

# THE ACT REPORT

VOLUME 11, NUMBER 1  
JANUARY 2002

A PUBLICATION  
OF THE AFFILIATED  
CONSTRUCTION  
TRADES FOUNDATION

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

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## INSIDE

Pauline Hanson	Pg. 2
Court	Pg. 2
T.L. Ranson	Pg. 3
Session	Pg. 3
Scholarship	Pg. 4

## ACT EFFORTS FORCED COAL COMPANIES TO PAY

# 50 Million Dollars!

**D**uring his recent State of the State Address, Gov. Bob Wise announced a \$50 million settlement agreement between the Bureau of Employment Programs (BEP) and 12 major coal companies for unpaid workers comp premiums accrued by the companies' subcontractors.

In his speech, Wise recognized the ACT Foundation for its effort to keep open lawsuits against the coal operators after former Gov. Cecil Underwood attempted to dismiss the case in 1999.

"We appreciate the governor's recognition of our efforts, and

we're glad the state will recover at least \$50 million in comp premiums," said Steve White, ACT Director.

"However, we are disappointed the settlement was for so little. These were good cases

ACT is also concerned about \$10 million of the settlement that will go to attorney's fees. That leaves the state getting only \$40 million on a debt of \$350 million, or a little less than twelve cents on the dollar.

point. We're not asking for \$10 million, why should they?"

The original lawsuits to collect the unpaid premiums were filed in 1996 by former Gov. Gaston Caperton's administration. But when the case was ready to go to trial in 1999, Underwood's BEP Commissioner, William Vieweg, dismissed the lawsuits, saying the cases against his former employer Island Creek Coal and others were not legally sound.

ACT's attempt to force the state to collect the money was blocked by a 3-2 Supreme Court ruling.

At that point ACT intervened in the case at the Circuit Court level in order to keep the lawsuits against the 22 coal opera-

*Continued on pg. 4*

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**WISE RECOGNIZED THE ACT  
FOUNDATION FOR ITS EFFORT TO  
KEEP OPEN LAWSUITS AGAINST  
THE COAL OPERATORS.**

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and the possibility to collect much more was very likely."

The settlement was reached with a group of coal companies that owed \$350 million when interest and penalties were added to premiums.

"The attorneys who were involved in preparing the case did a great job but they have already been paid for their services," said White.

"If it weren't for ACT the case would never have gotten to this

## Pickers Protest Imported Workers

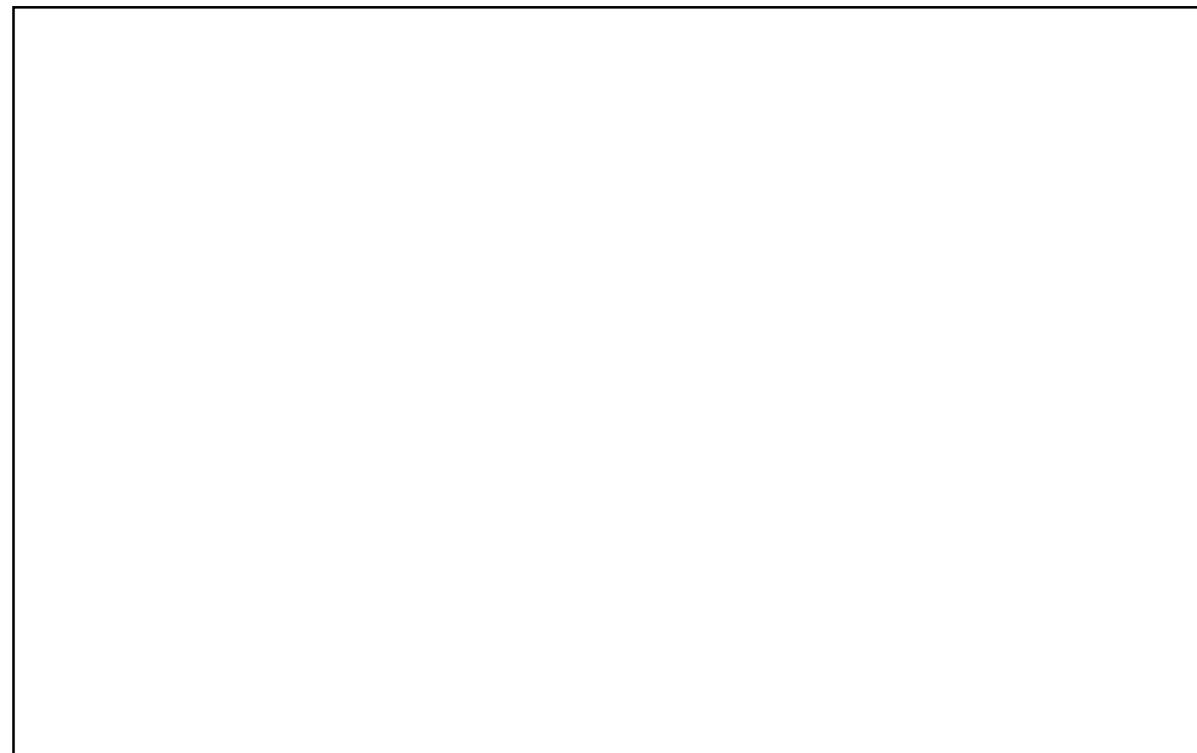
**W**hy import workers when we have the best?

