

MINUTES OF THE
SPECIAL MEETING OF THE
STRUCTURAL PEST CONTROL BOARD
January 20, 2011

The meeting was held on Thursday, January 20, 2011, in the Hearing Room located at 2005 Evergreen Street in Sacramento, commencing at 9:02 A.M. with the following members constituting a quorum:

Curtis Good, President
David Tamayo, Vice President
Cris Arzate
Cliff Utley
Luis Agurto

Board staff present:

Kelli Okuma, Executive Officer
Susan Saylor, Assistant Executive Officer
Bill Douglas, Chief Enforcement Officer
Ronni O'Flaherty, Staff Services Analyst
Tom Ineichen, Board Specialist
Karen Costley, Staff Services Analyst
Melissa Roberts, Staff Services Analyst
Joseph Halligan, Office Technician
Gayle Yamada, Consumer Services Representative

Departmental staff present:

Mary-Ann Warmerdam, Director
Chris Reardon, Chief Deputy Director
Chuck Andrews, Associate Director
Jodi Clary, Legal Counsel

FLAG SALUTE

Mr. Utley led everyone in the flag salute.

ROLL CALL

Ms. Saylor read the roll call.

APPROVAL OF MINUTES OF THE OCTOBER 28, 2010 BOARD MEETING

Ms. Okuma noted that there was one correction made on page 4 of the minutes distributed to the Board.

Mr. Utley moved and Mr. Tamayo seconded to approve the minutes of the October 28, 2010 Board meeting with the noted change. Passed unanimously.

EXECUTIVE OFFICER'S REPORT

Mr. Douglas reported on the following:

- Projected numbers regarding the board's functional operation plan have been submitted to Department of Pesticide Regulation (DPR).
- There was a fumigation death on January 17, 2011 in San Jose. A board specialist is working with the County Agricultural Commissioner (CAC) to conduct an investigation.
- A two day meeting of board specialists was held on December 7 and 8 to discuss probation monitoring, compliance inspections, advertising violations, investigation reports, current cases, and undercover operations. These meetings will be held biannually.
- County agricultural training will be held in February.
- Salvador Navarro is no longer working for the board as of October 2010. His position was eliminated and is no longer available for hiring of a new employee.
- There is a vacant Specialist position.
- Board staff compiled a report of companies that have not filed any Wood Destroying Organism (WDO) activities within the last six months. These reports are being distributed to specialists to conduct office compliance inspections of these companies.

Mr. Good asked Mr. Douglas if the board has contact with the CAC offices in regard to the enforcement of companies not filing notices of intent to fumigate.

Mr. Douglas replied that he has been involved in dialogue between the CACs regarding companies filing notices of intent to fumigate and the CACs are becoming more comfortable submitting information to the board for enforcement action.

Ms. Saylor reported on the following:

- Licensing statistics and survey results were reviewed with the board members.
- WDO statistics were reviewed with the board members.

Mr. Utley pointed out that the numbers were lower than from the previous year.

Ms. Saylor explained that determining exactly how many activities were performed each month is difficult because some companies send a large check to cover fees for more than a month.

- Pro-rata reported at the prior meeting was \$818,000 when in actuality it is \$676,000. \$818,000 reflected the cost of rent of our facility being calculated twice. Pro-rata costs are only a projection and actual costs may vary.
- The 2009 continuing education audit for Field Representative and Operator's is complete. The audit resulted in seven percent of Field Representatives and three percent of Operators being non-compliant.
- Twenty five percent of Applicators who renewed between July 1, 2009 and June 30, 2010 were sent audit letters in October.
- The 2010 continuing education audit for Field Representatives and Operators has begun. Fifteen percent of Field Representatives and twenty-five percent of Operators who renewed in June will be audited.
- If rulemaking packages for sections 1920 and 1937.11 are reviewed by DPR and returned by March 1, time will allow for them to be noticed for public hearing for April's meeting.
- The notice to amend section 1970.5 was submitted to DPR for review in December and since has been withdrawn to ensure that the most appropriate amendment is made. This proposed amendment will be brought back in front of the board at a future meeting.
- The contract approved for research projects that were granted at the previous meeting have been delayed. Staff expects the projects will begin Feb 10, 2011 and end in February of 2012.
- Department of Justice will not accept phone calls from staff in regard to livescan results, but has set up an e-mail account for staff to make inquiries. A timely response is not guaranteed as responses are based on availability of staff.
- Priscilla Romero returned from medical leave on January 3 and is now on the insurance desk.

