# THE CONTINUE TO THE REPORT

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Trades Foundation

The ACT Foundation is a division of The West Virginia State Building and Construction Trades Council. Steve Burton, President; Roy Smith, Secretary-Treasurer; Steve White, Director.

Charleston - (304) 345-7570 Toll Free - (800) 930-9675 www.actwv.org





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#### TRADES PROMOTE APPRENTICESHIP

# Legislators Take Tour of Center

Representatives from most of the crafts were on hand to welcome members of the Joint House and Senate Education Committees during a tour of the Carpenter's Apprentice-

ship Facility in South Charleston.

Keith McClanahan with BBL Carlton, a general contractor located in Charleston, welcomed the guests. McClanahan told the legislators that one reason for his company's success is because of apprenticeship programs.

"I'm a union contractor because it makes good business sense," said McClanahan. "Apprenticeship programs give me the skilled people I need to run a successful business."

About 70 people, including legislators and staff and union representatives, participated.

The Charleston Building Trades and ACT Foundation set up the November 17th tour. Odie Parkins, Jr., apprenticeship and training coordinator for the Carpenters, helped organize the tour along with apprenticeship coordinators from other trades.

Parkins said there were three main points coordinators wanted to convey during the tour. Representatives from different crafts discussed each point as the legislators toured the facility.

First, apprenticeship programs are self-funded. Membership and contractor contributions supply the needed funds for training. No taxpayer money is used.

Contractors and Union representatives govern apprenticeship programs. The programs must be approved by state and federal government agencies.

Second, the training and education provided are unbeatable. Apprenticeship programs provide two to five year programs as well as continued

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TRAINING DIRECTORS and other union representatives from a variety of crafts talk with legislators and staff while they tour the Carpenters Center in South Charleston.

# Judge Lets Cheater Win Again

The notorious construction industry cheater IPI Inc. was granted another reprieve, and honest companies a slap in the face in federal bankruptcy court last month.

U.S. Bankruptcy Judge Ronald Pearson turned a blind eye to hundreds of pages of testimony, documentation, guilty pleas and court orders and forced the state workers compensation system to provide coverage for IPI even though the company owes \$1.2 million in unpaid premiums.

Pearson said the company deserves another chance to argue it is not responsible for the unpaid debt. The company has already lost an administrative review and a circuit court challenge during the last three and a half years.

"Honest companies who struggle to pay their comp premiums must wonder why they bother when cheaters like IPI are still in business," said Clarence Mitchell, Business Manager for Painters District Council 43.

And this is not the only problem the painting and roofing company and it's owners have had. The list is long and involves federal indictments and convictions, state law violations, prison terms, probation, debarment, unpaid bills and more.

In the early 1990's Julia Dawn Taylor and Matthew Joey Taylor started North American Sanding & Painting Inc. At some point North American Construction and North American Development were created and the Taylor's were joined by Joseph Morris and his wife Melissa Shamblin.

During the 1990's the North American companies got into serious trouble including defrauding the WV Highways Department, violating federal environmental laws, failing to pay federal and state taxes, workers compensation and unemployment premiums. They also got into trouble with creditors.

In 1998 the Taylor's created IPI, Inc. with Julia Dawn Taylor as the owner and Matthew Joey Taylor as President.

After a series of investigations and indictments Joseph Morris plead guilty to money laundering and tax fraud and served time in a federal penitentiary.

Facing a ten-count indictment

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#### Trades Endorse Delegate Joe DeLong For Secretary of State

## **COPE Interviews Candidates For Governor**

he WV State Building Trades Executive Council endorsed Delegate Joe DeLong for Secretary of State at it's November board meeting.

DeLong is from Hancock County. He is currently a member of the WV House of Delegates.

"Delegate DeLong has an excellent voting record on labor issues," says Roy Smith, Secretary Treasurer of the WV State Building Trades.

Usually the Executive Council does not endorse candidates for body charged to make endorsements.

The AFL-CIO's Committee on Political Education (COPE) considers the governor's race and state senate and house races.

However, COPE does not typically endorse in the secretary of state race.

COPE members include representatives from all affiliated

political office. There already is a international unions and councils. In other election news, COPE

met on December 14th to inter-

the COPE delegates have to agree. If COPE takes no action, local unions and councils can make their own choices.

