

FEDERAL PREVAILING RATE ADVISORY COMMITTEE

602nd FPRAC

SHELDON FRIEDMAN, Chairperson, Presiding

Thursday, February 19, 2015

Room 7H31
Office of Personnel Management
Washington, D.C. 20415**ATTENDANCE:****Members/Alternates:**Management Members:Mark Allen, OPM
Jim Davey, DoD
Luis Lynch, Air Force
David Pedersen, Navy
Arleen Romba, VALabor Members:Bill Fenaughty, MTD/NFFE
Jacque Simon, AFGE
Candace Archer, AFGE
Robert Shore, NAGE
Steven Landis, ACT**Staff Specialists and Visitors:**Jeanne Jacobson, Designated Federal Officer, OPM
Madeline Gonzalez, OPM
Jim Brady, DoD
Becky Chaves, DoD
Gary Buck, Army
Donovan Collins, VA
SGT Emell Monlyn, NAGE**Recording Secretary:**

Mike Eicher, OPM

[Transcript prepared from digital audio produced by FPRAC.]

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P R O C E E D I N G S

CHAIRMAN FRIEDMAN: Good morning, everyone, and welcome to our 602nd meeting of the Federal Prevailing Rate Advisory Committee. My name is Sheldon Friedman, Chair of the Committee.

Let's go around the room and introduce ourselves for the recorder. Why don't we start with you today, Bill?

MR. FENAUGHTY: Bill Fenaughty, Metal Trades and NFFE.

MR. SHORE: Robert Shore with NAGE.

MR. LANDIS: Steve Landis with ACT.

MS. ROMBA: Arleen Romba with VA.

MR. PEDERSEN: David Pedersen, Navy.

MR. LYNCH: Luis Lynch, Air Force.

MR. DAVEY: Jim Davey with DoD.

MR. ALLEN: Mark Allen with OPM.

CHAIRMAN FRIEDMAN: And I'd appreciate it if the other folks in the room could also introduce themselves, and please speak loudly.

MS. CHAVES: Sure. Becky Chaves, DoD.

MR. BRADY: Jim Brady, DoD.

MS. JACOBSON: Jeanne Jacobson, OPM, Designated Federal Officer.

MR. BUCK: Gary Buck, Army.

MR. EICHER: Mike Eicher, OPM.

MS. GONZALEZ: Madeline Gonzalez with OPM.

SGT MONLYN: Sergeant Emell Monlyn, National Guard Bureau, NAGE.

MR. COLLINS: Donovan Collins, VA.

CHAIRMAN FRIEDMAN: Okay. Welcome again, everyone.

A couple of announcements. You have in your packets the rules that we adopted at the last meeting, 602-OC-1, and I want to thank everybody for their participation in that process. I think we've made some improvements in our rules that we needed to make.

The other announcement, 602-OC-2, is an incoming letter from Senator Casey of Pennsylvania regarding a situation of the FWS employees at Tobyhanna Army Depot in Monroe County, Pennsylvania.

Any questions or discussion about either of those announcements?

[No audible response.]

CHAIRMAN FRIEDMAN: If not, we can go on to review the transcript of our previous meeting. Everybody, I believe, has a copy of the transcript. Perhaps some of you have made corrections already. Are there any other corrections that people want to bring to our attention?

[No audible response.]

CHAIRMAN FRIEDMAN: If not, is there any objection to adopting the transcript of our last meeting?

[No audible response.]

CHAIRMAN FRIEDMAN: Going one, twice, three times. I hear no objections, so the transcript of our previous meeting is adopted.

That brings up Old Business. Is there anything on items (a) through (d)?

Welcome. After you get settled, introduce yourselves for the recorder.

MS. ARCHER: Candace Archer, AFGE.

MS. SIMON: Jacque Simon, AFGE.

CHAIRMAN FRIEDMAN: We've gotten as far as Old Business. We were just starting.

[Pause.]

CHAIRMAN FRIEDMAN: We think next month, we will actually be back in our usual space with our usual recording equipment, but I probably shouldn't have said that because I probably said it last month too.

Anyway, so Old Business.

