
- Mobile radio
- Fire alarm
- Burglar alarm

07/11/2013 Page 3

Public work on these low voltage systems requires, at a minimum, the Electronic Technician scope of work and its corresponding prevailing rate of pay for public work.

Data communications (specifically bits and bytes but not transmission of voltage) were not addressed when the Electronic Technicians scope was drafted. Electronic Technicians can install systems that have data communications inside buildings.

For specific details, please see the scope of work description(s).

The Telecommunication Technicians Scope of Work (WAC 296-127-01378)

The Telecommunication Technician scope of work is for voice over distance communications and is often referred to as the "inside" Telecommunications scope since the scope is written for those voice over distance communication systems inside the point of demarcation that marks the end of the work for the Outside Telephone Line Construction scope of work (WAC 296-127-01377).

Telecommunication technicians can install systems that have **voice over distance communications inside buildings** so long as the system does not contain any possible systems or functions that are:

- 1. Specific to the Electronic technician scope of work, or
- 2. Not allowed as telecommunications under the electrical licensing law, Chapter 19.28 RCW.

Data communications (specifically bits and bytes but not transmission of voltage) were not a factor when the Telecommunication Technicians scope was drafted. The Telecommunication Technicians can install systems that have **data communications inside buildings** so long as the system does not contain any possible systems or functions that are:

- 1. Specific to the Electronic Technicians scope of work, or
- 2. Not allowed as telecommunications under the electrical licensing law, Chapter 19.28 RCW.

For specific details, please see the scope of work description(s).

Questions?

Prevailing Wage questions may be addressed to the Department of Labor & Industries at:

PW1@Lni.wa.gov or 360-902-5335

Phone (253) 761-0418 Fax (253) 879-0186

CONSULTING . DESIGN . INSTALLATION

April 3, 2013

Department of Labor & Industries L. Ann Selover, Industrial Statistician Prevailing Wage Program Manager PO Box 44540 Olympia, WA 98504-4540

Dear Ms. Selover,

I'm writing to express my concern regarding some fairly recent issues regarding filing of Intent to Pay and Affidavits of Wages Paid forms.

I would first like to introduce my company and then myself. INSI has been in business since 1986, providing mixed media cabling solutions in Washington State. Approximately 40% of our business is done in the public sector, so we pay close attention to prevailing wage issues. INSI is an Electrical Contractor – Limited Energy and performs work in two categories: Telecommunication Technician (09) and Electronic Technician (06) as allowed by RCW 19.28 and WAC 296-46B-920. The company position regarding payment of appropriate minimum prevailing wage is that we pay our technicians the appropriate minimum wage for any state, county, or local municipality, regardless of whether that entity has declared the work as a "Public Work".

I am the General Manager for the company and one of my duties is Standards and Code compliance. I have been in the Telecommunications industry for 38 years and have seen everything Telecom from Bell Telephone divestiture, through the wild unregulated years to the more regulated environment today. I believe in standards and regulations and feel that compliance will only make the industry stronger.

Lately we have had Intents returned for correction. In most cases all that was asked for was detail on the work we would be doing. This information was not required in the past, but it seemed reasonable. The details were added and the Intent resubmitted. The intent would then languish as "pending" or we would be notified that the task recorded, fell outside the parameters of Telecommunications Technician.

The definition of Telecommunications Systems, Telecommunication Contractor, and Telecommunication Worker are clearly defined in RCW 19.28.400 and form the parameters of the Telecommunication license. As I mentioned above, as a Limited Energy contractor we can also do the Telecommunications work. INSI technicians are paid the appropriate wage for the county where the work is performed. Now we are presented with a WAC definition that bears no resemblance to the statutory definition of a Telecommunication worker.

WAC 296-127-01378 (prevailing wage WAC) bears little resemblance to definitions in RCW 19.28 or WAC 296-46B-920 (electrical WAC). As I said, I have been in this business a while and the language contained in this WAC is reminiscent of the time shortly after deregulation, when telephone cable and analog phone systems were about the only "telecommunications systems".

Ramona Christensen-Russell provided a document titled "Distinctions between the Prevailing Wage Scope of Work Descriptions for Electronic Technicians (WAC 296-127-01322) and Telecommunication Technician (WAC 296-127-01378). This document contains both WAC's and further narrative attempting to describe work allowed by Telecommunication Technicians. "The Telecommunication Technician scope of work is for "voice over distance communications". Thirty eight years in this business and that is the first time I've heard that term. Overall the document does little to clear up the disparity between the RCW, the electrical WAC and the prevailing wage WAC.

I have enclosed documentation to hopefully help clarify my concern.

Thank you for taking the time to review this. I look forward to hearing from.

Sincerely,

Michael R Schnabel, RCDD

General Manager