That was the question on the minds and picket signs of union members of the Charleston Building Trades recently at a Glade Springs golf course construction sight near Beckley. Members believe the contractor, SAJO Construction of Richardson Texas, is using imported workers.

"We don't mind out-of-state companies coming in to develop facilities that will benefit the state's economy," said Wayne Rebich, ACT Representative.

"However, these companies need to use local workers."

SAJO claims they import workers to every job because building a golf course is a unique construction project, requiring skilled workers.



Union members (left to right) Clark Higginbotham, and Rita Winsler of Carpenters 1911, and Joe Sexton, Hubie Nichols, Gregg Lilly, Bobby Roberts, Rodney Marsh of Operating Engineers 132 picket a golf course construction site at Glade Springs resort near Beckley.

"There is no doubt our members could do this work," said

Rebich. "Our members have done

work on the golf courses at The  
*Continued on pg. 4*

**RESEARCH ANALYST PAULINE HANSON DIES AT 63****ACT Loses Dear Friend, Big Asset**

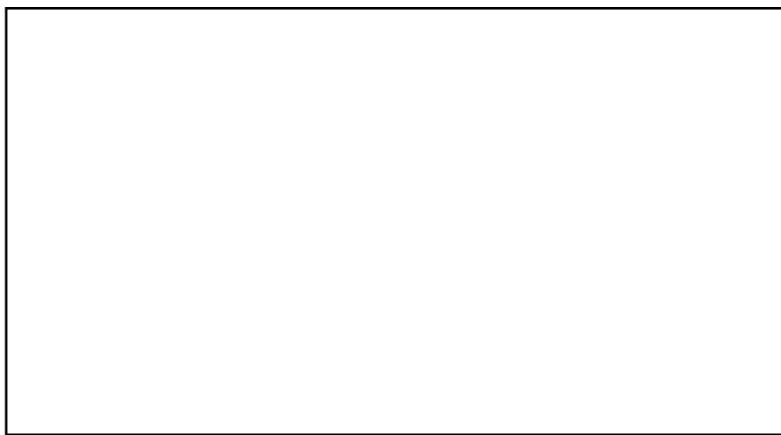
**The ACT Foundation has lost one of its dearest friends and hardest workers.**

Pauline Hanson passed away early January 1 at the age of 63 after a series of strokes.

"Pauline was the best person I have ever seen at cutting through red tape and making sure that government and business were held accountable to the people," said Bubby Casto, Business Manager of Iron Workers Local 301, Charleston.

As ACT's research analyst Hanson was a government and corporate watchdog.

"If you needed to know something about a company or gov-



Pauline Hanson worked for ACT for eight years making sure business and government were accountable to the people.

ernment agency Pauline could find it for you," said Dan Poling from Painters Local 1144.

For example it was Hanson who discovered that the contractor who built the postal facil-

ity owed the city of Charleston more than \$425,000 and when the city tax collector failed to act she insisted city government do its job.

