

THE ACT REPORT

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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.

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ACT MAKES TV SHOW ABOUT UNDERGROUND ECONOMY

Imported Worker Scheme Uncovered

The use of imported and illegal workers in West Virginia has exploded in recent years.

That's just one of the conclusions made by a new ACT video that is about to hit the air waves.

ACT is preparing a video about West Virginia's underground economy to air on a number of television stations later this month and in early September.

The underground economy includes illegal employment activities like cash payments, failure to pay taxes, unlicensed companies and independent contractor schemes.

The show also focuses on the growing use of imported workers in construction.

"Imported labor, whether from out-of-state or out of the country, is on the rise and a big threat to our communities," said Steve

Burton, President of the WV State Building Trades.

The program also looks at the

lack of enforcement by federal and state officials.

Both state and federal officials

in charge of immigration and tax collection refused to talk about

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ASKING THE QUESTION "Are these the jobs Americans don't want?" is video producer Eric Spelsberg (right) talking with Ernie Bart, an apprentice with the Bricklayers. Spelsberg filmed imported workers performing construction work in West Virginia as part of a special TV report about West Virginia's Underground Economy.

PSC Tosses Windmill Permit, Moves Ahead on Coal-Gasification Plant

The West Virginia Public Service Commission (PSC) canceled the permit application for U.S. WindForce's 50-turbine Liberty Gap project in Pendleton County.

The PSC claimed Liberty Gap tried to prevent access for a consultant working for opponents to the project.

Liberty Gap, in a press release sent out right after the July 24 PSC notice, stated they were shocked by the PSC action. Liberty defended their attempt to get a liability waiver from the opponents before allowing people on the property as a standard procedure.

The Friends of Beautiful Pendleton County (FOBPC) wanted to conduct its own hydrological and geological stud-

property owner, Allegheny Wood Products, limited access to the site based on the lease.

According to reports, the

FOBPC.

Liberty Gap presented the FOBPC with a written waiver of liability but the group argued it was unfair. The PSC decided Liberty Gap was still non-compliant and released an order that in effect tossed the permit application that had been underway since November. Developers would have to start all over again.

The PSC has one year to make a decision on a permit application so the effect would be to delay the project and to go through the public notice and public hearing process all over again.

Permit hearings, scheduled August 8 on the \$100 million

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"OUR MEMBERS HAVE GONE TO NUMEROUS PUBLIC MEETINGS AND THE STATE BUILDING TRADES HAS SPENT THOUSANDS OF DOLLARS ON AN ECONOMIC IMPACT STUDY AND LEGAL FEES TO SUPPORT THIS PROJECT." DARWIN SNYDER, PRESIDENT, NORTH CENTRAL WV BUILDING TRADES

ies of the environmental effects of the turbines, according to reports.

Liberty Gap argued the

PSC was unhappy the two parties couldn't work this out on their own and ordered Liberty Gap to grant access to the

COUNCILS SPONSOR LABOR NIGHT

West Virginia AFL-CIO Plans Day of Action

Entitled 'Take Back America' the WV AFL-CIO is planning a rally on Saturday, August 26 in Charleston.

The Labor rally is just one of three events planned for the day. A new community group, West Virginians United, is also planning a rally.

The two groups are coordinating their efforts and will combine forces during the day.

"We have challenged each other to see who can get the best participation," said WV AFL-CIO President Kenny Perdue.

According to Perdue the purpose of the rally is to "get members pumped up" about the upcoming elections.

"This is an off year election and we need to elect labor friendly candidates now more than ever," said Perdue.

Guest speakers include Senator Robert Byrd and Governor

Joe Manchin.

A third event, Labor Night, is sponsored by the Kanawha Valley Labor Council and other central bodies, will be held at the WV Power Park.

The Labor Council is sponsoring the Labor Night as an early Labor Day celebration. Union members interested in a 5:30 box lunch picnic, prior to the ball game should contact their local for tickets. Tickets to the 7:00 game can be purchased at

the ballpark.

The Labor rally starts at 4:00 at the WV AFL-CIO building, 501 Leon Sullivan Way in Charleston.

West Virginians United will hold their rally starting at 2:00 at the Byrd Federal Building, 300 Virginia Street. The group will then march to the WV AFL-CIO building where the combined rally will be held.

For more information contact the WV AFL-CIO at 344-3557.

**SATURDAY AUGUST 26
TAKEBACKAMERICA!**

**West Virginians United - 2:00
Byrd Federal Building**

**WVAFL-CIO - 4:00
WVAFL-CIO Building**

**Kanawha Valley Labor
Council - Labor Night Picnic
at 5:30, Game at 7:00**

PSC

CONTINUED FROM P. 1

project, have also been cancelled.

Liberty Gap has asked the PSC to reconsider this action. The West Virginia State Building Trades has filed papers in support of this request.

"Our members have gone to numerous public meetings and the State Building Trades has spent thousands of dollars on an economic impact study and legal fees to support this project," said Darwin Snyder, President of the North Central WV Building Trades.

