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A Division of the WV State Building Trades, AFL-CIO | Bill Hutchinson, *President* | Dave Efav, *Secretary-Treasurer* | Steve White, *Director*

Repeal Brings No Savings!

Repeal of the state prevailing wage law was based on an assumption that taxpayers would see significant savings on public construction projects.

Legislative leaders stated four schools could be built for the price of three if prevailing wage was repealed. At times the claim was five schools for the price of three.

Using the four-for-three claim, a 25% reduction in price would be expected.

Numerous school projects have bid since repeal went into effect. It is easy to determine if the savings promised have been realized.

The clear answer is NO.

In fact savings cannot be shown

for even one school project in either the 25 percent range, or even 5%.

The bid numbers are clear and concise.

Examples
Ceredo-Kenova Elementary School, new school Wayne County

Bid: August 8, 2015

During the suspension of prevailing wage in 2015 a number of school projects were bid.

For a new school in Wayne County, Ceredo-Kenova Elementary the low bidder was Neighborgall Construction at \$12,400,000. Even though the law only requires minimum wage Neighborgall pays construction workers at or above the

prevailing wage. His competitors do not.

Second and third place bidders Jarrett Construction and Swope Construction were among those who testified that significant savings could be realized if prevailing wage was eliminated. They failed to provide any savings and in fact would have charged tax payers more than a prevailing wage paying contractor with bids of \$12,583,000 and \$12,899,000.

Potomack Intermediate School, Berkeley County

Bid Date: July 8, 2015

Claims of great savings at the Potomack Intermediate School were proven false when the detailed record

was examined.

The low bid came in at \$986,000 and newspaper reports said the number was significantly below the budgeted amount.

However the wrong budget number was used.

The true budget number, which was based on the payment of prevailing wage rates, was \$960,950.

Newspaper reports incorrectly compared the construction bid to the total project estimate which included architectural fees, inspections, geotechnical fees, clerk of the works costs, etc. that would be paid on top of the construction costs.

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Governor Justice Wants up to \$2.8 Billion for New Investment in Infrastructure

Governor Jim Justice unveiled a plan for a massive \$2.8 billion investment in infrastructure at his first State-of-the-State address on Wednesday, February 8 at the state capitol in Charleston.

saying the state was in dire need of big ideas not more cuts.

Funding for his infrastructure plan has many components includ-

ing an increase on tolls for the WV Turnpike to \$3 from \$2, and an increase in roads that will have tolls.

He proposed an eight dollar per

year cap on the amount citizens would have to pay meaning the bulk of the new money would come from

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“We are excited about this plan from many angles,”

Chuck Parker,

Operating Engineers Local 132

Governor Justice called on legislative leaders to get behind his plan to jump-start the economy and put thousands of West Virginians to work



Governor Jim Justice proposed major investments in infrastructure projects during his State-of-the-State address.

Beech Ridge Wind Project Phase Two Nears

Plans are underway for the second phase of the Beech Ridge Energy project in Greenbrier County.

Project developers Invenergy based in Chicago are looking to add 20 to 22 new turbines to the 67 already in place in 2010.

The new GE turbines will have the ability to generate up to 50 megawatts of electricity. The location of the turbines are all on property owned by the Weyhauser Corporation in Greenbrier County and will tie into the existing transmission line put in place during phase one of the project.

Invenergy has hired Bolt Construction for the project and a project labor agreement with the Charleston Building and Construction Trades Council is in the works. Invenergy has already committed the project will employ local skilled, drug-free union workers, similar to the first phase.

The project had to overcome some major permitting hurdles primarily to accommodate Federal Judges order to protect an endangered bat. The second phase had included 33 locations but that number was reduced to accommodate permit issues.

During the years the project has been delayed, technology has advanced to allow for larger turbines, longer blades and a shorter base. These minor changes have been presented to the state Public Service Commission for approval.

Some small work was recently done at the site, primarily to preserve federal tax credits.

Substantial work is not expected until the company finalizes their power sales deal and gets financing.

Foundations should be installed this Fall, completion is set for the Fall of 2018.