COPE is in-

terviewing for

Governor earlier

than usual this

year. The dead-

line for filing to

run for office is

not until January

"Joe DeLong has done a good

BUSINESS MANAGER, IRON WORKERS LOCAL 549

31st at midnight. However, because there is already so much activity in the race, COPE has decided to start the process now.

The North Central Building

Trades, the Upper Ohio Valley Building Trades and the Parkersburg-Marietta Building Trades have all passed motions endorsing current Secretary of State Joe Manchin for Governor.

"Manchin most cares for the working man and woman," said Bill Dean, president of the Upper Ohio Valley Trades and Business Manager for Iron Workers Local 549.

The Councils also endorsed Delegate Joe DeLong for Secretary of State. Dean says of DeLong, "Joe has done a good job for labor in the House. He has always been good for working people."

JOB FOR LABOR IN THE HOUSE. HE HAS ALWAYS BEEN GOOD FOR WORKING PEOPLE." BILL DEAN PRESIDENT, UPPER OHIO VALLEY TRADES AND

> view candidates in the race for Governor. The ACT Report goes to press before the results of the

> > meeting are known.

To endorse a candidate, 2/3's of

# Operators and Laborers Picket R&R Pipeline

he Laborers and Operating Engineers have joined forces against R&R Pipeline, a pipeline distribution company. The campaign began in August.

According to Joe Bowen, Organizer for the WV Laborers, R&R Pipeline pays employees substandard wages and provides no benefits.

Union members are picketing at worksites and at the warehouse in Wood County. Newark, Ohio based R&R has been hard to find. Bowen says that the company "keeps relocating so that we can't find them."

The organizers of the R&R Pipeline campaign are waiting on several pending complaints. Donnie Huff, organizing director for I.U.O.E. Local 132, filed a complaint with the US Department of Labor in October.

The complaint alleges that the WV Department of Highways should have paid prevailing wage rates when they had Dominion relocate some of their pipelines. The pipelines were relocated as part of a major highway project.

Instead of going out to public bid and paying prevailing wage rates Dominion hired R&R Pipeline. R&R did not pay the workers on that project prevailing wages.

According to Huff, "If federal and state money is used, all work should be bid and done under prevailing rates. Are they just moving taxpayer money around to avoid paying decent wages?"

Many R&R employees are interested in joining a union. Bowen says, "Those employees have been penalized and intimidated."

Intimidation such as when an R&R supporter brought out a shotgun at one of the picket lines.

However, Bowen says the Union message is reaching R&R workers. "We are demanding that R&R Pipeline improve working conditions and provide better wages and benefits," said Bowen. "Who could be against those improvements?"

Huff has also filed five Unfair Labor Practice Charges against R&R Pipeline with the National Relations Labor Board. As Huff says, "The reason for the campaign against R&R is that they are in blatant violation of the National Labor Relations Act."

R&R Pipeline works on small-diameter pipelines. It has projects all over central West Virginia.

R& R has a blanket contract with Dominion, one of the nation's largest energy producers. R&R's contract with Dominion expires Spring,

2004.

Bo Rogers, Special Pipeline Representative, I.U.O.E Local 132, believes "the answer is for R&R Pipeline to become a Union Signatory Contractor. Then workers will have better working conditions and receive better wages and benefits."



WALKING THE PICKET in front of R&R's shop in Williamstown are (from left) Brian Wollard, Joe Bowen, Kenny Bailey, all from Laborers Local 1085 and Donnie Huff, Operating Engineers 132.

## Judge Rejects ACT's Request for Injunction

Kanawha County Judge denied ACT's request for an injunction to prevent an illegal grant of state funds to a Wayne County proiect.

At issue was the way the state economic development grant committee has approved almost one million dollars to help Sogefi, an Italian parts manufacturer.

In order to receive grant money a company must have a public partner. Sogefi claims to, but does not.

Our Jobs, Our Children, Our Future Inc., also known as HADCO, was the first partner listed with Sogefi. But they also claim not to be a public agency.

So the Wayne County Com-

mission was then listed as the public agency.

However this switch was done after the legal time limit to change had expired.

Also, ACT attorneys have sworn depositions from all three Wayne County Commissioners claiming they had little or nothing to do with the project.

So again, in violation of state law, another public partner was found. The latest is the Wayne County Economic Development Authority.

When ACT filed a Freedom of Information Act regarding the Wayne County EDA, it claimed not to be a public agency.

ACT was asking that the bonds be issued, but that the Sogefi project be excluded. The Court denied ACT's request.

