

# THE ACT REPORT

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FOUNDATION

The ACT Foundation is an association of West Virginia building and construction trades unions, with offices in Charleston and Clarksburg. Bruce Tarpley, President; Steve Burton, Vice President; T.L. Ranson, Secretary Treasurer; Roy Smith, Executive Director; Steve White, Director.

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# Federal Flood Clean-Up Funds Questioned

## Contractors With Same Jobs Pay Two Scales

**L**ast year's flood clean-up resulted in ACT's northern representative Steve Montoney working on a clean-up of his own.

"As we all are aware, last year northcentral and eastern West Virginia was wrecked with two major floods -- one in January and one in September," Montoney said.

Montoney said flood clean-

up money is usually funneled through the Federal Emergency Management Agency (FEMA).

In January, some of the flood recovery went out for competitive bid, and all projects contained federal or state prevailing wage rates so he collected and reviewed payrolls.

Some of the work went out through what the Department of Highways (DOH) calls a

Force Account which is when a contractor in the area is called

and given a certain portion of the cleanup with a predetermined rate which includes prevailing wage for his employees, equipment costs plus a profit margin.

Work included clearing debris from roads and bridges in

**"In the construction industry there is always someone who takes advantage of a disaster to make a profit and to cheat a worker. That's what we fight to stop."**

**Steve Montoney  
ACT northern rep.**

order to restore traffic flow, Montoney said, and falls un-

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## Contractor Dumped After ACT Probe

# New Temp Agency Tool For Organizing

**N**o contractors license, no registration with the Secretary of States office, no business license, no wage bond, no West Virginia workers compensation or unemployment, and now no job.

That's the story of Fesco Fabrication and Erection Company Inc. of Madisonville, Ky. (Western Kentucky) and their

short career building 84 Lumber in St. Albans.

And it's also the story of Labor Ready, the new South Charleston based company which opened in late September and is based on one premise -- to help non-union contractors find cheap workers.

Working with the Tri-State and Charleston building trades ACT representatives organized a complex plan of applications, salting, and job site

tactics to combat the Labor Ready attack on local construction workers.

"Temporary employment agencies aimed at increasing low wage construction jobs are a direct attack on local construction workers and their families", said Tom Williams, organizer for the Tri-State Building Trades. "But instead of crying about it we intend to use these agencies to organize."

Coordinating with ACT two workers, one union and one nonunion, were hired through Labor Ready to work for Fesco on the 84 Lumber job. Both applied after approximately fifty union members signed up at Labor Ready.

The two worked for three days establishing themselves as good workers. Then they gave the company owner a letter telling him of their intent

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## ACT Marks Five Years Of Service

**T**he Affiliated Construction Trades Foundation just completed five years of service as we head into the New Year.

ACT was formed in December of 1991 by several pioneering leaders and members in the labor movement.

Bruce Tarpley, Business Manager of Operating Engineers Local 132 who has been president of ACT since its inception, said he thinks ACT has made a tremendous amount of progress in what it set out to do -- to make signatory contractors competitive by leveling the playing field.

"We've cut out a lot of cheating on prevailing

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**UNDER SURVEILLANCE** at Labor Ready's So. Charleston office are Gary Tillis, assistant business manager of the Laborers District Council and an unidentified union supporter. Highlighted is the video camera installed after union activity began.

# ACT Works To Update Prevailing Wage

**Most construction workers know prevailing wage rates are set for both federal and state projects.**

But many do not know there are also separate rates for three categories of work: building construction, heavy/highway and residential.

ACT's fair contracting representative Jim Lewis is working on a project to gather information needed for a Department of Labor (DOL) wage survey to get the federal wage rate for residential projects upgrades for West

Virginia cities.

The federal DOL divides West Virginia into a rural and an urban region which includes Ohio, Cabell, Kanawha and other urban counties.

The rural region had a survey completed and the rates updated last year. Delegates Larry Linch, D-Harrison and Gary Tillis, D-Putnam helped with gathering the information.