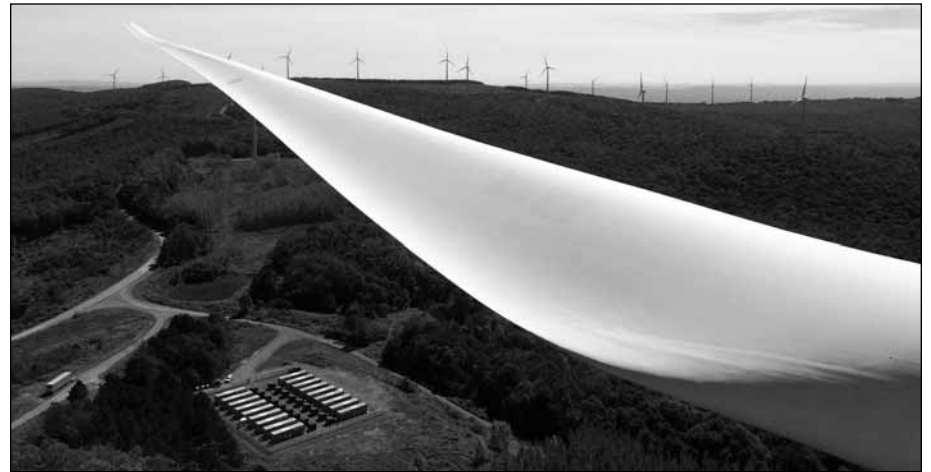
“We are looking forward to get-

ting started on this project,” said Charleston Building Trades Business Manager Paul Breedlove. “Our members really need the work and enjoy working on these type of jobs.”

Those interested in commenting in support of the project can send a

letter to:

WV Public Service Commission
201 Brooks Street
PO Box 812
Charleston, WV 25323
Please reference case number:
17-0026- E-CS- PW ■



A battery storage site was added to the Beech Ridge project last year that allows precise timing for power supplied into the grid. Phase Two will add 20 - 22 new turbines to the 67 already in operation.

No Savings

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The fact is the bid was more than \$25,000 higher than the estimate based on prevailing wage, and the wages and benefits paid on the project were significantly lower.

Suncrest Elementary School, Monongalia County

Bid Date: July 7, 2015

Low bidder City Construction used a mix of workers who were paid a prevailing wage with those who did not.

Their bid was 2.5 percent lower than the next bidder for what looks like a savings.

However serious problem with the project may end up costing taxpayers much more.

Two contractors were brought in to build concrete walls.

One was from Wisconsin the other from Virginia. Engineering reports obtained by use of the Freedom of Information Act show significant quality problems existed during construction.

The concrete walls were leaning at an angle, not straight up-and-down.

A solution was worked out to correct the problem but questions remain about overall quality.

Southside Elementary addition, Cabell County

Bid Date: June 14, 2016

With full repeal in place in May of 2016 one of the first school projects bid was the Southside Elementary project in Cabell County.

A long standing member of the Huntington business community E.P. Leach and Sons was underbid by just \$31,600 on a \$1.1 million project.

Leach hires local skilled construction workers, has paid taxes in the local community for generations and participates in apprenticeship training programs that benefit local youth and veterans.

The company who was low bidder, Swope Construction, is building a school in the nearby County of Wayne where workers from Honduras and Mexico were found.

A 25 percent savings would be \$282,900. Where did the \$251,300 go?

Andrew Heights Elementary School, Kanawha County, additions and renovation

Bid Date: September 20, 2016

#1 Flint Construction

\$3,614,870

#2 MCS

\$3,715,000

#3 Neighborgall Const.

\$3,722,000

#4 Persinger & Associates

\$3,739,901

#5 Swope Construction

\$3,876,000

#6 Wolf Creek

\$4,032,496

#7 Lombardi Development

\$4,207,900

Low bidders 1 - 3 pay wages and benefits by contract at or above the former prevailing wage requirements. Bidders 4 - 7 have no wage requirements other than minimum wage.

The low wage contractors failed to provide any savings and in fact would have cost taxpayers at least 3.5 percent more.