"She was like a pitbull, very

loyal and kind to her friends, but persistent and relentless to those who crossed the working people of West Virginia," said Bill Thomas, ACT Representative.

Hanson also blew the whistle on Kroger when they moved their warehouse from Kanawha City to Roanoke, Virginia. She made sure West Virginians knew about the huge tax incentives Kroger received to relocate.

"Not only Krogers, but when Rite Aid tried to leave the state it was Pauline who got us the important information we needed to fight back," said Randy Adkins with Teamsters Local 175.

Most of the stories where ACT had a hand in catching illegal

aliens, Hanson had a behind the scenes role too. "She would not take no for an answer and was always on the phone to the INS pushing them to do their job," said Dick Ullum of the Mid-Atlantic Regional Carpenters Council.

Besides high profile cases like these, Hanson did much to help working families on a day-to-day basis. She helped countless workers who had been injured on the job but were faced with the bureaucratic red tape of the states workers compensation system.

"We already miss Pauline," said ACT director Steve White. "She can not be replaced."

**WVU Decision Already Affecting Other W. Va. Jobs**

**The State Supreme Court's recent ruling in the case ACT brought against the WVU Foundation is already helping in the enforcement of bidding and prevailing wage laws by clarifying the definition of a public project.**

The DOL is investigating complaints the prevailing wage law isn't being followed on a Department of Health and Human Resources (DHHR) project in Ripley.

The DHHR project is a lease deal similar to the WVU Foundation's office building.

Scott Brewer, organizer for the Mid-Atlantic Regional Council of Carpenters, complained to the DOL last fall and an investigation was started.

Brewer first was suspicious that the contractor didn't have a license.

"I stopped on the job and asked the guys who they were working for," said Brewer. "They told me they weren't really sure

but they thought it was an auto dealer."

Brewer took this information to the Department of Labor asking for an investigation.

The DOL uncovered a lot more than a licensing problem.

In April of 2001 Secretary of Administration Greg Burton sent a 'letter of intent' to developer Rod Parsons of Ripley.

Burton outlined the states willingness to enter into a fifteen year

lease with two five year extensions for a 9,850 square foot building.

The problem is, the building had not yet been built and the deal was not being carried out under open competitive bidding

**'IT WILL RESTORE FAIRNESS TO PUBLIC WORKS PROJECTS AND WILL SAVE MONEY IN LITIGATION COSTS'**

**LABOR COMMISSIONER JIM LEWIS**

or prevailing wage statutes.

In August of 2001 another letter from Burton was sent agreeing to the lease terms and an expansion of the project, now 13,068 square feet.

The developer hired Roy J. August of Ravenswood to build the project.

August outlined his deal in papers ACT secured under the Freedom of Information Act. August would charge \$22.50 per man hour for construction services, \$25 per hour for himself and a ten percent surcharge for

any subcontractors he pays.

"There was no requirement for the workers to get the \$22.50."

The DOL determined the job was a public project because it was being initiated by the state, designed by the state and was to be paid by state funds.

"We made that decision before the Supreme Court ruling because it was likely going to be challenged in court," said Labor

Commissioner Jim Lewis.

"Now that the law has been clarified in both federal and state court I don't think DHHR has much of a case.

For federal projects the law is clear, lease deals like these are covered by prevailing wage and open bidding rules.

But lease deals like WVU and DHHR had been a 'gray' area in state law.

"The Supreme Court ruling in the WVU case is significant and important to helping us protect both workers and taxpayers.

"The court's ruling gives the DOL the criteria to determine prevailing wages for projects that use to skirt the laws.

This is good news for the construction industry and taxpayers. It will restore fairness to public works projects and will save money in litigation costs."

# Plumbers & Fitter's Business Manager Gets New Intl. Post

**T.L. Ranson of Plumbers and Pipefitters Local 625 is moving on up.**

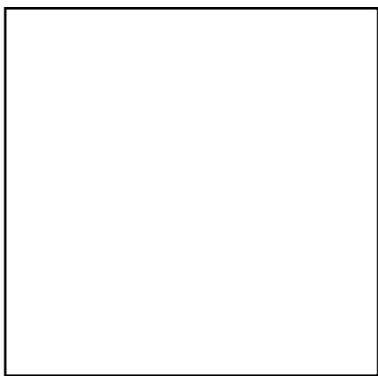
Ranson has accepted a position as special representative with his international union, the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada.