Anything on items (a) through (d) that people want to talk about this morning? Obviously, item (c) relates to the announcement, one of the announcements I just mentioned, the letter from Senator Casey.

[No audible response.]

CHAIRMAN FRIEDMAN: If not, this morning, let me ask, is there anything new on North Dakota, Mark, item (e)?

MR. ALLEN: I don't have any new announcements regarding Federal Wage System employees in North Dakota. There is a pending special rate request from DoD that would potentially cover certain wage grade positions. We are expecting to get action on that one fairly soon. That is really all I have on that one right now.

MS. SIMON: How long has it been since the request came to OPM from DoD?

MR. ALLEN: I believe the initial request came over in—

MS. GONZALEZ: December.

MS. SIMON: What is holding it up?

MR. ALLEN: Special rate requests are fairly easy to consider and approve when it's just one agency making the request, but when they require interagency review, there is often

back-and-forth.

MS. SIMON: So this is Department of Justice and Department of Defense?

MR. ALLEN: The agencies that have Federal Wage System employees in that Bakken region in North Dakota are mainly DoD, but also Interior and Agriculture.

MS. SIMON: Not the Department of Justice, not a prison?

MR. ALLEN: No. I don't believe there's a federal prison there. There may be one in another part of North Dakota, but we are not aware of any federal prison in western North Dakota.

MS. SIMON: Okay. I have an e-mail this week from someone in North Dakota wondering what's going on, so what should I tell him in terms of timing?

MR. ALLEN: For Federal Wage System employees?

MS. SIMON: Yes.

MR. ALLEN: We should have something in the next, I'd say, couple weeks.

MS. SIMON: Two weeks?

MR. ALLEN: I wouldn't hold us to that since I'm not the approving authority myself, but we should have something moving in the next couple of weeks.

MS. SIMON: Okay.

CHAIRMAN FRIEDMAN: Anything else on item (e) under Old Business?

[No audible response.]

CHAIRMAN FRIEDMAN: Okay. That moves us down to item (f), 599-ACT-1.

So we have a related New Business item of a staff report prepared by OPM. That is item (b) under our New Business. I presume we ought to combine those two things since one is a proposal for our action and the other is some background information that pertains to the

discussion we would have about that.

So why don't I, Mark, ask you to summarize the paper the staff has prepared at this time. It is 602-OPM-1.

MR. ALLEN: Mr. Chairman, under 602-OPM-1, based on the Committee's interest in this review, OPM staff prepared a background document that goes into the existing status of Burlington County and Ocean County, New Jersey, and also provides some background on how the wage areas affecting the Joint Base were defined in the past. This response we have prepared here doesn't state a Management recommendation, but it does provide background on the situation in New Jersey.

The second page of the document provides a history of Burlington and Ocean Counties, New Jersey, which indicates that both Burlington County and Ocean County were defined to the Philadelphia wage area, with Burlington County part of the survey area and Ocean County part of the area of application.

So back when the system was first established, there was no split for either of those counties. They were both in the Philadelphia wage area and all of the Federal Wage System employees in what is currently now the Joint Base were paid from the Philadelphia wage schedule.

The Federal Prevailing Rate Advisory Committee, as part of a broader geographic review of Federal Wage System wage areas, reviewed the New York and Philadelphia wage areas between 1994 and 1997, and there were a series of votes back at that time. There was a labor proposal to move all of Fort Dix and McGuire Air Force Base as well as the Lakehurst part of the Joint Base into the New York wage area. That labor proposal was voted down in 1997.

There was another proposal to just move the Lakehurst portion into the New York

area of application. That proposal was adopted by a majority vote, where the Chairman voted with the Labor members on that.

So the thing that was driving this was that Ocean County had become part of the New York metropolitan statistical area, and under OPM's regulatory criteria, wage area boundaries should not split metropolitan statistical area boundaries unless there is some unusual circumstance involved.

MS. SIMON: You mean General Schedule locality boundaries, not wage area boundaries?

MR. ALLEN: No. I am referring to OPM's regulatory criteria for the Federal Wage System which states a metropolitan statistical area should not be split by Federal Wage System wage area boundaries.

MS. SIMON: Okay.

MR. ALLEN: There are other criteria for General Schedule locality areas.