- An Operator Branch 1 exam development workshop was held last week in which eight subject matter experts appeared, making this workshop very successful.
- A Field Representative Branch 1 workshop is scheduled for February 9 and 10 in Southern California.
- An Operator Branch 2 workshop is scheduled for February 23 and 24 in Northern California.
- A Field Representative Branch 2 workshop is scheduled for March 2 and 3 in Northern California.

Ms. Okuma reported on the following:

- There is now an online service on the Board's website that allows any person with internet access to request e-mail notifications to receive approved minutes or agendas and notices for public hearings. The manual mailing list will continue to be maintained in addition to this online service.
- The Senate Rules Committee appointed Senator Curren Price as chair of the Senate Business Professions and Economic Development Committee which is the committee that often hears bills relating to our board.
- The Department of Consumer Affairs (DCA) maintains the board's databases for licensing, enforcement, examinations, and applicant tracking. DCA is in the process of replacing these systems. Recently it was decided that DPR is not in a position to convert the board's data to any of their systems. DCA is creating a single database that incorporates the different databases currently in use. DCA is in the process of granting the proposal and the board will convert to the new database in February of 2014.

Mr. Good asked Ms. Okuma if computerized testing is included or has been discussed regarding this new system.

Ms. Okuma replied that computerized testing will not be a part of this new system.

- DCA developed performance appraisals for Executive Officers. The Assistant Executive Officer instructs the board members to forward their completed appraisals to the board president. The evaluation of the Executive Officer can take place in open or closed session, or has been conducted in a meeting of the Executive Officer and the Board President. These evaluations were given on a regular basis until 2007.

Mr. Good opined that it is an important part of the board member's duties to evaluate the performance of the Executive Officer and that he is very disappointed with previous boards for not doing so. He asked Ms. Okuma if she was aware of any other evaluations or duties of the board members that are currently not being done or may have been overlooked.

Ms. Okuma stated that there was not. She distributed a graphic that highlights board members duties and responsibilities versus the Executive Officer's role.

Mr. Arzate stated that there is a sound basis for annual performance reviews and as a public board member for the past six years, he takes responsibility for not raising the issue in the past. He feels that there is an issue regarding how the board functions in relation to its transfer of authority from DCA to DPR. He added that the board is its own independent body, appointed by representatives of state government and reminded the board that they should be driving their own agenda no matter what department they are under.

CONSIDERATION OF REQUEST AND RECOMMENDATION TO AMEND CALIFORNIA CODE OF REGULATIONS SECTION 1991 TO REQUIRE PLACEMENT OF SUBSECTION (a)(8)(C)(3) DISCLOSURE WITH THE CORRESPONDING RECOMMENDATION(S) ON THE INSPECTION REPORT

Mr. Good stated that currently when a substandard recommendation is made there is no regulation stating where on the report the disclosure must be included and it has been requested that language is drafted to require the disclosure with corresponding recommendation on the inspection report.

Mr. Douglas introduced the language drafted for the board's consideration. He added that the board's vote to adopt the language would be necessary to begin the process of a regulatory change.

Mike Katz, Western Exterminator, asked if the language drafted should read wood-destroying pests, not organisms.

Mr. Good agreed with Mr. Katz that the term wood destroying organisms should be replaced with wood destroying pests in the drafted language.

Mr. Utley moved and Mr. Good seconded to notice the proposed text for public hearing with the exception of the word organisms being replaced by pests. Passed unanimously.

TEST HOLES – DISCUSSION AS TO WHETHER MAKING INACCESSIBLE AREAS ACCESSIBLE DURING A STRUCTURAL INSPECTION (PRIOR TO ISSUING AN INSPECTION REPORT) IS PERMISSIBLE UNDER CURRENT STATUTE / REGULATION

Ms. Clary reviewed the legal opinion provided to the board in regard to test holes, stating that under current statute it is not appropriate to allow test holes prior to issuing an inspection report.

Mr. Good stated that if the board wants to allow test holes during an inspection and not have to issue a report prior, that a statute and regulation change would be necessary.

Mr. Van Hooser stated that it is not difficult to issue a report prior to making test holes and he does not feel that it is necessary to seek legislative amendments if the board notices its licensees that test holes are considered work and are not part of an inspection.

Mr. Katz disagreed with Mr. Van Hooser stating that test holes are a very important part of the inspection process especially in moist areas such as the Bay Area. He stated that if you take the ability to make test holes during an inspection away from the inspectors, you will have people buying homes with rot damage. He urged the board to seek legislative amendments to allow test holes during an inspection.

