Cost Up 20% After Prevailing Wage Repeal

Instead of saving taxpayers any money, the repeal of the state prevailing wage law has led to a 20 percent increase in costs to taxpayers.

The news, however, was presented in a different way at a November 4th School Building Authority meeting where new cost allowances were approved, but the facts are clear.

The cost per square foot of new schools has risen since the repeal of the state prevailing wage law.

According to news reports SBA Director of Architectural Services, Ben Ashley, said the move follows higher school construction costs found in recent bids.

“We’ve had projects bid over the last year or so that have been over our dollars-per-square foot funding allowance,” Ashley told MetroNews.

Increased labor and material costs were said to be the reason for the increase, and ACT does not dispute that data. However, ACT has payroll documents proving wages for many workers have been cut significantly. Since materials only account for a portion of each project it is hard to explain the numbers beyond recognizing that cheap labor and corner-cutting contractors cost more.

“We have carefully tracked school construction and the evidence is clear, taxpayers have seen no savings and construction workers have seen dramatic wage and benefit cuts with the repeal of the prevailing wage law,” said ACT Director Steve White.

According to White low wages do not bring savings because less skilled workers end up on the projects which brings a series of problems.

White also said quality contractors are being undercut by contractors who cut corners.

That means school boards are
Trades Councils Get NMAPC Safety Awards

Building Trades Councils with jurisdiction in West Virginia, along with contractors and owners were among those who recently received Zero Safety Awards from the National Maintenance and Policy Committee (NMAPC) for projects done in 2018.

The NMAPC has been handing out awards for 19 years to help focus on safety in the construction industry.

Gold, Silver and Bronze awards are given based on total hours worked without an injury.

In addition, Councils received awards for smaller projects and for projects in surrounding states.

The NMAPC negotiates and administers the National Maintenance Agreements, a series of collective bargaining agreements utilized by more than 2,000 industrial contractors who employ members of building trades unions.

Upper Ohio Valley Building Trades Council
- Enerfab Power & Industrial, Inc. & American Electric Power
  1,218,737 Work Hours
  Mitchell Power Plant, Moundsville, WV
- Chapman Corp. & Covestro LLC
  212,293 Work Hours
  New Martinsville Plant, New Martinsville, WV

Tri-State Building Trades Council
- Day & Zimmermann NPS, Inc. & American Electric Power
  345,529 Work Hours
  Mountaineer Power Plant, New Haven, WV

North Central West Virginia Building Trades Council
- Minnotte Contracting & First-Energy Corp.
  460,371 Work Hours
  Harrison Power Station, Haywood, WV
- Chapman Corporation & First-Energy Corp.
  373,767 Work Hours
  Harrison Power Station, Haywood, WV
- Burnham Industrial Contractors & FirstEnergy Corp.
  231,928 Work Hours
  Fort Martin Power Station, Maidsville, WV

Charleston Building Trades Council
- StructSure Scaffold Solutions, LLC & American Electric Power
  447,892 Work Hours
  John Amos Power Plant, Saint Albans, WV
- Enerfab Power & Industrial, Inc.
  343,051 Work Hours
  John Amos Power Plant, Saint Albans, WV

Well Water Treatment Plant is Shut Down

A new $300 million plant located in Doddridge County called Clearwater, designed to treat gas well fracking water, has been idled.

Antero Resources hired Veolia Water Technologies Inc. in 2015 to build the new shale wastewater recycling facility.

According to news reports the facility was designed to treat 60,000 barrels of water per day from the fracking process used in gas wells.

The project was built primarily with nonunion contractors and workers, such as INCO Services Inc., from Georgia, Incorp Industries LLC from Indiana and Lauren Engineers & Constructors Inc., from Texas.

In May of 2017, ACT videoed construction workers from Guatemala and Mexico at the site.

Antero also built a $20 million landfill next to the plant to handle the sludge resulting from the treatment process.

In recent months, union workers were at the facility trying to fix the plant which was never was able to handle more than 20,000 barrels per day, according to news reports.

“We hope our members get the opportunity to fix this plant,” said ACT’s Steve White. “Having properly treated water is key to the success of the shale industry.”

“Frankly, we’ve heard Veolia is a problem and that they treat West Virginia like a third-world country,” said White.