As special representative Ranson will be responsible for carrying out duties assigned by UA President Marty Maddaloni.

He will work in West Virginia, Maryland, Virginia and the District of Columbia.

The change was announced at Local 625's annual holiday celebration last month.

"I'm honored to be selected for this challenging position," said Ranson. "I'll do my best to serve



T.L. Ranson

all of the plumbers and fitters in the region. I'm grateful to the members of Local 625, without their support I would not have this opportunity."

Ranson, who is from Jackson County, has been a member of Local 625 for 30 years. He became business manager in 1994. Ranson also served as secretary-treasurer and executive board member of the ACT Foundation for a number of years.

"ACT was a tremendous help and asset to me as Business Manager," said Ranson. "I will be encouraging my folks in other areas to consider starting their own ACT Foundation."

Assistant Business Manager Jeff Perry has been appointed to the position of Business Manager of Local 625. He will be taking over Ranson's duties until an election is held next month.

"We are proud of T.L. and honored to have a member of our local chosen for this position," said Perry.

Ranson replaces Doug Keller who recently retired.

"Doug did an excellent job as international representative," said Ranson. "He will be missed, we really hate to see him go. I will do my best to follow his example of leadership."

# 2002 Legislative Session Underway

**The 2002 legislative session is in full swing and ACT and the State Building Trades are focusing on a few key issues.**

1. There is continued concern about West Virginia's tax dollars going to out-of-state workers.

"We want the legislature to take further steps to ensure that local workers get tax-funded construction jobs," said B.B. Smith, ACT Legislative Representative.

"It is good business to hire local workers. They pour West Virginia tax dollars back into the local economy."

2. ACT is also supporting legislation, which would set stricter rules on economic development.

"The state needs to make sure a deal like the \$23 million tax

fiasco in Wayne County with Constellation Power doesn't happen again," said Smith.

"We want legislation that monitors all economic development projects in West Virginia.

We need to be able to answer some simple questions.

\* Where are our economic development dollars going?

\* Are West Virginians getting a good deal for their tax dollars?

\* Are local worker's getting the jobs created?

3. A bill which encourages contractors on publicly funded projects to use federally registered apprentices is also an important agenda item.

"As the biggest construction consumer in West Virginia we feel the state should take the lead in supporting apprenticeship programs," said Smith.

# Bush Promoting Anti-Worker Policies

**President George W. Bush has wasted little time backing policy changes aimed at hurting construction workers and taxpayers.**

On December 27 the administration repealed the "responsible contractor" rule banning corporate crooks from bidding on lucrative federal projects.

The rule required scrutiny of the track record of any company seeking a government contract.

In order to be labeled a "responsible contractor" the company had to be in compliance with federal labor, consumer, tax, anti-trust, safety, environmental and civil rights laws.

"These rules helped keep the known crooks away from tax funded project," said Roy Smith, Secretary-Treasurer of the WV State Building Trades. "Repealing these rules sends the message that the cheaters get to set the standards."

According to a recent U.S.

General Accounting Office Study, 261 federal contractors accrued 5,121 health and safety violations while receiving \$38 billion in federal contracts. Another 80 companies received \$23 billion in federal contracts after violating labor laws.

While repealing the responsible contractor rule is the most recent action against construction workers taken by the President it is not the only one.

Fortunely, a federal judge overturned that order, saying Bush had illegally used federal procurement laws to supersede federal labor laws.

The judge cited many previous court cases making clear that federal and state officials were prohibited from setting their own rules for standards of conduct regulated by the 1935 Na-

tional Labor Relations Act.

Another of Bush's anti-worker orders, also one of his first, banned project labor agreements on federal projects or federally funded projects.

The AFL-CIO Building and Construction Trades Division immediately filed suit in federal court to stop the measure.

Again a federal court judge said Bush was in error and the executive order was ruled illegal because it was under the jurisdiction of the National Labor Relations Act.