Brookhaven Elementary School, Monongalia County

Bid Date: October 17, 2016

Even though prevailing wage was

not required on the Brookhaven Elementary project in Monongalia County the cost estimates were based on recent projects with prevailing wage.

The projected budget, expecting prevailing wage, was \$7.6 million.

The low bid was \$8.6 million - almost \$1 million over the project estimate, even though the wages some workers receive will be paid much lower than the prevailing wage.

While some subcontractors are paying wages and benefits at or above the prevailing wage others pay much less without benefits.

The fact is the total price was not 25 percent lower - it was higher.

There are many reasons for bid prices to differ. Scheduling, existing workload, familiarity with construction materials, past projects in the region, subcontractor pricing, profit margin, etc.

Simply put, the focus on taxpayers saving through construction worker wage cuts, and the assumption low wages can easily be substituted for fair wages, are false.

For more information check out the web site www.wvbrokenpromise.com. ■

Another Attack on Workers Expected

Trades Push Restoring PW, Infrastructure Investment and Apprenticeship Focus

Members of the Building Trades will urge legislators to restore the state prevailing wage law, improve the WV Jobs Act and local hiring, recognize the value of apprenticeship programs and fund infrastructure projects to get the state economy moving.

While the session will have many challenges, with more attacks on Labor anticipated, leaders are not sitting back without a plan.

“We are working every day to show legislators how important prevailing wage was to our economy and how devastating repeal

has been,” said Dave Efaw, Secretary-Treasurer of the WV State Building Trades.

A complete list of school projects bid without prevailing wage show that no savings have resulted.

However the repeal has been

linked to wage cuts, job loss and poor quality construction.

As more construction jobs created with tax dollars have been going to workers from outside the region, and outside the country, the Trades

are backing a proposal to tighten the WV Jobs Act.

The Jobs Act requires 75 percent of workers on tax funded projects come from the local area.

A bill to improve the definition of “local” and to add penalties for contractors who violate the law are in the works.

A bill to require independent

welding inspections on public projects, similar to efforts in Kentucky and Ohio is also in the works. The effort is focused on structural welds and aims to ensure public projects are built to national welding standards.

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WV State Building Trades

A bill to create a statewide focus on apprenticeship is also in the works. The bill aims to pull together various state agencies from Work-Force, Education, Veterans, and others with apprenticeship experts to improve communication and find ways to work together.

Unfortunately Trades members will also be playing defense against

legislation aimed at hurting union members and their ability to make a decent living.

Long standing wage protections are under attack such as a wage bond requirement for companies that have less than five years’ experience. The bond protects workers who might not get paid in the construction and mining industry. ■



Phil Diserio (D-Brooke) (left) and Scott Brewer (D-Mason) review the infrastructure plan proposed by Governor Jim Justice. Both delegates are also members of the Building Trades – Diserio from the IBEW and Brewer the Carpenters.

Wage Cuts, Loss of Jobs Result from Repeal

Negative effects from repeal of the state prevailing wage law are already being felt in the form of wage and benefit cuts and job losses.

Construction workers across the state are seeing cuts in the range of \$3.39 to as much as \$14.61 per hour for skilled craft work.

Potomack Intermediate School in Berkeley County was one of the first jobs to impose the cuts.

That project was bid during the four month suspension of prevailing wage in 2015.

Some workers there had wage cuts of more than \$16 dollars per hour, to almost the minimum wage level.

Similarly workers in Monongalia County were faced with up to \$14.61 per hour wage cuts during a similar time period building the Suncrest Elementary School project.

Workers on both of these projects also saw deep cuts in, or the elimination of, healthcare and retirement benefits.

Apprenticeship funding was also drastically cut.

Not all workers saw cuts. Those who are protected with a collective bargaining agreement still earned fair wages and benefits.

On top of the wage cuts are job losses.

Workers from Mexico, Honduras, Florida, North Carolina, Illinois, and Wisconsin have come to take tax funded jobs that qualified local workers need.

Most well-known are workers at the Crum School in Wayne County who stated they were from Honduras and Mexico.

But the trend of imported labor is continuing.