“We’ve had decent work opportunities from Antero and if they take direct control, we will get a fair chance to get the repair work.”

Construction workers from Guatemala and Mexico were working at the Clearwater facility in May of 2017. The $300 million water treatment plant in Doddridge County was temporarily shut down in September.
Crum Elementary School Problems Persist

Crum Elementary in Wayne County, one of the first schools built after changes were made to the state prevailing wage law, is still having problems well past the 2017 school year opening.

According to letters ACT received from a Freedom of Information request, the project suffers from problems at their new sewage treatment plant, as well as, water leaking into the new gym.

The project was bid in November of 2015, soon after prevailing wage rates had been suspended and a new calculation required.

Swope Construction Company was the low bid on the General Trades package, as the project was awarded in multiple-prime contracts.

In the summer of 2016 imported workers from Guatemala and Mexico were found on the project.

In addition, the project had quality problems such as faulty installation of the insulated concrete forms, improperly placed anchor bolts, and was ultimately completed well after the start of the school year in 2017.

While many problems were fixed, new problems arose after the project was supposed to be completed.

“We continue to have significant issues with the Sewage Plant at the Crum PreK-8 Facility ...” writes Wayne Superintendent Todd Alexander in a March 14, 2019 letter to project architect ZMM.

He outlines several issues with the Sewage Plant:

- Two pumps were currently down and inoperable. The pumps had already been replaced once.
- The pumps were under warranty, but the manufacturer insisted on dealing with a firm AppTech which is out of business. According to the manufacturer the new pumps were designed for residential use and should not have been used in this setting.
- 1 of 2 UV Light Assemblies had been waiting for a year to be installed.
- The Soda Ash Tank was installed but not connected.
- Scum Skimmer broken and not operating properly.
- A July 24, 2019 letter from the County to Swope and their bonding company states “Pursuant to section 3.1 of the above-referenced performance bond, notice is hereby given to Swope Construction Company (Contractor) and travelers Casualty and Surety Company of America (Surety) that the Wayne County Board of Education (Owner) is considering declaring a contractor default related to the wastewater treatment plant at the project referenced above.”

Swope President, Ron Mallory, disagreed in an August 2, 2019 letter, saying “SCC [Swope Construction Company] completed its contract with Wayne County and thus neither SCC nor its surety have any responsibility or liability to Wayne County for what has proven to be a poor selection and design of a package wastewater treatment plant by the project architect, ZMM.”

In August of 2019 the Board of Education approved an emergency purchase order for improvements to the Crum Waste Water Treatment Plant in the amount of $43,048.

A company from Proctorville, Ohio proposed refitting pumps and control panel floats, installing a trash trap, blower control panels, flow meters, and other items.

Another persistent problem is a leaking door to the gym which has led to water damage to the gym floor.

A May 12, 2019 email from Superintendent Alexander to Swope Construction references prior communications and states “our insurance adjuster indicates that the damage to the gym floor at Crum was caused by the slope of the concrete outside of the exit door.”

“It’s a shame the citizens of Wayne County paid top dollar for a new school that is in such terrible condition,” said Randell May who resides in Wayne County and is a representative for the Carpenters. “We have also heard the ball field has issues.”

May points to the Ceredo-Kenova school built at the same time by Neighborgall Construction with local union workers. “Skilled local labor and local contractors did an excellent job at C-K, which shows how much better the Crum School could have been.”

“The repeal of our state prevailing wage law has brought no savings and terrible results,” said May. “We need to reinstate a prevailing wage law in West Virginia as soon as possible.”

Leaders Snyder, Boone Remembered at Event

The Darwin L Snyder Memorial Sporting Clay event was hosted by North Central WV Building Trades Council on October 20 at Hunting Hills with over 65 members attending. The event also paid tribute to Ed Boone a past Trustee of North Central and a member and former Business Manager of Local 152 Plumbers and Pipefitters, who went on the become head of the Jurisdiction Department of the United Association of Plumbers and Pipefitters for the U.S. and Canada. Brother Boone passed away on October 14 at the age of 62.

Insulators Local 80 Labor History Class

Professor Sam White (left) from WVU’s Institute for Labor Studies presents a Labor History class to members of Insulators Local 80. According to Apprentice Coordinator Todd Motz the class was mostly apprentices but included a few journeymen as well.