Mr. Good stated that in his recollection from the original committee on test holes, the committee did not find test holes to be an improvement to the structure, but a diagnostic tool and part of the inspection process.

Mr. Paulson stated that he agrees with the current regulatory standard in that the initial inspection should be limited to visible signs only, and test holes should be done as a further inspection recommendation after issuing a report.

Mr. Agurto recommended that the board seek legislation to allow test holes because he feels that allowing test holes will benefit the consumer.

Mr. Utley clarified that test holes are allowed under current statute, only not during an inspection, that a report must be issued recommending further inspection before test holes are permissible.

Steve Delk, Delk Pest Control, stated that if legislation is sought to allow test holes during an inspection that test holes would have to be made in every house that is inspected in California, not just houses in the Bay Area. He recommended that the current law remains in place.

Tom Ineichen, Board Specialist, stated that the protection of the consumer will be compromised if the board allows test holes at the time of inspection with out defining what a test hole is.

Mr. Paulson stated that with the technology available today, an inspection report recommending further inspection can be generated from the inspector's vehicle and presented to the consumer at the time of the inspection. He suggested the regulation not be changed to cater to a small percentage of inspectors.

Mr. Good moved and Mr. Arzate seconded to appoint a committee to either draft language for statute and regulation changes or determine that regulatory changes are not necessary. Passed unanimously.

Mr. Good asked Mr. Katz to head the committee.

DISCUSSION OF FUNDING ALTERNATIVES TO THE EDUCATION AND ENFORCEMENT FUND TO PERMIT ELECTRONIC FILING OF MONTHLY PESTICIDE USE REPORTS

Ms. Okuma stated that in 2008 DPR requested the board considers a mechanism to allow licensees to electronically submit pesticide use reports to the CACs. She explained that currently the licensees of the board are required to file monthly pesticide use reports to the CACs with an affixed stamp that is sold by the board to and the monies collected for these stamps are designated to the Education and Enforcement Fund. She added that DCA is unable to add the ability to track this data electronically and the board is not in a position to absorb the cost on its own as the cost to build a system to track this data would be more than the fund generates. She suggested the board considering looking at different funding sources and eliminate the sale of these stamps.

Mr. Andrews suggested that the board continue to sell the stamps while the companies begin to file electronically and stamps can be kept affixed to records within their offices and made available upon an audit. He added that CACs conduct audits of records and would be able to determine whether or not the stamp was purchased for each filing. He stated that CACs are working on developing a system for electronic filing, and the system should be fully implemented by the end of the year.

Fred Crowder, San Mateo CAC, stated that some companies are sending a sheet of stamps to the CAC, filing electronically, and each time they file the CAC will cross out one of their stamps. He added that the CACs do not want to or should not have to be a custodian of the funds paid to SPCB by the companies. He stated that it would be desirable to the CACs to eliminate the stamp, but not the Education and Enforcement Fund. He suggested that a fee can be assessed annually rather than the companies having to pay for and affix a stamp to each monthly report they submit. He added that the only problem he sees in charging a company an annual fee is that some companies file a negative use report which does not require a stamp affixed to the filing. He also suggested that a review of reports can be conducted at the end of each year and a bill issued accordingly to companies who use pesticides in each county. He added that the

problem with this alternative would be that the fund would not be deposited into for the year in which the filings are made, until the end of the year when the invoices are paid. Mr. Agurto expressed concern that the duties of entering the pesticide use data which was once performed by CACs will now have to be performed by the companies and stated that this can be a huge burden on the larger companies who are performing work in multiple counties. He suggested that the fees for the pesticide use reporting be absorbed by DPR.

Mr. Andrews stated that DPR is not in a position to pay companies for filing their pesticide use reports.

Mr. Gather stated that if he operated in ten counties and had to pay for filing of these reports annually, that it would cause a financial burden on his company. He added that with the ability to purchase stamps, he can purchase stamps throughout the year to relieve some of that burden. He asked that a system is considered that allow for the fee to be paid in increments rather than one large invoice at the end of the year.

Ms. Okuma discussed the possibility of assessing an annual renewal fee for companies and branch offices. She stated that the proposed amounts for these renewals are \$150 per year for Principle office renewals and \$75 per year for Branch office renewals. She added that requiring Principle and Branch offices to renew annually would help the board keep track of companies that go out of business without notifying the board.

Mr. Good stated that a \$150 annual renewal fee would be more efficient than requiring companies to affix a stamp to each report they file.