"We had to show irreparable We will have our day in court harm and that is a tough standard to meet," says Steve White, ACT Director.

"We lost our request for an injunction but this is not over. and we have clear and convincing evidence against Sogefi."

Governor Bob Wise announced the Wayne County project with much fanfare in early November 2002. The Tri-State Building Trades picketed the project because of violations in both public bidding and prevailing wage laws.

#### UNION TRADES FEDERAL CREDIT UNION

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#### **New Expanded Hours**

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Parkersburg - M-F 8:30 to 4:30, Thursday until 6:00 pm. 485-1421 or toll free 888-524-1421

#### HEALTH CARE KEY FOR ALL

# State Building Trades Support Kroger Workers

he WV State Building Trades Executive Board voted to contribute \$5,000 to the Kroger workers strike fund.

"This is a fight that effects us all," said Ronnie Burdette, **Business Manager of Operating** Engineers Local 132. "Health care is a major issue for everyone and the Kroger workers are on the frontlines."

An initial contribution of \$2,000 was made and a \$1000 pledged for each of the next three months.

Much of the discussion centered on Wal-Mart as much as the Kroger's strike.

"It's a real shame that Wal-Mart, West Virginia's biggest employer, is setting such a low standard for healthcare in this state," said George Pinkerman, Business Manager of Boilermakers Local 667.

According to the United Food and Commercial Workers, AFL-CIO, more than two-thirds of Wal-Mart employees cannot afford to participate in the company health plan.

Wal-Mart employees typically make \$8.00/hour working 32 hours/week.

The cost for comprehensive family coverage is about \$125 every two weeks. If most employees only make about

\$1,000/month, they cannot afford \$250/month or 25% of their gross income for healthcare. Most Wal-Mart families are also eligible for food stamps or other welfare programs.

The Trades are already familiar with Wal-Mart's poor track record on construction because of their long history of using illegal workers to build their stores in West Virginia.

Union workers are also struggling with healthcare issues. Costs are increasing and benefits are decreasing. "Our healthcare costs continue to rise as we have to pay for the growing number of uninsured," said Burdette.

#### Tour of Center

CONTINUED FROM P. 1

education. The high standard of training is geared toward adults. Coordinators also work with higher education on degree programs where apprenticeship graduates are awarded college credit for their apprenticeship that can be applied toward an Associates Degree.

Third, apprentices are selected on skill and aptitude. Selection is governed by Apprenticeship Standards, which are approved by the Federal Department of Labor/Bureau of Apprenticeship and Training.

Applicants must have basic skills in math and reading to be considered.

"I think it was a very positive and successful event," said Bert McDermitt, Organizer for IBEW

"Most people do not know about our apprenticeship and

training programs and this was a great opportunity to tell our elected officials about our programs."

Tour organizers also wanted to make one other thing clear: apprenticeship programs are "joint" programs. According to Parkins, this means, "the Union is not out there operating on its own. We work with contractors to supply our industry with quality labor. It is by these ties that we are able to offer such high-grade training. Without them, our program would suffer."

Senator Robert Plymale, D-Wayne, is Chairman of the Senate Education Committee and helped set up the tour.

"I was impressed with both the facility and the many skills each craft representative explained for their respective programs," said Plymale. "I look forward to seeking opportunities where we can work together with these programs in the future."

### Alliance Pays Off

he SCR Project to tween the North Central Building make Mount Storm a cleaner and more efficient power plant will be complete by the end of the year.

SCRs and Scrubbers were installed to reduce the amount of emissions the plant releases into the air.

At a November meeting at Mt. Storm, plaques were given to all the trades. The plaques recognized that the Tri-partite Alliance beTrades, Dominion Energy, and Alstom Power was successful.

Each group in the alliance had equal decision-making power. During the project, the three groups met monthly.

According to Natalie Stone, North Central Building Trades, "Making Mt. Storm a state of the art power plant was accomplished because the Union was at the table."

Ed Boone, Pipefitters Local 152, said, "When problems arose,

everyone worked together to address them. The project came out for the better because of the Tripartitie Alliance."

The project to update the power plant began in 2000. The 100% Union job, employed over 1,000 workers.

The recent updates should be online by April 2004.

In 2001, OSHA awarded G.A. Jones, a contractor on-site, and the Mount Storm facility with an award for safety.