The State Building Trades argued throwing out the permit application was too strong and had nothing to do with the merits of the case. This is pending before the PSC.

On a more positive note the PSC allowed the Appalachian Power Company (AEP) to proceed with the application for their proposed coal gasification plant next to its coal-fired Mountaineer Plant near New Haven in Mason County.

In January AEP filed an application for a certificate of convenience and necessity with the PSC to construct a new 600-megawatt Integrated Gasification Combined Cycle (IGCC) electric generating unit.

An IGCC plant converts coal into cleaner burning gas. This should result in less air pollution than traditional combustion power plants create, specifically reducing sulfur dioxide, nitrogen oxides and mercury, according to reports.

However, PSC staff processing the permit complained that detailed financial information was unavailable and argued for the permit to be tossed out.

The State Building Trades intervened in support of AEP, arguing the permit process should be allowed to move forward. AEP pointed out it was too early to have accurate financial data on the cost of the plant.

On August 7 the PSC ruled with AEP and the Trades to allow the process to move forward and the statutory deadline for making a decision to June 5, 2007.

North Central WV Building Trades Installs New Officers and Trustees



OFFICERS AND TRUSTEES of the North Central WV Building and Construction Trades Council were sworn in on July 17.

From left, front row, Anthony Farber, Cement Masons 39 - Trustee; Steve Purdue, Sheet Metal 33 - Treasurer; William DuVall, II, Carpenters & Millwrights 1024 - Trustee; Homer "Butch" Adams, IBEW 596 - Trustee. Back Row: Darwin L. Snyder, IBEW 596 - President; Ken Downie, Roofers 242 - Sgt. at Arms; Larry Young, Operating Engineers 132 - Trustee; J.D. Lechliter, Cement Mason 39 - Vice President Eastern Pandhandle; David Ford, Sprinklerfitters 669-Recording Secretary; Ed Boone, Plumbers & Pipefitters 152 - Trustee. Not Pictured: Tom Halfin, Operating Engineers 132 - Trustee; George Pinkerman, Boilermakers 667 - Vice President.

King Coal Highway Lawsuit Moves Forward

ACT may finally get its day in court as deadlines set by federal judge John Copenhaver, of the Southern District of West Virginia, near in ACT's case against the King Coal Highway project.

The deadline for all parties to submit briefs to a variety of motions was August 11. Now it is up to Judge Copenhaver whether the case will move forward, be dismissed or be decided in favor of ACT.

ACT is suing the West Virginia Department of Transportation, the West Virginia Division of Highways (DOH) and Nicewonder Contracting Inc.

ACT alleges the defendants entered into an illegal agreement in 2004 to construct 12 miles of the King Coal

Highway in Mingo County in violation of state and federal law. Failure to bid the contract, and the failure to pay prevailing wages are key parts of ACT's complaint.

DOH relies on a law passed to increase weight limits on overweight trucks as the legal authority for the no-bid agreement.

The state even tried to argue that the 12 mile stretch of highway is not a public improvement and

ACT also believes standard highway construction specifications are not being followed and the route of the highway was changed to make coal mining easier for Nicewonder.

"I've read the contract and it's a joke," said Ronnie Burdette, Business Manager for the Operating Engineers Local 132.

"There is no completion date, they can pick where the interchanges go, they don't have to fol-

low safety or wage requirements, they don't have to follow standard specifications on compaction and slope and they can submit almost any cost over run for reimbursement."

In all the state and federal gov-

ernment will pay Nicewonder approximately \$90 million to support the company's mountaintop removal mining project.

The payment makes it cheaper for Nicewonder to mine more than 2 million tons of valuable coal.

"THERE IS NO COMPLETION DATE, THEY CAN PICK WHERE THE INTERCHANGES GO, THEY DON'T HAVE TO FOLLOW SAFETY OR WAGE REQUIREMENTS..."

RONNIE BURDETTE, BUSINESS MANAGER, OPERATING ENGINEERS LOCAL 132

therefore bidding and other laws don't apply.

The federal government claims the project is unique and will save taxpayers money. At the same time they acknowledge that many similar projects are contemplated.



INSTEAD OF BIDDING the King Coal highway project state highway officials handed the job to coal operator Don Nicewonder. Nicewonder has since sold his company to another mining corporation, Alpha Natural Resources.

Because the mining project is deemed road building, no mining permits were required.

In June 2004 the DOH provided data and information to the U.S. Department of Transportation stating the agreement was in the public's best interest because it would save the state money while alleging that it was an unusual situation.

ACT's position is that the information is faulty and the deal was made in the best interest of Nicewonder, not the public.

ACT argues there is no proof of cost-effectiveness, no reason to not publicly bid, and the deal was against the rules of the DOH and the U.S. Department of Transportation.

In December 2004 ACT filed a legal petition seeking to have the state accept construction bids on that portion of the King Coal Highway.

"We believe they needed to bid and they didn't," said Vincent Trivelli, ACT's lawyer.