“This is a good class, it teaches how we got to where we are today and that the gains we have made are not guaranteed,” said Motz. The class was held at Local 80’s training site near Huntington in mid-October.
Labor-Management-Owner Event in P’burg

Dave Miller, Acting Plant Manager at Pleasants Power Station, delivered a message of both optimism and thanks to a recent gathering of contractors, owners and labor leaders.

Miller was guest speaker at the Fall 2019 Labor-Management-Owner Cooperative, a bi-annual event in the Parkersburg-Marietta area designed to discuss relevant issues and projects in the industry.

Miller said after much uncertainty the coal-fired power plant, located 25 miles northeast of Parkersburg, is in a good position to succeed.

Last month a federal bankruptcy judge approved the reorganization plan for FirstEnergy Solutions, the spinoff of FirstEnergy Corp. and owners of the Pleasants Power Station at St. Marys.


Recently, the West Virginia Legislature eliminated the Business and Occupation Tax which resulted in a $12 million per year savings to operating expenses.

“We appreciate the Trades help to pass the legislation,” said Miller.

According to Parkersburg-Marietta Building Trades Council Business Manager, Buddy Malone, the success of Pleasants Power is critical to the membership of the Council.

“We have had a long and positive relationship with Pleasants Power and if they succeed, that means jobs for our members,” said Malone.

The event, held in Parkersburg on November 1, was sponsored by the Parkersburg-Marietta Building Trades Council and the Parkersburg-Marietta Contractors Association.

1-15-20 Date Set for So-Called RTW Appeal

The WV Supreme Court of Appeals has set Wednesday, January 15, 2020, to hear arguments about the so-called Right-to-Work law.

As it stands currently, key provisions of the RTW law have been ruled unconstitutional by Kanawha Circuit Court Judge Jennifer Bailey.

Judge Bailey ruled the law violated the association rights of unions and their members as protected by Article 3, Sections 7 and 16 of the West Virginia State Constitution.

Additionally, Judge Bailey found the law resulted in an unconstitutional taking under Article 3, Section 9 and violates individual liberty interests contained in Article 3, Sections 3 and 10.

“Judge Bailey got it right,” said ACT/WV State Building Trades attorney Vince Trivelli. “Forcing union members to pay for services that nonunion members of the bargaining unit may demand, and the union is legally required to provide, violates our state constitution.”

Judge Bailey’s ruling, made in February of this year, has been challenged by the WV Attorney General. The AG says unions are not forced to follow federal laws that require unions to provide service to non-members because, the AG argues, unions have the “choice” to give up their rights under labor law.

“This is circular logic,” said Trivelli. “Saying a union can comply with this RTW law if they choose not to be a union under the WV Labor Relations Act makes no sense.”

In a filing supporting Judge Bailey’s decision Trivelli wrote “Because unions must represent fairly and equally all members of a collective bargaining unit, prohibiting unions from collecting fees for their services – as the [RTW law] does – has the effect of encouraging ‘free riders’ – of workers who make use of and benefit from the union but refuse to pay for the provision of those benefits.”

The anti-union Associated Builders and Contractors filed a brief in the case claiming great economic benefits will result from RTW.

Ironically, they refer to union-built pipeline projects, planned well before the RTW law, in their argument.

“The ABC never lets facts get in the way of their story,” said Dave Efaw, Secretary-Treasurer of the WV State Building Trades, one of the groups who challenged the law.

“Just like they [ABC] inaccurately claimed great savings with the repeal of prevailing wage, their claims are equally false about any benefit RTW would have for our state.”

Cost Up 20%

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Facing a variety of problems such as missed completion deadlines, quality issues, change orders, and lawsuits.

During the campaign to eliminate prevailing wage, Republican leaders promised a 25 percent decrease in costs claiming four schools could be built for the price of three.

At times, they even went further saying five could be built for the price of three.

“This led to changes to prevailing wage in 2015 and full repeal in 2016.

“We have carefully tracked the bids, project wages, and outcomes and can tell with certainty the public has seen no savings,” said White.

Instead, they are paying for big delays in completions, poor quality, and dramatic wage and benefit cuts for construction workers.”