

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

IN THE MATTER OF:)	
)	
UNITED ASSOCIATION OF PLUMBERS AND PIPEFITTERS, LOCAL UNION NO. 25)	
)	
PETITIONER(S),)	STATE FILE NO. 2019-H-PK09-2294
)	
v.)	DATE OF NOTICE: <u>10/1/2018</u>
)	
JOSEPH BEYER, DIRECTOR OF THE ILLINOIS DEPARTMENT OF LABOR, and THE ILLINOIS DEPARTMENT OF LABOR,)	CERT. MAIL/RETURN RECEIPT: <u>7017 2620 0001 0467 5945</u>
)	
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 United Association of Plumbers and Pipefitters, Local Union No. 25, [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 24, 2018
TIME: 1:00 P.M.
PLACE: ILLINOIS DEPARTMENT OF LABOR
160 NORTH LASALLE STREET, SUITE C-1300
CHICAGO, ILLINOIS 60601

ADMINISTRATIVE LAW JUDGE:

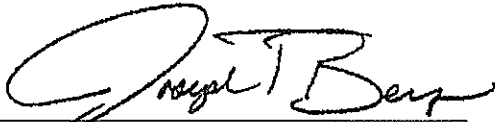
**CLAUDIA MANLEY
CHIEF ADMINISTRATIVE LAW JUDGE
ILLINOIS DEPARTMENT OF LABOR
160 NORTH LASALLE STREET, SUITE C-1300
CHICAGO, ILLINOIS 60601**

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.

A handwritten signature in black ink, appearing to read "Joseph T. Beyer". The signature is written in a cursive style with a large initial "J" and "B".

Joseph Beyer
Director of Labor



September 14, 2018

Patrick N. Ryan
Admitted in IL and WI

Direct Dial 312-216-2573
pryan@baumsigman.com

Via Hand Delivery and Email: Joe.Beyer@illinois.gov.

Director Joe Beyer
Illinois Dept. of Labor
160 N. LaSalle Street
13th Floor
Chicago, IL 60601

2019-H-PK09-2294

EXHIBIT A

RE: Article 9 Challenge to Department's Prevailing Wage Determination
Plumbers & Pipefitters Local Union No. 25
Our File No. 28260

Dear Director Beyer:

We are the attorneys for the Plumbers & Pipefitters Local Union No. 25 ("Local 25" or "Union"). This letter is sent pursuant to the Illinois Prevailing Wage Act, 820 ILCS 130/9, as the written notice required to challenge various Prevailing Wage Determinations posted by the Illinois Department of Labor on the August 15, 2018.

It appears that the Department has significantly changed its methodology for determining and posting the prevailing wage rates without advanced notice and the opportunity for comment by interested parties. The Department previously considered collective bargaining agreements covering a given County as a reliable indicator of the prevailing wage in that County. Under the new methodology, the Department fails to credit the surveys and supporting documents (i.e. the collective bargaining agreements and rate sheets) submitted by the Union for Counties and/or classifications in which any employer also completed a survey with rates that differ from those reported by the Union. The Department has offered no explanation for its change in methodology. The Department's failure to give any credit to the Union's survey and supporting document in such situations is arbitrary and capricious. This is particularly troubling where an employer reported a minimal number of days worked in the jurisdiction, in contrast to the numerous employers who are paying wages and benefits on public works projects consistent with the rates set forth in the applicable collective bargaining agreement.

The Union further objects to the Department accepting what employers reported without supporting documentation. Certified payrolls and other payroll records should have been obtained from employers to verify their reporting. The Union supported its survey responses with the collective bargaining agreements and applicable wage rate sheets. Every employer signed to a collective bargaining agreement with the Union is paying the contractual wages and benefits on all prevailing

BAUM SIGMAN AUERBACH & NEUMAN, LTD.

Attorneys and Counsellors



Director Joe Beyer
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wage projects. To the extent an employer claims to have paid less than those rates, they should be required to substantiate their claims before the Department credits such responses.

With the above in mind, the Union is specifically challenging and objects to the wage and fringe benefit rates highlighted on the attached spreadsheets for the "Plumber" and "Pipefitter" titles in the Counties of Adams, Brown, Carroll, Henderson, Henry, Knox, Lee, Mercer, Rock Island, Warren, and Whiteside. The spreadsheet states the rates posted by the Department, and highlights where the Union disputes the posted rates. It is the Union's position that the prevailing rates are those set forth in its applicable collective bargaining agreement (rate sheet effective June 1, 2018 also attached), which are the rates paid by all Local 25 signatory employers on public works project in these Counties since June 1, 2018.

In light of the above, unless the Department determines that it has improperly posted the prevailing wages referenced above and issues a prompt correction, the Union hereby requests that the Department set a date for hearing on its objections. At such hearing, the Union will present further evidence of the wages and benefits paid by its signatory employers on prevailing wage projects in these Counties during the relevant time frame.

If you have any questions or would like to discuss this matter further prior to any hearing, please feel free to contact me.

Very truly yours,

BAUM SIGMAN AUERBACH & NEUMAN, LTD.