The decision that OPM followed through back in 1997 through regulation was that the Lakehurst portion of what's now the Joint Base McGuire-Dix-Lakehurst would be defined to the New York wage area and moved out of the Philadelphia wage area along with most of Ocean County. Part of the reason for this going through under the Chairman's rationale at that time was we heard testimony at the Committee that there was little workforce interaction between the Federal Wage System employees at Lakehurst and Fort Dix and McGuire Air Force Base.

As currently defined in the regulations, there is still actually a split for Ocean County with the Fort Dix portion, which is primarily a "training range" portion, defined to the Philadelphia area of application, and of course, Burlington County is still defined to the

Philadelphia survey area along with McGuire Air Force Base and Fort Dix. That is all on page 2.

Page 2 contains information on the current status of the Federal Wage System workforce in both Burlington and Ocean Counties, and I see here that there are a number of employees in Burlington County who do not have duty stations at either Fort Dix or McGuire Air Force Base. It's 56 employees in Burlington County who are not affiliated with Fort Dix or McGuire Air Force Base. The vast majority of the employees, though, are at Fort Dix and McGuire Air Force Base.

There are a lesser number of employees at the Lakehurst station.

In the Fort Dix portion of Ocean County, they show around 47 Department of the Army employees paid from the Philadelphia wage schedule rather than the New York wage schedule.

Page 4 has the current metropolitan statistical areas. In regards to these, nothing really has changed since 1997 for Burlington or Ocean Counties. They are still in the status where Burlington County is defined to the Philadelphia metropolitan statistical area, and Ocean County is defined to the New York metropolitan statistical area.

On page 5, we have background on how the President's Pay Agent arrived at a decision for moving the portions of the Joint Base into the New York locality area in 2009. That was done through an interim regulation. It was based on criteria for making exceptions when there was a single installation that the Federal Salary Council had recommended previously and the President's Pay Agent had previously agreed with.

The rest of the information here goes into the regulatory criteria for defining Federal Wage System wage areas where we see Burlington County has the three groups of criteria favoring the Philadelphia wage area. For Ocean County, we would see distance favoring

Philadelphia but commuting patterns favoring New York. But Attachment 2 gives a more in-depth analysis of the regulatory criteria of combining wage areas as they relate to both Burlington and Ocean Counties.

So that is the background and the current status of Burlington and Ocean Counties in New Jersey.

CHAIRMAN FRIEDMAN: So we have the proposal from ACT to move the portion of the Joint Base that is currently in the Philadelphia wage area into the New York wage area, and we have the background paper which Mark just summarized for you.

Steve, since this was your proposal, do you want to kick off the discussion?

MR. LANDIS: Sure. Just to start off with the maps, I guess the best one is probably one—either one of them, you can say. I guess it was '97, is that right, Mark, when they redid the Lakehurst and New York?

MR. ALLEN: Yes, that's right. In 1997, OPM followed through on an FPRAC recommendation.

MR. LANDIS: So you can see there is just a small indentation going into Ocean County that excludes Fort Dix from that, which at the time, I assume, made sense that they were separate facilities and things like that. Now that it's all one base—and I can go through, if you like, a couple different supporting things to say that the base is now very commingled. There's a lot of stuff that goes on back and forth between all three facilities. Basically, all we're asking is for that indentation to go the other direction, to include Fort Dix and McGuire in that locality area.

I know, for example, in my unit, our motor pool, there is an Army motor pool facility that is included in the New York area, and they have constant integration, as well as the

CRWs. The Contingency Response groups of McGuire Air Force Base do a lot of exercise practice out at Lakehurst, using their air strips. So that's just a couple things they've started with.

MS. SIMON: Is your proposal only to move the McGuire Air Force sections of Burlington County into Ocean County?

MR. LANDIS: Yes. Our proposed ACT proposal was to move the remaining portions of Joint Base that aren't in the New York area into the New York area.

MS. SIMON: But not the Fort Dix?

MR. ALLEN: Yes. Yes. Fort Dix is Joint Base.

CHAIRMAN FRIEDMAN: This is 599-ACT-1. Does anybody need a copy who doesn't have it?

[No audible response.]