Mr. Arzate asked Mr. Andrews for a timeline regarding development of its web based application.

Mr. Andrews replied that the process of developing this system has begun, but completion requires input from stakeholders.

Mr. Good questioned the ability of companies to file one pesticide use report that includes all of the counties using the new system rather than one report for each county.

Mr. Andrews stated that these reports must be filed with each county; therefore one report inclusive of all counties would not suffice.

Ms. Okuma suggested that the board direct staff to continue working with DPR and present more information at the next board meeting.

Mr. Good directed staff to work with DPR in regards to electronic filing of pesticide use reports and report at the next board meeting.

DEPARTMENT OF PESTICIDE REGULATION UPDATE

Chuck Andrews, Department of Pesticide Regulation, reported on the following:

- The administrative costs budgeted from Fiscal Year (FY) 09/10 DCA was \$544,664 and is \$619,000 for FY 10/11. He stated that Department of Finance predicts these numbers and DPR has no control over these costs. He added that the FY 09/10 cost was a reduced cost due to the furlough program in place during that time.
- United States Environmental Protection Agency (US EPA) proposed to take action to withdraw the tolerances established for post harvest commodity treatments that use Sulfuryl Fluoride. This proposal does not impact structural applications.

Mary Ann Warmerdam, introduced herself as the Director of DPR and introduced Chris Reardon as the Chief Deputy Director of DPR.

Mr. Reardon reported on the following areas that have been impacted with the transfer of jurisdiction from DCA to DPR:

- Legal – Ms. Clary was introduced as a DPR legal representative and is the board's assigned legal counsel.
- Budget – All legislation must be approved by the Governor and if there are budget issues the Department of Finance will consult with DPR, who will then consult with the board to remedy these issues.
- Legislation – If the board takes a position on a piece of legislation, it will be forwarded to the department for review, then agency, and finally to the Governor for a final determination to either support or oppose the legislation. The board can not take a position that differs from the Governor's position.
- Regulations - Proposals for new regulations or suggested amendments to regulations will be forwarded to the department for review and to the agency secretary for a signature. All regulation packages submitted through the California Environmental Protection Agency (CalEPA) must be signed off by the agency secretary.
- Information Technology (IT) and Administrative Issues – Ms. Okuma will be working with Chuck Andrews in regard to any program issues and with Joanne Payne in regard to any administrative issues. Removing the board from DCA's IT functions will be enormously expensive, probably costing millions of dollars.

Ms. Warmerdam stated that a major issue in transferring the IT functions to DPR is that DCA's IT systems are not integrated and are not similar to or compatible with any

systems that DPR currently uses. She added that a Memorandum of Understanding with DCA is only a short term solution.

Mr. Good asked if the costs relating to IT functions would be less expensive if the board was under the jurisdiction of DCA.

Mr. Reardon replied that he is unaware of what the costs were under DCA's jurisdiction and there will be costs to the board associated with creating and implementation of the new system that DCA is creating. He added that the cost associated with being included in DCA's new system would be far less than if DPR had to create a system to integrate all of their licensing functions. He stated that neither DPR or the board are in a position to absorb the costs associated with moving the board away from DCA's IT functions and a budget change proposal would have to be approved by the governor in order to do so.

Mr. Tamayo stated that it was his understanding that the board is authorized to take a position on legislation regardless of whether or not the department or Governor agrees with it.

Mr. Reardon stated that the department may take a recommended position that is not approved by the Governor, but any public position must be approved by the Governor's office.

Mr. Tamayo questioned the ability of the board to take a position on a piece of legislation carried by an entity outside of the board.

Mr. Reardon responded that if the board proposes to support a piece of legislation being carried by an outside entity and both the department and the agency agree with it, but the Governor's office does not, it can not be publicly supported.

Ms. Warmerdam added that the board may take a recommended position on legislation that is held internally until it is signed off by DPR and the Governor.

Mr. Hopper stated that DPR's process is beneficial because PCOC will ask for the Governor's approval prior to proposing legislation.

Mr. Reardon stated that sometimes it takes a long time to get a position from the Governor's office.

Ms. Okuma stated that the process under DCA was different only in that if the board took a position, the board shared their position with the department and presented that position to the committee that is hearing the bill.

Mr. Arzate asked Mr. Reardon what would happen if DPR does not agree with a position that the board wants to take.

Mr. Reardon responded that the board would be unable to move forward with a position that is inconsistent with the department's position.