Iron Workers 787 Apprenticeship

Iron Workers Local 787, Parkersburg, will be accepting applications for their apprenticeship program.

Applications will be taken September 5 and 7 from 1:30 to 4:00pm and on September 11, 13, and 15 from 9:00 to 11:30am at the Iron Workers Union Hall, 303 Erickson Blvd., Parkersburg.

The program will train workers in all aspects of the Iron Worker trade over a four year term. Applicants must be at least 18 years of age, capable of doing work of the Iron Worker trade and be a high school graduate (or have a GED).

A math and reading test will be required and, if selected as a candidate, a substance abuse test will also be required.

Applicants must have lived within the following area for at least one year. In Ohio: Athens, Meigs, Morgan, Noble, and Washington Counties. In West Virginia: Calhoun, Doddridge, Gilmer, Jackson, Lewis, Mason, Pleasants, Ritchie, Roane, Upshur, Wirt and Wood Counties.

If you have previously applied for the Apprenticeship program and were not approved you must reapply to be considered.

No applicant will be rejected because of race, color, creed, sex or national origin. For more information call 304/485-6231.

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Open House Highlights Skilled Union Trades

The Parkersburg-Marietta Building and Construction Trades held an Open House in Parkersburg, on July 13.

The purpose was to enlighten community members about the time, effort, and money that go into training union construction workers and to show people what they do, according to Sam Davis, Business Manager for the Parkersburg-Marietta Building Trades.

“We talk about paying our workers prevailing wage rates

and people don’t know why we ask for that,” said Davis.

“This event gave us a great opportunity to explain the importance of having skilled workers and decent wages.”

Sixty community members from West Virginia and Ohio attended including politicians, business owners, contractors, local vocational schools’ personnel and others, according to Davis.

Guests toured three training facilities, the sheet metal worker, ironworker and millwrights, all within walking distance. Other trades had displays within these buildings, including the roofers,

bricklayers, painters, pipefitters, and carpenters.

“The bricklayers were actually laying brick and showing people how it was done and the millwrights had a full-blown turbine set up that could be disassembled,” said Davis. Guests toured the exhibits and asked questions while instructors from each of the programs answered questions, demonstrated techniques, and handed out materials, according to Davis.

Some guests in attendance were Parkersburg’s Mayor Bob Newell, West Virginia State Sen. Donna Boley (R-

Pleasants), Wood County Commissioner Rick Modesitt, Ohio State Sen. Joy Padgett (R-20th district), and representatives from General Electric, DuPont, and Eramet.

The open house spawned new lines of communication and activities, according to Davis. Some business leaders that attended wanted to return with

people to show them what the locals were doing. Mayor Newell invited the locals to meet with him, and state legislative representatives asked if the locals could hold more open house events when they hold legislative interim meetings.

“With all of this interest we will definitely do something in the future,” said Davis.



DEL. JOHN ELLEM, R-WOOD, (right) tours the Iron Workers training facility in Parkersburg with tour guide Bill Hutchinson, Business Agent for Local 787 during the Open House event held on July 13.

Underground

CONTINUED FROM P. 1

their actions to enforce existing laws or their general understanding of the underground economy.

Not only are jobs lost, but millions of dollars for payroll taxes, fees and related payments are lost each year.

The focus of the show is on the construction industry and a

variety of projects are highlighted.

Out-of-state, unlicensed contractors working in the private sector are the typical type of underground economy activity.

These companies avoid corporate and payroll taxes, workers compensation and unemployment premiums, and a variety of licensing and permitting laws.

Public funded work is also featured such as the tax assisted Coldwater Creek expansion in Min-

eral Wells and a publicly owned dormitory at WVU in Morgantown.

However, the show is not only about the construction industry.

Video producer Eric Spelsberg was able to uncover a company called Spanforce Labor LLC that imports foreign workers to West Virginia.

Spelsberg interviewed Mexican workers who were hired by Spanforce but working at an Allegheny Wood Products saw mill

in Preston County.

The workers were paid around six dollars an hour and were provided housing and transportation.

Newspapers reported that one of Spanforce’s workers was captured by authorities because he was wanted for murder and was illegally in the United States.

Ongoing research shows a number of employers in the sawmill, construction and manufactured housing industries using

Spanforce workers.

“Frankly we were shocked to see how organized these efforts are and that our traditional resource industries like timber are involved,” said Burton.

“Corporate America shipped our manufacturing jobs overseas, they can’t do the same for construction, mining or timber so they’re importing low wages and driving down living standards in our communities.”

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WATCH WV'S UNDERGROUND ECONOMY

✓Comcast Cable’s FYI Channel in Wheeling and Weirton twice a day at 6am and 6pm from August 29 thru September 4

✓WCHS Channel 8 in Charleston, Saturday, August 26 at 7:00pm and Sunday, August 27 at 12:30pm

✓WDTV Channel 5 in Clarksburg, Saturday, September 2, at 7:30pm and, Monday, September 4 at 7:30pm