CHAIRMAN FRIEDMAN: I am just going to read it, so we are all on the same page and we know what we're talking about. This is from Steve. It says, "We propose moving the areas of Joint Base McGuire-Dix-Lakehurst that are currently in the Philadelphia wage area into the New York wage area." The rest of 599-ACT-1 is the rationale, which I could also read, but I don't think it is necessary.

MS. SIMON: So all the units described on page 3 that are currently in Burlington County from the Army, GSA, Air Force, Department of Justice, Navy, et cetera, would all be moved?

CHAIRMAN FRIEDMAN: I don't think GSA moves, unless GSA is physically at these bases, which I presume it is not, or is it? I don't even know. I don't think it would affect those.

MR. ALLEN: No, I don't believe—

MS. SIMON: And how about the prison at Fort Dix, Department of Justice?

CHAIRMAN FRIEDMAN: If it's physically at Fort Dix, I presume it would. I wonder why they are not—

MS. SIMON: But it's Department of Justice. It's not—

CHAIRMAN FRIEDMAN: Let me go back to the employment. Is that listed there?

MS. SIMON: Yes, it is. I mean, it is listed on page 3.

MR. LANDIS: Federal prison at Fort Dix.

CHAIRMAN FRIEDMAN: Oh, yeah. Yeah. I'm sorry. Okay. And I even have new glasses. Okay. Very good. So the answer to that is yes.

Is there discussion?

[No audible response.]

CHAIRMAN FRIEDMAN: This is not to put words in your mouth, Steve, but it sounds like you are relying on the notion that the Joint Base is a single, closely related federal activity. Is that what you are saying?

MR. LANDIS: Yeah.

MR. FENAUGHTY: I am not speaking for Steve, of course, but it looks like you have people who work for the same Joint Command in two different counties receiving different pay. Does that summarize it pretty good?

MR. ALLEN: That's correct.

MS. SIMON: Well, you know, that is true also at Tobyhanna Army Depot, only some of them are salaried workers and some of them are hourly workers, but they are working for the same command as well and considered to be in two separate pay areas.

All of these are distinctions that are used to justify pay differentials that make absolutely no sense whatsoever and have no rationale, other than to discriminate and get away with underpaying portions of the workforce. I guess that's a rationale for some people.

MR. ALLEN: Under the Federal Wage System, there is a distinction between Tobyhanna Army Depot and Joint Base McGuire-Dix-Lakehurst in that the Joint Base is considered by many to be a single installation.

MS. SIMON: And Tobyhanna Army Depot is a single installation. It's just that it discriminates against its blue collar workforce in favor of its white collar workforce, but it's one installation.

MR. ALLEN: Yes. But it's not split between—

MS. SIMON: It is literally under one roof.

MR. ALLEN: It is not split between two separate wage areas as the Joint Base is.

MS. SIMON: One is a wage area; one is a locality. It is one employer, it is one installation, it is one workforce, but it mistreats its hourly workforce. I mean, come on. You know, this is practically semantic.

Obviously, we have a lot of members here at Joint Base McGuire, and this does make a mockery of jointness, but the inequality at Tobyhanna is no less outrageous.

CHAIRMAN FRIEDMAN: Well, we have Tobyhanna on the agenda too. We could go back to that later.

Does Labor need a caucus here?

MR. SHORE: I just have a question. The summary then that is on page 6 isn't necessarily fully relevant to the proposal in that it talks about—this is summarizing the county altogether, right? It is Burlington County versus Ocean County, and what we are really talking

about here in the proposal is just a small, I guess, indentation, as Steve put it. We are not really comparing county to county. We are only really looking at the Joint Base itself, right?

MR. ALLEN: When OPM analyzes wage area boundaries, we take a look county by county, first of all, to see if the county is appropriately defined to an existing wage area, and under the regulatory criteria, Burlington County is appropriately defined to the Philadelphia wage area, with all the criteria leaning in that direction, and Burlington County being part of the Philadelphia survey area.

The Federal Prevailing Rate Advisory Committee made a split recommendation in 1997 that Ocean County appropriately belonged in the New York wage area, so OPM followed through on that and only moved the Lakehurst portion of what's now the Joint Base into the New York wage area.