Mr. Arzate asked Mr. Reardon how CCR section 8520.2 (e); which states that the duties, powers, purposes and responsibilities, and jurisdictions of the board under the jurisdiction of the DCA shall remain with the board under the jurisdiction of the DPR, is being upheld if the board can not take a position without the approval of the department and agency.

Mr. Reardon replied that it is a departmental difference and that both the Water Resources Board and the Air Resources Board must comply with these processes as well.

Mr. Arzate thanked Mr. Reardon and Ms. Warmerdam for sharing this information. He stated that he asked Ms. Okuma to put this on the agenda for this meeting but since he did not make this request within ten days, asked that this subject be put on the agenda for the next meeting.

Mr. Reardon stated that he noticed ten days prior to the meeting that he expects to speak with the board in regard to a personnel issue during closed session.

Mr. Arzate asked Mr. Reardon if he was referring to speaking to the board during closed session at the following meeting.

Mr. Reardon replied that his intentions were for this meeting.

Mr. Arzate stated that the discussion of personnel issues is not on the agenda.

Mr. Reardon responded that it did not need to be on the agenda.

Mr. Arzate thanked Mr. Reardon for providing the board with DPR's Chief Legal Counsel's interpretation of the Bagley-Keene Act that he does not find to be consistent with the interpretation of the Attorney General's Office. He added that since the discussion of personnel issues is not on the agenda that he does not see how the board can hold this discussion.

Mr. Reardon stated that he can either have this discussion during closed session at this meeting or he can put it on the agenda for the closed session at the next meeting. He referred to the board president for direction.

Mr. Good stated that when the board goes into closed session that the board will hear what Mr. Reardon and Ms. Warmerdam have to say in regard to personnel issues.

Mr. Arzate stated that he disagreed.

SURFACE WATER REGULATIONS

Mr. Andrews reported the following:

- The department recently had concepts out for public comment regarding pyrethroids and residues being found in surface waters. After many discussions, and reevaluation of the chemicals found in pyrethroids, the department decided to move forward with regulations to address pyrethroids, focusing on urban use.
- US EPA has been developing litigation and is in the process of asking registrants to modify labels to mitigate the outside movement of pyrethroids into surface waters. This approach will be a reduced use strategy to change how pyrethroids are being used.
- DPR is also focusing on Bifenthrin, which is used in structural pest control and is very toxic to aquatic species. The department is looking at adding restrictions to Bifenthrin and other chemicals that have been detected in surface waters. Language has been drafted and the department plans to have this regulation noticed in May. This regulation will be targeting pest control businesses.

Mr. Tamayo stated he asked that surface water regulations be put on the agenda because previously there were concepts discussed regarding proposing a different way of treating Integrated Pest Management (IPM) certified businesses or services by possibly having a different regulatory state relating to these regulations. He asked Mr. Andrews if the said concepts are included in the modifications that DPR is seeking.

Mr. Andrews responded that they are not currently being considered for this package.

Mr. Tamayo asked if his concern could be included in this package.

Mr. Andrews stated that the focus has changed to a reduced use strategy with the foundation of the US EPA label changes that are being made.

Mr. Tamayo stated that this issue should be addressed early in considering modifications, and the board should have input regarding appropriate standards for recognizing certifications or practices that would be eligible.

Mr. Andrews stated that DPR will leave it up to the board and the department will always work with the board to move forward with regulations that impact licensees.

Darren Van Steenwyk, Clark Pest Control, reported that the pest control industry has reduced its pesticide usage by fifty one percent since 1998, including almost a ten percent decrease from 2008 to 2009 alone. He stated that Green Pro is an IPM certification program through National Pest Management Association in which eleven companies and over a thousand technicians are certified in California. He explained that this program is

not based on specific products but instead, use patterns and prioritization of management strategies.

Mr. Tamayo stated that he was on the Green Pro Advisory Committee and expressed his appreciation for the leadership and willingness to move forward with establishing this program. He added that there is still a need to develop standards as to what a model structural IPM program should consist of and what standards it should be required to meet.

Mr. Van Steenwyk agreed with Mr. Tamayo in that standards need to be set to help establish what makes a credible program.

Mr. Good asked Mr. Van Steenwyk if setting these standards could be done through PCOC.

Mr. Van Steenwyk replied that PCOC would be able to provide direction but would have to get board approval or work with the board to establish standards.

Mr. Tamayo suggested establishing a new committee to return with a recommendation for establishing standards for IPM certification programs.

Mr. Utley suggested the board wait until DPR finalizes its proposed regulations to see what affects those changes may have.