"Anyone can ask for a wage survey, but what it takes is getting with contractors and getting them to fill out forms," said Tillis.

Residential rates, which usu-

ally come through Housing and Urban Development (HUD) funds, are very low and apply to residential construction projects consisting of single family homes and apartments up to and including 4 stories.

"All rates are based on surveys of contractors who have contracts for work

of that type in the area," said Lewis.

Residential rates commonly reflect a non-union wage because, according to Lewis, non-union contractors get the majority of those contracts.

"January 1991 was the last time DOL did a rate survey, and after checking payrolls on

several HUD projects, it seems that even non-union contractors are paying a higher rate than the wages set by DOL," he said.

For example, current prevailing hourly wage rate for

**"That's what we're looking to change -- to make the rates listed really reflect what's being paid out in the residential market, regardless."**

**Jim Lewis  
ACT fair contracting rep.**

Carpenters is \$8.36, Bricklayers is \$9.29, and Laborers is \$7.35. None have fringes benefits.

"Our contractors can't compete against such low wages, even if our productivity is high," Lewis said. "And we know even non-union is paying higher than the DOL re-

quires.

"That's what we're looking to change -- to make the rates listed really reflect what's being paid out in the residential market, regardless."

Raising wage rates improves the standard of living as well.

As you can imagine, Lewis said, it is nearly impossible for

contractors to find qualified craftsmen to compete at the current residential wages.

"But with the combined trades' commitment to regain this market, and federal prevailing wage rates that more accurately reflect a fair wage, we hope to re-capture some of this work," he said.

## Temp Agency

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to organize both Fesco and Labor Ready.

"On the fourth day, we put up a picket, but in the meantime we had asked the Division of Labor to make sure the company was in compliance with all state laws," said one salt. [No names will be used for salts to allow future efforts.]

Newspaper reports that Fesco didn't have a contractors license brought prompt action by the Division of Labor resulting in a cease and desist order for Fesco.

So back to Labor Ready went the two salts turned organizers.

Labor Ready then changed their hiring policy for union applicants, the salt said.

"They used to call us and let us know if work was available that we were qualified for. Now we have to go in every day when work is dispatched to see if anything's available."

He said that was actually a benefit, because he used the opportunity to get everyone in the office to sign a petition requesting the policy be changed.

"And by being in office, it gives me a good chance to pick and choose good potential salts. I even got a representation card signed."

Williams said the main objective remains to be organizing Labor Ready. "Labor Ready is opening an office in Huntington, they have over one hundred offices across the country. We can't sit back and let them take our jobs."

"Fesco is just a bonus, and getting it booted will send a signal to other out-of-state contractors that they better have their licenses and permits in order before they come to West Virginia," he said.

"I still feel that Labor Ready is the best tool we have to organize non-union construction outfits."

## How Union Members Voted

Based on Election Day exit polls and a Hart Research Associates poll on Nov. 6 and 7.

### For President

- Union (AFL-CIO) members voted 64% for Clinton, 28% for Dole, 8% for Perot.
- By contrast, non-union households voted 46% for Clinton, 45% for Dole, 8% for Perot.
- African-American and Latino union members voted 91% for Clinton, 45% for Dole, 1% for Perot.
- Women union members voted 72% for Clinton, 21% for Dole, 4% for Perot.
- Union members with college degrees voted 70% for Clinton, 26% for Dole, 4% for Perot.
- White male union members voted 55% for Clinton, 34% for Dole, 11% for Perot.

### For Congress

- Union (AFL-CIO) members voted 63% for Democrats, 32% for Republicans (down from 40% in 1994).
- By contrast, non-union households accounted for 23% of the overall vote, up from 19% in 1992 and 14% in 1994.
- A majority in every demographic subgroup of union members voted for the Democratic candidate in their district, including white men (61% Democratic, 39% Republican).

### Turnout

- Union households accounted for 25% of the overall vote, up from 19% in 1992 and 14% in 1994. An estimated 2.3 million more union members voted this year, compared with 1992.