MR. DAVEY: Am I correct in saying that the locality pay or the MSA for New York hasn't changed from that time from '97? It is still the same?

MR. ALLEN: That is still the same in that part of New Jersey.

CHAIRMAN FRIEDMAN: It has changed in other areas.

MR. DAVEY: But not in this area.

CHAIRMAN FRIEDMAN: No.

Just so I understand, it did change in the '90s, right? Ocean County got moved into the New York metropolitan statistical area?

MR. ALLEN: I am not sure if that's the correct date.

CHAIRMAN FRIEDMAN: Is that right or not?

MR. ALLEN: It would have been as a result of changes in metropolitan statistical areas following the 1990 Census, so I think it probably took place maybe around 1994, and that

was what was driving the—

CHAIRMAN FRIEDMAN: And that is what triggered the discussion in FPRAC at that time?

MR. ALLEN: That's right.

MR. DAVEY: And there has been no change since then.

CHAIRMAN FRIEDMAN: Personally, I would welcome seeing the transcript from those meetings or that meeting.

MS. GONZALEZ: Transcripts from 1994 to '97 are a lot of transcripts.

CHAIRMAN FRIEDMAN: No, I mean the transcripts of meetings where this issue was discussed.

MS. GONZALEZ: It will take me some time to go through 3 years.

CHAIRMAN FRIEDMAN: Is the discussion scattered throughout?

MS. GONZALEZ: They are scattered. The meetings where this issue was discussed were very long.

MS. SIMON: Well, the day of the vote, can we figure out—

MS. GONZALEZ: That is all you want?

MS. SIMON: Well, that might be a place to start.

MR. FENAUGHTY: Good place to start.

MS. GONZALEZ: I'll look for the transcripts.

CHAIRMAN FRIEDMAN: But the general idea is it seems that the metropolitan statistical areas were redefined at that time, and Ocean County got assigned to New York.

MR. DAVEY: I think my question, though is—

CHAIRMAN FRIEDMAN: And then that triggered—

MR. DAVEY: Okay. My question is, has it been stable since then in that area?

There are no new changes that would cause us to relook at the definitions or the decisions made then?

CHAIRMAN FRIEDMAN: No. I think the new change is—and it's not so new at this point, but the new change is the formation of the Joint Base in 2009.

MR. DAVEY: Yeah.

CHAIRMAN FRIEDMAN: There were three separate installations that are now one.

MR. ALLEN: The key question—

MR. DAVEY: For administrative purposes, yes.

MR. ALLEN: The key question in the mid-1990s was whether or not what's now the Joint Base was considered to be a single installation. FPRAC does have a longstanding practice of making recommendations for single installations, and they should be in one wage area or another and not be split. It's pretty much common sense to do that. OPM's regulations don't specify that a single installation shouldn't be split between wage areas, but in practice, looking at the actual wage area definitions, it becomes pretty apparent that FPRAC and OPM have followed that rationale for a long time.

MR. DAVEY: Well, the jointness that it showed in 2009 is more of an administrative jointness than anything else where you combine functions or you combine administrative levels, so that you save money, and it had nothing to do with same pay for same people in different counties. So I am leery to take the administrative concept and make it a requirement for wage concept.

MS. ARCHER: But it sounds like what you have done for administrative

purposes is combine the workforce.

MR. DAVEY: Combined administrative levels, removed layers—

MS. ARCHER: And what Steve suggests—

MR. DAVEY: —to save money. There is a big budget scenario that was going on in BRAC, and joint basing was going to save the Defense Department money and reduce—

MS. SIMON: Our reports have been—and, you know, we can probably get somebody in here to testify—that it's not simply a back-office administrative payroll integration, but that it's an operational integration, and that people who are paid under the lower Philadelphia wages are often assigned to work on the Ocean County side of the Joint Base. And they often work literally side by side on the exact same work project under the same supervision.

So to say that it is only something on paper contradicts the reports we have had that it is a genuine operational integration.

MR. DAVEY: Operational to reduce levels, to reduce the same secretary existing on three different bases.

MS. SIMON: Maybe we don't speak the same language. I am talking about actual people working in close physical proximity to one another under the exact same human supervisor doing the same job in the same spot.