Patrick N. Ryan

PNR/kp

Enclosures

cc: Matt Lienen (via email, w/enclosures)
Bill Allison (via email, w/enclosures)
Benno Weisberg (via e-mail, w/enclosures: Benno.Weisberg@illinois.gov)
Paul Kersey (via e-mail, w/enclosures: Paul.Kersey@illinois.gov)



WAGE SCALE AND FRINGE BENEFIT PACKAGE
EFFECTIVE MAY 1, 2018 THROUGH APRIL 30, 2019

May 1, 2018

JOURNEYMAN WAGE RATE	\$	39.60
HEALTH AND WELFARE	\$	6.30
LOCAL UNION PENSION	\$	12.48
NATIONAL PENSION	\$	1.37
APPRENTICESHIP	\$	1.24
INT. TRAINING FUND	\$	0.10
INDUSTRY ADVANCEMENT	\$	0.28
LMCC	\$	0.10
RETIREE HEALTHCARE SUPPLEMENT	\$	0.75
401K DC	\$	0.50
TOTAL WAGE PACKAGE:	\$	<u>62.72</u>
WELDER (\$.85 Additional per hour)	\$	40.45
FOREMAN (10% above Journeyman Rate)	\$	43.56
GENERAL FOREMAN (20% above Journeyman Rate)	\$	47.52
PIPING SUPERINTENDENT (30% above Journeyman Rate)	\$	51.48
GENERAL SUPERINTENDENT (40% above Journeyman Rate)	\$	55.44

EMPLOYEE PAID: BLDG / WORK ASSESSMENT 3.50% OF GROSS WAGES
 ORGANIZING/SUBSIDY FUND 1.00% OF GROSS WAGES
 PAC FUNDS (w/ CHECK-OFF CARD) \$0.10 PER HOUR WORKED

* ASSESSMENT PERCENTAGES (%) LISTED ABOVE ARE AS OF NOV 1, 2010,
 AND REFLECT A DIVERSION OF 0.25% FROM THE ORG/SUB FUND TO THE BLDG/WORK
 ASSESSMENT ACCORDING TO ARTICLE VII DUES & ASSESSMENTS, SECTION 11



Plumbers & Pipefitters Local 25 Corrections - CBA with Eastern IA/Western IL Mechanical Contractors Association

County	Trade Title	Region	Type	Class	Base Wage	Foreman Wage	OT M-F	OT Sa	OT Su	OT Hol	H/W	Pension	Vacation	Training	Other Fringe Benefit
Adams	PIPEFITTER	All	ALL		39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
	Correction:				39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
Adams	PLUMBER	All	ALL		39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
	Correction:				39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
Brown	PIPEFITTER	All	ALL		39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
	Correction:				39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
Brown	PLUMBER	All	ALL		39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
	Correction:				39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
Carroll	PIPEFITTER	W	ALL		39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
	Correction:				39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
Carroll	PLUMBER	W	ALL		39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
	Correction:				39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
Hancock	PIPEFITTER	W	ALL		39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
	Correction:				39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
Hancock	PLUMBER	W	ALL		39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
	Correction:				39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
Henderson	PIPEFITTER	All	ALL		39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
	Correction:				39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
Henderson	PLUMBER	All	ALL		39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
	Correction:				39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
Henry	PIPEFITTER	All	ALL		39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
	Correction:				39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
Henry	PLUMBER	All	ALL		39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
	Correction:				39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
Knox	PIPEFITTER	All	ALL		39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
	Correction:				39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
Knox	PLUMBER	All	ALL		39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
	Correction:				39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
Lee	PIPEFITTER	All	ALL		39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
	Correction:				39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
Lee	PLUMBER	All	ALL		39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
	Correction:				39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
Mercer	PIPEFITTER	All	ALL		39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
	Correction:				39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
Mercer	PLUMBER	All	ALL		39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
	Correction:				39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
Rock Island	PIPEFITTER	All	ALL		39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
	Correction:				39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
Rock Island	PLUMBER	All	ALL		39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
	Correction:				39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
Schuyler	PIPEFITTER	W	ALL		39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
	Correction:				39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
Schuyler	PLUMBER	W	ALL		39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
	Correction:				39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
Warren	PIPEFITTER	All	ALL		39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
	Correction:				39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
Warren	PLUMBER	All	ALL		39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
	Correction:				39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
Whiteside	PIPEFITTER	All	ALL		39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
	Correction:				39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
Whiteside	PLUMBER	All	ALL		39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0
	Correction:				39.6	43.56	1.5	1.5	2	2	7.05	14.35	0	0	0

*Overtime type after 8 hours in a day M-F

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-PK09-2294 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 1st 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 www.state.il.us/agency/idol/

Plumbers & Pipefitters Local Union No. 25
c/o Patrick N. Ryan, Esq.
Baum Sigman Auerbach & Newman, Ltd.
200 W. Adams Street, Suite 2200
Chicago, IL 60606
pryan@baumsigman.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

C.Y. Jackson

Subscribed and Sworn to this 1 day of October, 2018

[Signature]
Notary Public

