

Wednesday, September 21, 2005

— Time: 7:39:09 AM EST

PSD seeks firms help

By PAMELA BRUST

WAVERLY - Officials with the Union-Williams Public Service District said Tuesday they are working with project contractor Diversified Enterprise, a firm owned by record Powerball winner Jack Whittaker, to address more than 1,500 complaints on a \$14 million sewer expansion project in the district.

Steve Nulter, board treasurer for the district, said the district has received more than 1,500 customer complaints ranging from cleaning up and reseeding yards, fixing trees, to repairs of driveways and fences. Nulter said Diversified was the low qualified bidder for the sewer line expansion project.

"Obviously they are laying sewer lines through rights-of-way, including yards and there are a lot of issues still remaining to be addressed," Nulter said, adding the district conducts public meetings monthly and many customers have voiced concerns. He said the district has complaint lists and is working with the engineers and contractor to get the concerns addressed as quickly as possible.

The project, which began in March 2004 was supposed to be completed in March. It covers an area including W.Va. 31 from W.Va. 2 toward Williamstown and Deerwalk, part of old St. Mary's Pike, and W.Va. 2 toward Parkersburg.

"We are addressing these complaints as quickly as possible, we've been addressing them for some time now," Nulter said. He noted it is the contractor's obligation to address the needed repairs.

"On behalf of the Public Service District, I will say our goal is to give the customers good services and make sure they are taken care of. We are just trying to work to get the customers happy and get the contractor to get things fixed for them," he said.

Nulter said the project is nearing completion as far as getting customers on the new lines.

"The final restorations have to be done in order for final payments to be made," he noted.

Diversified Enterprise and its subcontractor Zion Inc. have been accused of cutting water, sewer, gas and power lines, cutting down trees and knocking down fences, according to some of the complaints lodged with the PSD.

Jerry Dotson, general manager of the Union-Williams PSD, was in Charleston Tuesday and could not be reached for comment.

An organized labor group is calling for an investigation into Whittaker's connections to an Ohio construction company that owes more than \$1 million to the state workers' compensation system. Whittaker received up to 30 percent of the profits on West Virginia work done by Holley Brothers Construction Co. Inc., according to a lawsuit filed in Gallia County, Ohio. In 2002, Holley Brothers walked away from at least 17 unfinished water and sewer projects in West Virginia, according to Steve White, executive director of the Affiliated Construction Trades Foundation. Holley Brothers owes more than \$1.3 million to the West Virginia Workers' Compensation Fund, said T.J. Obrakta, general counsel for the Workers' Compensation Commission.

White said Whittaker should be held responsible for at least part of that debt.

"I think he should pay 30 percent of it. They didn't pay \$1 million to workers' comp, so their profits were \$1 million more," White said.

White's group is attacking Whittaker and Diversified, a nonunion company, for allegedly shoddy work on the Union-Williams project and another water project in Wayne County. Whittaker could not be reached for comment.

Whittaker won a Powerball prize of nearly \$315 million, the largest individual jackpot ever, on Christmas Day 2002. He received a one-time payment of \$113 million.

In December 2002, days before Whittaker won the Powerball prize, a lawsuit in Gallia County, Ohio, was settled for an undisclosed amount. The lawsuit was between Whittaker, a company called Whittaker Equipment Inc., and Holley Brothers Construction Co. of Gallipolis, Ohio. On correspondence, Whittaker is usually listed as general manager. But his profit-sharing arrangement implies he was more than an employee, White said.

Diversified is also a defendant in another lawsuit alleging poor performance in a water treatment plant in Naugatuck, Mingo County.

The Associated Press contributed to this story.