MR. DAVEY: In the same spot?

MS. SIMON: I don't mean that the same person is processing their paperwork. I mean they are working together. The way you and I are working in the same room, people under two different wage scales are working in the same room together. That is what we are told.

MR. DAVEY: How does that happen when I am assigned one spot and my office is there and you are assigned a different spot and your office is there?

MS. SIMON: I think some of the people who work on the base don't sit in a chair in an office. I think they move around.

CHAIRMAN FRIEDMAN: We did have testimony on this in 2010 by the then-Joint Base commander. If anybody wants to go back and look at that—

MR. LANDIS: Colonel Grosso.

MS. SIMON: Yeah.

CHAIRMAN FRIEDMAN: —is certainly welcome to.

MR. LANDIS: I actually have—I should have brought it with me. I forgot my bag this morning, but I have that, actually.

CHAIRMAN FRIEDMAN: Anybody else want to speak on this, either side?

MR. LANDIS: Yeah. Just to follow up, it did start off as that was the first step, was the administrative part of it, and back at that time, there was a fair separation of the different bases. But since then, it has become more and more integrated, like I said, and like Jacque was saying, people work—they might have an office or a shop, and that's mostly what we're talking about here, shops, not necessarily offices.

And like I explained, our motor pool has interaction with motor pool over at Lakehurst on a regular basis. They have brand-new facilities over there. Sometimes they work back and forth, a lot of supply functions. It has been consolidated a lot, which has brought the FWS workforce closer together in working relations.

MR. ALLEN: I only really see three options to deal with this. One is to leave everything the way it is. The other would be to move Fort Dix and McGuire Air Force Base portions out of Burlington County on to the New York area of application. The other is to do it the other way and move the Lakehurst portion into the Philadelphia wage area.

I should also point out that we are not really dealing with a situation here where all of the Federal Wage System employees would experience an increase in pay by going onto the New York wage schedule. Likewise, not all of the employees in the Lakehurst portion would experience a pay decrease going onto Philadelphia wage schedule, because the schedules cross over.

MS. SIMON: Who would lose?

MR. ALLEN: I believe it's up through Wage Grade 4.

CHAIRMAN FRIEDMAN: The table is page—the pages aren't numbered, but the next to the last page in your report, Mark, shows the distribution of the FWS employees by grade. If you move back to the two wage schedules, the pages before that, you see where the tipping points are.

MR. LANDIS: Ah, I see. Yeah. Obviously, another option would be to move the entire county, Burlington County, into the New York wage area.

MR. ALLEN: That would be a fourth option, but likewise, another option would be to move Ocean County back into the Philadelphia wage area. This is not an easy thing to split up.

MS. SIMON: It is actually very easy, and that is for OPM to implement our proposal passed by FPRAC in October of 2010 to limit every GS locality to only one wage area.

CHAIRMAN FRIEDMAN: Any more discussion?

MS. SIMON: I guess we could have a Labor caucus.

CHAIRMAN FRIEDMAN: Certainly. Do we have a place for that, Madeline?

[Labor members go in caucus off the record.]

CHAIRMAN FRIEDMAN: Labor has returned from its caucus, and we can

resume the discussion of the Joint Base issue in New Jersey. Is there anything the Labor members want to report back?

MR. LANDIS: Yeah. We're at this time going to just request that we put off the vote for this until a later date until we can do some more investigation on some other items.

CHAIRMAN FRIEDMAN: Okay. Then do you want to end discussion on this matter now, or is there anything else about it that we need to discuss?

MR. LANDIS: Not necessarily, unless anybody has anything else to say.

CHAIRMAN FRIEDMAN: All right. Unless there is something else on this matter, we can move on. We have one other New Business item, which is 602-MGT-1, Definition of Bloomsburg-Berwick, Pennsylvania, MSA.

Mark, would you please summarize that one for us?

MR. ALLEN: Yes. Mr. Chairman, this one, I think is pretty easy to resolve, although I have said that before and it hasn't been.

