

2012 LEGISLATIVE SESSION DONE

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Increasing tax credits for contractors who hire apprentices, stopping the practice of bid-shopping and updating the crane operators certification law all passed on the final day of the legislative session. (See separate stories).

What did not pass were numerous attacks on the state prevailing wage law, anti-union 'right-to-work' legislation, and a measure to weaken the wage payment collection act.

"Overall we had a good session getting some modest legislation passed and preventing any bills that hurt working families," said Dave Efaw, Secretary-Treasurer of the WV State Building

Trades.

A bill to eliminate prevailing wage protections, and possibly other public bidding laws for construction of volunteer fire departments was stopped by House leadership.

A project in Sissonville was driving the effort where

claims that prevailing wage rates were stopping a project became a real challenge.

"People actually said prevailing wage rates were inflating a \$1.5 million project by \$600,000, but the numbers were wrong," said Efaw.

"They compared a bank es-

timate to a bid and said wages made up the difference, but this is flat wrong."

"The Sissonville project had \$250,000 of state funds and they did not want to follow the law of prevailing wage, bidding, and drug free,

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DAVE EFAW OF the State Building Trades speaks at a legislative public hearing on the need to find additional funding for infrastructure projects.

DOMINION LOSSES ARE PROFITS?

ACT involvement in a gas rate case before the state Public Service Commission has uncovered interesting evidence showing losses Dominion Hope Gas want to pass on to consumers may have been profits for another arm of the Dominion corporation.

Dominion Hope has asked rate payers to pay for losses resulting from a hedging program used to purchase gas. The result is \$18 million in losses since 2006.

But documents received from Dominion Hope reveal who profited from the hedge deals – Dominion subsidiary Virginia Power Energy Marketing, Inc.

Both Dominion Hope and VPEM are owned by the same corporation, Dominion Resources, Inc. What appears to be a loss for Dominion Hope and rate payers may well turn out to be profits within the same corporation.

Dominion Hope has claimed the gas purchases neither make nor lose money for them because the costs are all passed on to consumers.

The discovery that Dominion Hope has been using an affiliated company to purchase hedging contracts was raised at hearings before the state Public Service Commission held on Tuesday, March 13 in Charleston.

The WV State Building Trades has intervened in what is called a rate adjustment case at the PSC. In preparing for the case ACT hired an expert consultant to review documents submitted to the PSC.

ACT's expert uncovered the hedging losses and questioned the whole hedging program. Further documents

were requested which uncovered who was on the other end of the hedging deals.

"We wondered how Dominion Hope could lose money month after month with their hedging program and not put an end to it after such huge losses," said Steve White, ACT Director. "But when we learned Dominion Hope's loss was their sister company's gain all the alarms went off – the PSC needs to investigate this."

ACT has asked the PSC to reduce the rates consumers pay Dominion Hope for their natural gas.

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LOCAL 83 WELDS TOP INDUSTRY STANDARDS**TRAINING PROGRAM QUESTIONED**

Local construction workers are wondering what Dominion Resources February 22 announcement about training 100 pipefitter helpers really means.

According to press reports Dominion is partnering with Northern Community College and Dominion's non-union Texas based contractor CB&I.

CB&I has refused to work with local trades and hire local workers.

While they have subcon-

tracted some of the work to local contractors CB&I has stated the largest portion of the project will be done with their own forces.

By one estimate only 15 percent of the current 150 CB&I workers on the project are from the local area.

The rest have been imported from outside the region.

"Local 83 is able to supply the quality and quantity of trained people Dominion needs for their project. We have people ready, willing and able to do the work," said Plumbers and Steamfitters

Local 83 Business Manager Jeff Beresford.

"We have an excellent training program with local apprentices that need work opportunities and a six week class is not enough time to train even a pipefitter helper," said Beresford.

The issue is more confusing when Beresford also points out he has members already working on a Dominion site, the Hastings plant in Wetzel County.

"As far as we know, Dominion is satisfied with our member's performance at the

Hastings site. The work there is going as good as can be expected under the conditions they are working," stated Beresford.

"In tough conditions our welds have far exceeded industry standards, and that's with 100% x-ray inspection in the field."

Details of the agreement with Northern are still not known.

One paper said Dominion was paying for the training but there are some indications the training will be funded with taxpayer dollars.

BID-SHOP TO STOP

Also passing the legislature was a bill to stop bid-shopping of sub-contractors on public projects.

Bid shopping is when a general contractor tries to get sub-contractors to lower their prices after the GC is awarded a project.

Known as SB 36 the new law will focus on projects handled by the state Division of Purchasing.

For all projects valued at more than \$500,000 the general contractor with the lowest will be required to list their sub-contractors within one day of the bid deadline.

The sub-contractors are then locked in unless there is a compelling reason to replace them.