### On Union Political Action

- Three quarters of all union voters agree that unions need to "invest time and money in politics and legislation today, to counter the influence that corporations and wealthy special interests have."

# ACT Tabloid Goes Nation-Wide

**ACT recently took its case against the Embassy Suites Hotel in Charleston to the people -- the people of the United States.**

"The Travelers Inquirer" was created by ACT as a supermarket style tabloid to distribute at hotels related to the Charleston project.

Building Trades Councils across the nation have lent their support to get the word out.

The Embassy Suites project has been plagued with problems from illegal immigrants and out-of-state workers to

contaminated soil and unfair labor practices charges. The tabloid was a means of letting the public, in this case business travelers, know about the case.

Building Trades Councils near hotels owned by John Q. Hammons Inc., the same company which owns the Charleston hotel, were asked to distribute the tabloid to hotel patrons.

Hammons owns hotels in Alabama, Arkansas, Arizona, California, Colorado, Iowa, Illinois, Kentucky, Missouri, Montana, Nevada, New Mexico, North Carolina, Oregon, South Carolina, Wisconsin,

sin, Texas and Wyoming.

Copies of the tabloid were sent to all Embassy Suites hotel managers in the U.S. and Canada. Legislators, and area business people also received copies of the tabloid.

ACT has since received a letter from Hammons' lawyers threatening to sue about the negative content of the tabloid.

"To be honest, I would have been disappointed if we hadn't received

something from Hammons' lawyers," said ACT director Steve White.

"We pride ourselves on good research and getting the

facts, the tabloid only tells the sad story of this Embassy Suites project. If Mr. Hammons doesn't like the truth that's too bad."



THOUSANDS of ACT's tabloid were distributed by building trades members across the country.

## FLOOD CLEAN-UP FUNDS QUESTIONED

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der the job description of Laborers, Operating Engineers and Teamsters.

"That's how it was handled in January in the Eastern Panhandle," Montoney said.

"Then in September when we had another flood, because of the shortage of state inspectors and increased paperwork the work was parcelled out through maintenance agreements," he said.

The difference being the contractor is paid an hourly rate for the work and he also determines the pay rate for his employees.

"Since all of this work was partially funded with federal monies, normally workers are paid prevailing wage, but when I checked the payrolls, Sites Construction of Petersburg, WV paid employees about 50 percent of prevailing wage.

"Another company, Kanawha Stone, which was doing the same work in the same

area, and even on the same routes, paid its employees prevailing wage," Montoney said.

"As usual, my initial complaint was answered with 'it's emergency flood work--they don't have to pay prevailing wage rates'."

"But my probing turned up the way emergency road work is handled through the Force account provisions like those followed in January.

"I was told that in January, the inspectors weren't busy, so they used the Force accounts.

"But when the September flood came up they were short on men, so they did it through a shorter type of accounting," he said.

Montoney said he has contacted Sam Beverage of the DOH field operations office for a copy of the provision under which these contracts were let in order to determine if Sites Construction can be forced to pay back wages.

"The final determination will end up in the legal division of the DOH.

"In the construction industry there is always someone who takes advantage of a disaster to make a profit and to cheat a worker.

"That's what ACT fights to stop."

## ACT Preparing For Legislative Session

**Raymond "B.B." Smith is preparing for this year's legislative session by making the rounds at ACT locals to help establish a network of political activists.**

Smith is visiting apprenticeship classes and monthly meetings.

"I am trying to establish a letter-writing campaign now

instead of after the session starts," Smith said.

Smith said legislators need to hear from the people of their district when they're considering a bill.

ACT's main legislative goal this session is to get the West Virginia Jobs Act passed which would require 90 percent of the workers on a state or county funded job be from the local area.

"When we get into the session we want to have a network established that will quickly generate several letters and phone calls.

"It makes ACT's lobbyists much more effective when legislators are hearing positive things about the Jobs Act from people back home."

Call ACT at 1-800-930-WORK (9675) for a sample Jobs Act letter.