Under 602-MGT-1, as part of its routine upkeep of wage area definitions placed on changes of metropolitan statistical areas, OPM has taken a look at the Bloomsburg-Berwick, Pennsylvania, metropolitan statistical area. This metropolitan statistical area is comprised of Columbia and Montour Counties in Pennsylvania. The metropolitan statistical area is currently split between the Harrisburg and Scranton wage areas, and under OPM's regulatory criteria, unless there is an exceptional reason for allowing the split to continue, we would recommend that the two counties of the MSA be put entirely within one wage area.

In this case, based on an analysis of the regulatory criteria, it seems the most appropriate to move Montour County out of the Harrisburg wage area and into the Scranton wage area. This would place the entire metropolitan statistical area in the Scranton wage area.

This would actually affect no employees currently, because there are no Federal Wage System employees stationed in either county.

I have provided maps, as we usually do at Attachment 1. It helps show where the Bloomsburg-Berwick MSA is situated.

CHAIRMAN FRIEDMAN: Any questions or discussion?

[No audible response.]

CHAIRMAN FRIEDMAN: Is there a consensus to adopt this proposal?

MR. LANDIS: Mark, what's the benefit of doing that?

MR. ALLEN: It keeps the MSA together in one wage area. Right now, the MSA, the two-county MSA, is split between two wage areas. I don't know if this is a new definition of an MSA. I guess it is. The metropolitan statistical area definitions have changed through the 2010 Census. Basically, the rationale behind this is there is a pretty strong commuting relationship between counties in a metropolitan statistical area, and because of that, there's a pretty firm rationale for not allowing metropolitan statistical areas to be split between wage areas.

MS. SIMON: I am just looking for the rationale of putting them in Scranton rather than Harrisburg.

MR. ALLEN: Jacque, this would be on page 3 where a distance—the Scranton wage area and commuting patterns favor the Scranton wage area. Similarities in overall population and private sector employment would favor neither Scranton nor Harrisburg. That usually happens because of the dissimilarity between the counties under review and the two survey areas—

MS. SIMON: I was looking for—your usual table has mileage where you show

what your conclusion was based on.

MR. ALLEN: The mileage would be in Attachment 2.

MS. SIMON: Okay. Thanks.

MR. ALLEN: First page where—

MS. SIMON: That's what I was looking for.

MR. ALLEN: —it's 41 miles to Wilkes-Barre.

MS. SIMON: "Wilkes-Barre."

MR. ALLEN: "Barre"? Thank you for the correction. I have been pronouncing that incorrectly for 23 years since the first time I looked at it.

MS. SIMON: And it's "Lancaster," not "Lancaster."

CHAIRMAN FRIEDMAN: I think the report states that there are no employees in either of the countries currently, for that matter.

MR. ALLEN: Yeah. That's correct.

CHAIRMAN FRIEDMAN: So is there a consensus to adopt this?

[No audible response.]

CHAIRMAN FRIEDMAN: I take it there is consensus, hearing no objection. Okay. So we have adopted 602-MGT-1.

Is there any other business?

MR. DAVEY: Mr. Chairman, could I ask a question?

CHAIRMAN FRIEDMAN: Yes.

MR. DAVEY: It was adopted. I understand that. This is dissimilar from the area we were just talking about, I believe. Here, we are keeping an MSA together, but in the case of Burlington County or parts of Burlington County, the concept is to not keep them together. We'll

take a part of an MSA and move it to some other MSA.

CHAIRMAN FRIEDMAN: Right, because of the closely located, closely related nature of the federal activity involved. So the general idea, as I understand it—and Mark, I'm sure will correct me if I don't say it right. Generally, we're supposed to keep all of the counties that make up an MSA together in the same wage area, unless there is strong reason not to do that, and one such reason could be the closely related, closely located nature of a federal activity that would otherwise straddle two wage areas.

Did I say that right?

MR. ALLEN: Perfect.

CHAIRMAN FRIEDMAN: Okay. Any other business that needs to come before us today?

[No audible response.]

CHAIRMAN FRIEDMAN: If not, we do have a working group meeting. We will meet right in this room, and we can let people have a stretch break, a short one. Is 5 minutes enough?

It would be in order for us to adjourn, unless there's some objection.

[No audible response.]

CHAIRMAN FRIEDMAN: Hearing no objection, we are adjourned. Thank you all. We'll see you next month.