#### Cheater

CONTINUED FROM P. 1

in federal court Matthew Joey Taylor and IPI plead guilty to violating the Resource Conservation and Recovery Act by illegally storing large quantities of industrial paint thinner and admitted to violating the Clean Water Act by failing to catch blasting sand and paint sprayed on a Fayette County bridge.

Taylor also admitted to bilking the WV Division of Highways. North American had contracts based on the amount of paint used. They intentionally wasted paint by spray painting tarps, left gallons of paint in buckets to be thrown away and applied too much paint to increase billings.

Taylor could have been sentenced to years in jail and fines up to \$19,500,000. Instead U.S. District Judge John Copenhaver wiped out all fines and ordered the minimum sentence - six months home confinement, five years probation and a requirement to pay the WV DOH \$300,000.

Taylor paid \$50,000 up front and was to pay \$50,000 per year plus six percent interest.

However, the ACT Foundation has learned that only \$10,300 has been paid in almost three years. Judge Copenhaver agreed to lowered the payments to just \$5,000 per year, not even a third of the interest payments.

EPA also placed Taylor and IPI on a federal debarment list, stopping them from getting any federal contracts until April, 2004.

However, the DOH still lists IPI as a pre-qualified contractor. And when ACT protested allowing IPI to bid projects the DOH rejected ACT's protest claiming a one year state suspension had been completed and that non-payment of the \$300,000 "is no justification to ban IPI, Inc. from bidding".

Thanks to a state debarment law recently proposed by ACT and passed by the legislature IPI was ruled ineligible for state contracts by the state Purchasing Division because of their federal debarment.

IPI's problems were not only with the federal courts, they include the Human Rights Commission, the WV Department of Labor and the states Workers Compensation Division.

At some point during all these federal investigations the Workers Compensation Division reviewed the North American/IPI companies and found out their classification was incorrect.

The companies had workers comp coverage under the category of "Small Sheet Metal Building Erection" (which has a 2004 rate of 6.99 percent of payroll) instead of "Painting Steel and other High Structures" (which has a rate of 26.16 percent).

The result was a back assessment on April 24, 2000 of \$865,487 sent to IPI who was also judged to be the surviving company of North American.

IPI protested and lost their case before an administrative law judge in April of 2001.

IPI appealed the decision to the Kanawha County Circuit Court where Judge James Stucky ruled in September of this vear that the administrative law judge's decision to hold IPI liable for North American's debt was "not clearly erroneous and that the evidence on the record as a whole supports the agencies final decision."

The company had argued they "relied on the Workers Compensation Division to choose the proper classification for the company" and therefore Workers Comp, not IPI, was at

With interest and penalties IPI now owed more than \$1.2 million

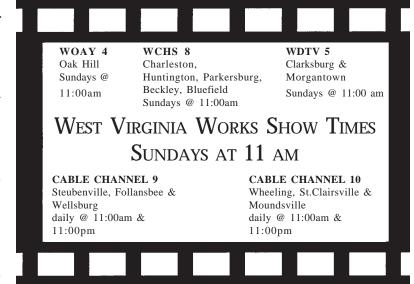
To Members in the Monongalia County Area

**IMPORTANT MEETING** THURSDAY DEC. 18, 5:00 p.m. ROBERT C. BYRD HEALTH SCIENCE CENTER

A public Hearing regarding the Longview Power Project will be held on Thursday, December 18 at 5:00 p.m. The meeting will in the Auditorium of WVU's Robert C. Byrd Health Science Center, 1 medical Center Drive in Morgantown. The state Division of Air Quality will review the revised draft air permit for the Longview plant and allow public comment. We want state regulators to know the trades support this important project, 1200 union construction jobs are at stake. For more information contact the North Central WV Building Trades at 626-3882.

ACT Foundation 600 Leon Sullivan Way Charleston, WV 25301 (304) 345-7570

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and was placed on the default list, leaving them without the protection from law suits Workers Comp gives employers. IPI quickly filed for bankruptcy protection and got the favorable ruling from Judge Pearson forcing Workers Comp to remove IPI from the default list.

IPI claims they will go to the State Supreme Court of Appeals to argue they should not have to pay their workers comp bill.

"This is another example of why we need good people on our Supreme Court," said Gerald McMillian, organizer for the Painters. "If Warren McGraw loses his re-election to the court this company will probably be able to get out of paying their bills, and that would leave other painting companies and workers to pick up the tab."