"These are real attacks on construction workers and our families that are aimed at driving down our wages and living standards," said Smith.

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**'REPEALING THESE RULES SENDS THE MESSAGE THAT THE CHEATERS GET TO SET THE STANDARDS'**  
**ROY SMITH, SEC.-TREAS., WV STATE BUILDING TRADES**

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In one of his first executive orders Bush required federal contractors to post notices telling workers they had the right not to join a union.

Jon Hiatt, the AFL-CIO general counsel said unions wouldn't have opposed the posting of no-

laws to supersede federal labor laws.

The judge cited many previous court cases making clear that federal and state officials were prohibited from setting their own rules for standards of conduct regulated by the 1935 Na-

# Scholarship Fund Creates Hope for Others

## Tragedy for one young welder leads to opportunity for future welders.

The Killian Felix Conlon Memorial Scholarship Fund will provide money for young welders interested in pursuing a degree in welding or industrial maintenance at WVU Parkersburg (WVU-P).

The scholarship fund was started in memory of Conlon by his parents with contributions from many local crafts including Boilermakers Local 667, of which he was a member.

Conlon lost his life in motorcycle accident on November 1, 2001 near his home in Bebee West Virginia.

According to his parents, Conlon loved to weld.

His ambition was to become a top-notch welder, said his parents.

He was well on his way. He was doing well in all of his classes at WVU-P and was a full time apprentice with Local 667.

"Killian was a fantastic example of our

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### **'KILLIAN WAS A FANTASTIC EXAMPLE OF OUR APPRENTICES AND WHAT THEY CAN DO IF GIVEN A CHANCE'**

**GEORGE PINKERMAN, BUS. MANAGER BOILERMAKERS 667**

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apprentices and what they can do if given a chance," said George Pinkerman, Business Manager for Local 667.

Conlon's parents said they hope that students who receive this memorial scholarship will also receive some of the "spark that was so much a part of Conlon's life.

The scholarship will provide tuition, books, fees and transportation — if necessary for

students who attend WVU-P.

Applicants should meet most of the following criteria: major in welding or industrial maintenance; are residents

college; and demonstrate a financial need.

Grade point average, or scholastic achievement test scores will not be considered when awarding the scholarship.

Students interested in applying should contact their high school guidance counselors or the WVU at Parkersburg Foundation at 304-424-8340. Persons interested in contributing to the fund contact Beth McNally at the Foundation office.

of Tyler, Wetzel or contiguous counties; are the first in their family to go to

## **\$50 MILLION**

*FROM P. 1*

tors alive. A series of hearings took place before the Circuit Court and the State Supreme Court, as well as numerous appeals and motions. It was McDowell County Circuit Court Judge Booker T. Stephens who finally de-

termined that Vieweg had violated his legal responsibility to the state of West Virginia by dismissing the suits.

The settlement will now be presented to Judge Stephens for approval and ACT will have to decide once more on what action, if any, can be taken.

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## **GLADE SPRINGS**

*FROM P. 1*

Greenbrier. If our workers were good enough for The Greenbrier, they should be good enough for Glade Springs."

According to Rebich, local police stopped seven workers, but they all turned out to be legal workers.

"The fishy thing is that SAJO has rented 20 apartments in the Beckley area. Seven workers don't need 20 apartments."

"I think illegal workers may be using a different entrance to elude police."

SAJO Construction was hired by Cooper Land Development, which Glade Springs says owns the land where the course is being built.

"We will continue to fight Cooper and Glade Springs because a Glade Springs spokesperson said they fully support Cooper's actions," said Rebich.

### **CABLE CHANNEL 9**

Steubenville, Follansbee & Wellsburg  
Saturdays @ noon

### **CABLE CHANNEL 10**

Wheeling, St. Clairsville & Moundsville  
Saturdays @ noon

## **WEST VIRGINIA WORKS SHOWTIMES**

**WOAY 4--New!**  
Oak Hill  
Sundays @ 11:00am

**FOX 11** Charleston,  
Huntington, Parkersburg,  
Beckley, Bluefield  
Sundays @ 11:30am

**WDTV 5**  
Clarksburg & Morgantown  
Saturdays @ noon