The list is only required for sub-contracts valued at more than \$25,000 and is only in place for Division of Purchasing projects that go to bid in the coming year.

"Once the low bid has been given it makes no sense to let a GC beat down the price of sub-contractors from the taxpayers' point of view," said Steve Burton, Business Manager, Tri-State Building Trades. Burton is also a member of the State School Building Authority.

The SBA has had a similar practice in place for school projects for many years.

"Stopping bid-shopping of sub-contractors has worked with school projects, it makes sense to try it on other tax funded projects."

The bill started out cover-

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CRANE OPERATOR LAW UPDATED

When West Virginia passed its crane operator certification law ten years ago it was one of a few states and cities that cared about the issue.

Since then OSHA, the federal safety agency, has passed new rules that will require all construction crane operators in the nation to be certified.

For the most part West Virginia's crane operators are ahead of the game and all set for the new federal rules.

However some modest changes were needed to comply with the federal rules.

Chuck Parker, Training Director for Operating Engineers Local 132 took the lead in getting a bill drafted and passed.

"There was confusion about what actually is a crane and what activity is construction so it took some time to work through the bill," said Parker.

In the end an agreement was reached with other labor groups like the UMWA and Steelworkers as well as contractors.

OSHA rules will not take effect until November of 2014.

There was opposition to the measure in the form of

a training and certification company from outside the state wanting West Virginia to lower its standards.

Senator Evan Jenkins (D-Cabell) led the charge to weaken the bill in the Senate Government Organization Committee but was rejected.

"Our crane law has meant

a safer job site for all construction workers and we are happy to see the rest of the nation catching up," said Tom Plymale, Business Manager of Operating Engineers Local 132.

"Now is not the time to lower standards, we need to head the other way."



CHUCK PARKER, TRAINING Director for the Operating Engineers, speaks to the Senate Government Organizations Committee about the Crane Operator bill.

APPRENTICESHIP TAX CREDIT BILL PASSED

A bill to increase tax credits aimed at supporting apprentices passed and was one of only a very few tax credit bills to survive this legislative session.

SB 153 will give employers a two dollar per hour tax credit for every hour they employ an apprentice.

In 2007 ACT was able to push through a bill to create the credit program at one dollar per hour. So this new law doubles the credit value.

Apprentices must be indentured in a federally approved program. The maximum credit per apprentice is 1,000 hours per year which means \$2,000.

“People are recognizing the value apprentice programs bring,” said Senator Orphy Klempa (D-Ohio) the

lead sponsor of the bill both this time and in 2007.

Klempa is also a representative for the Carpenters and Co-Chair of the successful labor management program Project BEST.

“Apprenticeship in the construction industry uses very few if any tax dollars, but delivers a highly skilled workforce.

The credits simply make it easier for contractors to give more apprentices on-the-job hours.”

Klempa worked with Senate Finance Chair Roman Prezioso (D-Marion), Labor Committee Chair Jack Yost (D-Brooke), and Senate President Jeff Kessler (D-Marshall) to make sure the bill got a chance for consideration.

In the House the same effort was led by Delegates

Dan Poling (D-Wood) as well as House Finance Chair Harry Keith White (D-Mingo) and Labor Chair Larry Barker (D-Boone).

“We have a lot of support starting with the Speaker of the House Rick Thompson (D-Wayne),” said Poling. “I think this will help us get

more young people into our apprenticeship programs.”

The effort was supported by both labor and contractor groups across the state.



MEMBERS OF THE IBEW, Laborers, Iron Workers, UA, and Operating Engineers attend a House Labor Committee meeting to watch them pass the apprenticeship tax credit legislation on March 1. The bill then went to the Finance Committee.