“We have heard there is a crew of Somalians working on a school project but are having a hard time documenting it because payrolls are not being submitted,” said Steve White, ACT Director.

White explains some contractors and government agencies are refusing to collect or submit payroll information without the prevailing wage requirements in place.

“Cabell County Schools rejected a request for payrolls on the Southside Elementary project saying the contractor, Swope Construction, refused to provide them,” said White.

Swope Construction is currently building a school in Wayne County where workers said they were from Honduras and Mexico.

For more information check out the web site www.wvbrokenpromise.com. ■

Electrical Apprenticeship Opportunity

The Parkersburg Joint Electrical Apprenticeship Training Committee has set a cut-off date of Tuesday, March 21 for taking applications for the 2017 selection process.

The International Brotherhood of Electrical Workers Local 968 and the Parkersburg Division of the WV-Ohio Valley National Electrical Contractors Association work together to deliver the highest quality training available for electrical apprentices in all phases of commercial, industrial, instrumentation, and tele-data work.

Apprentices receive five years training with a total of 900 hours of classroom instruction and 8000 hours of paid on-the-job training.

This provides affiliated contractors with craftsmen who have the knowledge, skills, and attitude to remain competitive with honest wages and benefits.

Any applications taken after March 21 will not be considered until the following selection process.

Applications are taken on a year-round basis at 1845 East 7th Street, Parkersburg, WV.

Applications are taken each Tuesday from 8:30 A.M. until 11:00 A.M. and from 1:30 P.M. until 3:30 P.M.

To qualify for an in-person in-

terview an applicant must meet the following basic requirements unless he or she has a minimum of four thousand (4000) hours substantiated work experience specifically in the electrical construction trade.

Applicants MUST:

1. Be a minimum of 17 years of age to apply and be a minimum of 18 years of age at time of selection and indenture.
2. Have a high school diploma or equivalent (GED or TASC), or have a two-year Associate Degree or higher. Applicants also must show evidence (transcript) of successful completion of: one full credit of high school algebra with a passing grade, or one post high school algebra course (e.g. Adult Education, Continuing Education, Community College, etc.) with a passing grade.
3. Qualify for an interview by obtaining a score of "4" or higher using the electrical trade's aptitude test developed and validated by the American Institutes for Research.

4. Have resided in the following area at least one year prior to making application; Wood, Wirt, Tyler, Jackson, Pleasants and Ritchie Counties in West Virginia.

Veterans who submit a DD-214 form will receive consideration for military training and experience.

There is an application fee of \$25

and applicants must have a valid driver's license.

Before admission and during the program a substance abuse test will be administered at random times.

All applicants will be received without regard to race, color, religion, or national origin.

For more information contact 304-485-7412. ■



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Governor Justice

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those who are not from the state but travel through it.

Justice also asked for an increase in DMV vehicle registration fees from \$30 to \$50.

The fee has not been adjusted since the 1980's, and a ten cent increase in the gas tax.

Voters will be asked to approve a General Obligation Bond to fund infrastructure projects that are financed with money raised from his plan.

Justice said the state would also look to refinance what are known as GARVEE Bonds.

This means the state can use the promise of future federal funds to sell bonds to finance projects now.

Justice also talked about using apprenticeship as a way to move West Virginians into the new jobs created by the infrastructure plan.

He claimed as many as 40,000 new jobs, both construction and those from the related economic impact, would result if his plan is implemented.

"We are excited about this plan from many angles," said Chuck Parker, Business Manager for Operating Engineers Local 132. "First we simply need to fix our crumbling infrastructure, second we need the jobs, and third the Governor recognized apprenticeship as an important tool for economic development, frankly that is a first." ■

Judge Denies Anti-Union RTW Groups Motion



Chuck Parker, (left) Operating Engineers Local 132 Business Manager, congratulates Vince Trivelli, ACT's attorney after Judge Jennifer Bailey denied an attempt by an anti-union group to intervene in the case unions have filed against the state Right-to-Work law. The ruling came at a Friday, February 10 hearing in Charleston. Trivelli is one of the two lawyers for Labor arguing against the law.