## Apprentice And College Programs Funded

# CTTAP Helps The Unemployed

**If you're unemployed and one of your New Year's Resolutions was to get more training, there's a program that may be able to help -- Construction Trades Training And Advancement Program.**

It is an affiliate of the West Virginia State Building and Construction Trades Council.

"The key to getting help from CTTAP (pronounced Sea-Tap) is unemployment," said Sheryl Johnson, who took over as Director of Training in March of last year.

To get into a CTTAP sponsored program, the unemployed worker must apply and be accepted into an apprenticeship or college program, or need upgrade training to be employable.

The program's other employees are Ron Jarrett, fiscal officer and Amie Robinson, secretary. Roy Smith, secretary treasurer of the State Building Trades, is the executive director.

Johnson explained that one

needs to be laid-off or unemployed to be eligible for CTTAP's programs, because it is totally funded by federal JTPA (Job Training Partnership Act) money which is allocated to each state based on its unemployment.

Each year, CTTAP, whose program year runs from July 1 to June 30, gets funding for different types of JTPA money to help laid off workers.

**"We have almost 200 [enrolled] per year, so we've probably benefited at least a thousand since we've been in business."**

**Sheryl Johnson,  
CTTAP Director of Training**

One source is the Private Industry Council which allows funding for people from all over the state, except the Northern Panhandle or Kanawha

County, which both have their own separate source of funding.

"It's all

from the same pot, but through separate sources," Johnson said.

Everything to this point is funded through JTPA, "but we are looking for other sources."

According to Johnson, State Building Trades affiliated locals may participate in the program.

"Mostly we do apprenticeships, but some are journeyman upgrades," she said. "Anything to make them employable."

CTTAP also administers a college program which coincides with the apprenticeship program.

"Anyone who has finished an

at ACT's progress.

"When compared to where we were back in 1990, the building trades had become weak and ineffective and now the building trades along with ACT has become quite a power. It has been as successful as I hoped it would."

Burton said without ACT building trades unions wouldn't have been able to do nearly as much as they have.

"We wouldn't have had the ability to do to the research, to educate the public and educate the membership with the newsletter. The building trades would probably be in even worse shape than back then. Non-building trades unions -- and I've heard this several times -- think ACT has become the voice of organized labor in the state of West Virginia," Burton said.

apprenticeship and is unemployed can get funds to return to school, and receive approximately 43 hours worth of college credit, which leaves only seven classes required to get an Associate Degree in occupational development.

Six colleges participate in the program -- WVU Parkersburg, Fairmont State College, Marshall University, WV State, Potomac State, and Northern Community College.

CTTAP can also provide for child care while participants are in class as well as a meal adjustment and mileage, depending on need.

"We have six programs starting next month," she said.

In the seven years since CTTAP's inception in 1989, Johnson said, numerous unemployed workers have been helped.

"We have almost 200 per year," she said, "so we've probably benefited at least a thousand since we've been in business."

Contact CTTAP at 346-3863 for more information.

Tarpley said he attributes ACT's success to cooperation among the crafts involved and its ability to gain new members.

"The members paying the way understand that either we win back the market or lose it completely," Tarpley said. "But I think we've turned that corner and we're beginning to reap the benefits."

"I can only see it getting bigger and better. As long as the people involved remain focused on what we are about and as long as the members in the field continue to support ACT -- I see nothing but growth."

Burton said ACT will continue to grow "if we can get everyone to pay their fair share -- including electricians -- ACT has a very bright future, but it will take all crafts pulling together to make it work."

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## ACT Marks Five Years

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wage jobs which helps our contractors," Tarpley said.

When distinguishing ACT's successes, Tarpley said fighting for local jobs and modern technology for the \$1 billion pulp and paper mill slated for Apple Grove in Mason County, has been a big victory.

"We've had our losses too, but over-

all I'd say we've had a lot more wins," he said.

Vice president Steve Burton, who was instrumental in establishing ACT, agrees.

"We've had a lot of victories, but the biggest we can point to is making a difference -- just being a part of the checks and balances," Burton said.

Tarpley said he is sometimes amazed