WV AFL-CIO COPE ENDORSEMENTS MADE

U.S. Senate	6th	Mark Wills	14th	Jimmie Wood Jr.	31st	Clyde McKnight	48th	Ron Fragale,
Joe Manchin	8th	Joshua Martin	15th	Joe Bocook	32nd	David Perry,		Richard Iaquina,
U.S. House of Representatives	9th	Richard Browning	16th	Jim Morgan		Margaret Staggers		Tim Miley,
Nick Joe Rahall - 3rd District	10th	Bill Laird	17th	Doug Reynolds,	33rd	David Walker		Martin Shaffer
Governor	12th	Doug Facemire		Dale Stephens	34th	Brent Boggs	49th	Michael Manypenny
Earl Ray Tomblin	13th	Roman Prezioso	18th	Portia Warner	35th	Bonnie Brown,	50th	Mike Caputo,
Secretary of State	16th	Herb Snyder	19th	Don Perdue,		Bobbie Hatfield,		Linda Longstreth,
Natalie Tennant	House of Delegate Districts			Richard Thompson		Doug Skaff Jr.		Tim Manchin
Auditor	1st	Marilyn Boyd,	20th	Justin Marcum	36th	Nancy Guthrie,	51st	Anthony Barill,
Glen Gainer		Randy Swartzmiller	21st	Harry Keith White		Mark Hunt,		Barbara Fleischauer,
State Treasurer	2nd	Phil Diserio	22nd	Jeff Eldridge,		Danny Wells		Nancy Jamison,
John Perdue	3rd	Shawn Fluharty,		Josh Stowers	37th	Meshea Poore		Charlene Marshall,
Attorney General		Erikka Storch	23rd	Larry Barker	38th	Virginia Moles		Billy Smerka
Darrell McGraw	4th	Michael Ferro,	24th	Lidella Wilson Hrut-	41st	Adam Young	52nd	Larry Williams
Justice of the Supreme Court of Appeals		Keith Hughes		kay, Joe White	42nd	Peter Bostic,	53rd	Stan Shaver
Tish Chafin	5th	Dave Pethtel	25th	Linda Goode Phillips		Ray Canterbury	56th	Jim Maybury
State Senate Districts	8th	Buddy Malone	26th	Clif Moore	43rd	Denise Campbell	57th	Ruth Rowan
1st Jack Yost	9th	Jim Marion	27th	Ryan Flanigan,	44th	Joe Talbott	61st	Michael Jason Barrett
2nd Jeff Kessler	10th	Dan Poling,		Pete Sternloff	45th	Bill Hamilton	63rd	Donn E. Marshall
4th Mike Bright		John Ellem	28th	Al Martine,	46th	Peggy Donaldson	65th	Tiffany Lawrence
5th Bob Plymale	12th	Jo Boggess Phillips		Jeffry Pritt		Smith	66th	John Reese Maxey
	13th	Helen Martin,	29th	Ricky Moye	47th	Mary Poling	67th	Stephen Skinner
		Brady Paxton	30th	Bill Wooton				

(State COPE Meeting held on Saturday March 3, 2012.)

TRADES SUPPORT PRESTON BID POLICY

Members of the North Central WV Building Trades Council attended a recent Preston County School Board meeting to show support for a responsible contracting policy.

The School Board adopted the policy, similar to the State School Building Authorities long standing policy, before going to voters with a school construction bond measure last year.

The \$80 million bond passed and now projects are reaching the bid phase.

The policy talks about a number of key measures to

judge contractors when deciding if they are responsible.

Past projects track records, compliance with wage and other laws and regulations, financial stability, participation in health, pension and drug free programs are all part of the criteria.

However the inclusion of apprenticeship as a factor has got some people mad.

“County Commissioner Craig Jennings apparently has riled up people to believe somehow that wanting apprentices on school construction projects is a bad thing,” said Matt McComas, ACT Representative for the North

Central area.

McComas was among the 35 trades members in attendance at the meeting which was held on February 13.

Darwin Snyder, President of North Central spoke at the meeting.

“We let the School Board know we appreciate their effort to use local people and apprentices who live in Preston County to build their projects,” said Snyder. “It makes perfect sense to us.”

ACT’s Steve White believes Commissioner Jennings reasons for complaining about the bidding process might have more to do with

a failed legislative attempt to allow private companies to build schools.

“Jennings and his father, who is a contractor, along with a few others were actively trying to pass legislation in the last few sessions to allow private for-profit construction, design and financing of schools,” said White.

“We opposed their bill be-

cause schools should be built for the kids not profit.”

The State School Board was called on presumably by Jennings to prevent the Preston Board from enforcing their responsible contracting policy.

However the State Board has supported the policy as long as it is applied in a fair and uniform manner.



DARWIN SNYDER, PRESIDENT of the North Central WV Building Trades Council talks to the Preston County Board of Education in support of their responsible bidding policy.

SESSION

CONTINUED FROM P. 1

so a bill was drawn up to exempt them.”

Efaw noted that volunteer projects are already exempt from prevailing wage laws, “but when they hire a for-profit company with our tax dollars they must follow all

the laws.”

In the end the bill was removed from the schedule by the House of Delegates Rules Committee and not allowed to proceed for a vote.

Another bill to eliminate prevailing wage requirements in any broadband projects was defeated.

The anti-union ‘right-to-

work’ law was also a topic of discussion but easily stopped in the Senate.

Funding for road construction was discussed but no legislative proposals were brought forward.

A public hearing was held and the need for new funding as well as the possible sale of bonds was talked about.

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BID-SHOP

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ing all state projects but was amended by agreement to cover only certain projects of the Purchasing Division.

The idea is to put the mea-

sure in place for a year and to come back next year having learned from experience.

“The Division of Purchasing is to be commended for their willingness to improve the bidding process,” said Burton.