Mr. Van Steenwyk suggested the board move forward as soon as possible.

Mr. Reardon stated that it is important to have standards but if they are going to be used as exceptions to regulations that it is important to have those standards clearly defined.

Mr. Good suggested this wait until May and possibly develop a committee.

Mr. Tamayo stated that since DPR's proposed regulations do not include this matter, the board should address this issue now.

Mr. Good asked Mr. Van Steenwyk if he would like to head the committee.

Mr. Van Steenwyk stated that he will head the committee.

Mr. Good asked Mr. Van Steenwyk if he had any suggestions as to who will be in the committee.

Mr. Van Steenwyk requested Mr. Tamayo serve on the committee.

Mr. Tamayo suggested that the members from the prior committees be reassigned to this committee.

Mr. Van Steenwyk stated that he will work with Mr. Tamayo to determine a size for this committee and once size is determined, work from there to figure out who will be on the committee.

The board directed Mr. Tamayo and Mr. Van Steenwyk to develop a committee, determine the mission of this committee and report at the next meeting.

**REVIEW OF THE STRUCTURAL PEST CONTROL BOARD'S PROCEDURE
G-6: GUIDELINES FOR ACCESS TO PUBLIC RECORDS**

Ms. Okuma reported that after review of the board's guidelines for public records it was determined that the board's guidelines are consistent with DPR's. She recommended a few grammatical changes be made.

Ms. Clary asked that this discussion be held at the next meeting, as new executive orders will require additional changes.

**DISCUSSION REGARDING OWNERSHIP RIGHTS OF KNOWLEDGE
GAINED FROM RESEARCH PROJECTS FUNDED BY THE STRUCTURAL
PEST CONTROL BOARD**

Mr. Agurto questioned the rights of the researchers that do research funded by the board to sell the information and knowledge gained from said research.

Ms. Okuma stated that to her knowledge researchers have never sold this information.

Gail Getty, University of California, Berkeley, stated that the university never sells research and once the research is concluded the information is published for public use.

FUTURE AGENDA ITEMS

Mr. Good requested discussion of appointing a committee to review the Structural Pest Control Act.

Terry Davis, Operator, requested that a discussion of licensing requirements regarding bed bug sniffing dogs be held at the next meeting.

Mr. Van Hooser requested that a discussion regarding how long a closed accusation stays on the board's website be held at the next meeting.

BOARD MEETING CALENDAR

Ms. Okuma stated that several petitions for reinstatement hearings of licensees in Southern California have been received and asked that the board consider scheduling the July meeting for Southern California.

The board meeting was scheduled for July 20 and 21, 2011 in Long Beach.

PUBLIC COMMENTS NOT ON THE AGENDA

Mr. Gather stated that the online list of Continuing Education Providers for Pre-Operator Courses reflects that PCOC is a course provider and indicated that PCOC no longer offers this course. He asked that PCOC be removed from the list of approved providers for Pre-Operator courses.

Ms. Okuma directed Mr. Gather to contact Karen Costley to make the requested change.

Mr. Gather questioned the possibility of approving continuing education hours for DPR licensees for attending SPCB meetings.

Ms. Okuma responded that DPR has a committee that approves continuing education hours and DPR would have to determine whether or not SPCB meetings qualify.

Mr. Gather expressed industry concern regarding prevailing wages in relation to government contracts. He asked what has been determined in regard to prevailing wages for this industry.

Ms. Okuma responded that she will make some inquiries but prevailing wages is not within the board's scope.


Mr. Agurto directed Mr. Gather to the Federal Department of Labor for the information he is seeking.

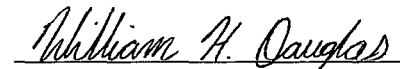
Mr. Arzate expressed concern that when Mr. Reardon directs the chair of the board to move on an agenda item, that the integrity and independence of the board is being questioned. He stated that DPR has moved legislatively to vet five members of the board to make the recommendations of those that are vetted to the governor and this can potentially put board members in a conflict of interest position. He added that if the board questions DPR's opinion on anything legislatively, that DPR can disapprove the advancement of possible legislation because the board must go to DPR counsel to get an opinion that may conflict with the mission of the board. He questioned how these concerns maintain the autonomy of the board as it was under the jurisdiction of DCA.

Mr. Good thanked board staff and specialists for their thoroughness and diligence in preparing for this meeting.

ADJOURNMENT

This meeting was adjourned at 12:47 P.M.


President


William Douglas,
Interim Executive Officer

4/28/2011
DATE