Local Workers Protest at Tasty Blend

Union Iron Workers took to the streets on June 29 to protest out-of-state contractors and imported workers building a Tasty Blend Foods facility in Putnam County.

The project was financed heavily with tax dollars through a low interest loan, property tax breaks and money to build the access road and do site development.

Tasty Blend Foods received a $1.255 million loan from the state Economic Development Authority last year.

The site was developed by the Putnam County Development Authority and the Putnam County Commission recently authorized a property tax break for Tasty Blend.

In addition the state highways department used $200,000 in industrial road access funding to put in their access road.

“This company promised jobs and in return got millions of our tax dollars,” said Bubby Casto, Business Manager for Iron Workers Local 301 in Charleston.

“But the contractor erecting the metal building is from South Carolina, and their workforce is from south of the border, way south.”

The West Virginia Division of Labor cited Carolina Metal Building Technology Inc. (CMBT) on June 2 for not having the proper contractors license or wage bond and for having eight workers on site without proper identification.

Just two days earlier Putnam County Commissioners, in a two to one vote, granted Tasty Blend Foods a property tax break.

The 20-year deal gives Tasty Blend a 20 percent break in their property tax for the first ten years and 15 percent for the

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NEW TOOL TO FIGHT UNFAIR COMPETITION

Target / Market Recovery Programs at Work

A new tool being used by construction unions and their members is called Targeting. The idea is to use a portion of the locals funds to help make union contractors more competitive when they are bidding against unfair competition.

When such a situation arises, a review of the project, the number of unfair bidders, the number of manhours predicted and other market conditions is made.

Then if conditions justify it a commitment is made to all fair contractors bidding the project that the union will put up a certain amount of funding if a signatory contractor is low bidder.

This allows the contractor to factor in the discount and lower their bid.

The approach is somewhat similar to instances where the union will agree to work at a frozen wage rate or even a discounted wage rate.

However, it has an advantage that the cost of lower wages is spread out among the entire membership, not just those working on a frozen or discounted wage project.

“Sometimes a 90 percent wage rate is what we have to do to get a job, nobody likes it but it’s a reality we face,” said Gary Tillis, Business Manager for the West Virginia Laborers District Council. “But the targeting approach let’s those on the job earn full wages, no cuts, and makes for a more productive worker.”

Tillis points to a number of recent projects were the use of targeting funds has created work for his membership.

Since 2002 a little more than $400,000 of [Asbestos Workers Local 80’s] Market Recovery Program funding has been used to generate over $3 million in wages.

At the Southridge Mall area of Charleston a site preparation project was targeted last month at $5 per hour to a maximum of 1000 hours.

That meant a maximum reimbursement of $5,000.

A union contractor, Chapman-Martin Excavation got the $250,000 job by just $3,400.

“Typically all that site prep work out there has gone non-union,” said Tillis.

Asbestos Workers Local 80 has been using the targeting approach since 2002 and getting real results.

“When we see a project that experience tells us our contractors probably won’t get, especially commercial work, we send a letter to our contractors offering assistance from our Market Recovery Program (MRP),” said Steve Keller, organizer for Local 80.

In Portsmouth, Ohio, a tough area for union contractors, six school projects were picked for the MRP and union contractors got all six projects.

The decision was made in 2003, but members are still working on these projects today.

Small projects are often considered, like two Lowes stores, one in Lewisberg and the other in Buckhannon.

The MRP helped a union contractor get both jobs. And even though they are just 120 hours each, they keep the local active and visible in those areas.

Keller said there are a number of factors considered before a project is selected for the MRP funding.

• The estimated number of non-union contractors.

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Tasty Blend

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removing ten years.

Tasty Blend bought the 10 acre site from the county development authority last August after the county spent million developing the site.

In March of 2004 the state Economic Development Authority voted to give Tasty Blend a $1.255 million low interest loan.

The loan was for a 58,000 square foot facility that will allow the company to expand its operation, now in Scott Depot, making dry baking mixes and gravy sauces.

Tasty Blend did not put the project out for competitive bid according to organizer Tony Lott and hired Ponderosa Industries as their general contractor.

Lott tried numerous times to contact Tasty Blend and Ponderosa to see if they would hire local workers or subcontractors.

A state economic development spokesperson was quoted in the Charleston Gazette saying they “create good, permanent jobs for West Virginians. We have no authority over the construction.”

But Casto points to the West Virginia Jobs Act which requires 75 percent of the workers to be from West Virginia or counties located no more than 75 miles from the border.

“The WV Jobs Act requires local workers,” said Casto. “If the state wanted to require local workers they could, they just don’t want to, and that’s a crime.”

Casto also points out the jobs will pay $6 per hour, without benefits, which is not enough to keep a full time worker above the poverty level.
WV Works TV Show Off Air After Six Years

After a six year run WV Works aired it's final pro-gram at the end of June.

The show was started by the ACT Foundation in May of 1999 in an effort to lead the way for the labor movement to develop it's own television news show.

It was the first, and only, labor run television show in the country that aired on network stations.

FERC Dismisses Complaint
Longview Power Must Pay Allegheny

The Federal Energy Regulatory Commission (FERC) has denied Longview Power’s request to force Allegheny Power to allow access to their transmission lines for free.

Responding to a May complaint by Longview, FERC ruled Longview must pay for access to the lines and to cross property owned by Allegheny.

“While Allegheny has an obligation to provide reasonable access to its facilities,” the ruling said, “the commission concludes that what Longview seeks here is to avoid the cost of such a substation by crossing Allegheny’s property...”

Chris Colbert, vice president of coal power development for Longview Power’s developer, GenPower LLC, said the commission’s ruling does not jeopardize the project.

“All it says is we need to negotiate a price.”

Longview has proposed two routes to build a transmission line on Allegheny’s property.

As the show evolved other unions and allies of unions were asked to participate.

The United Mine Workers of America, West Virginia AFL-CIO and American Federation of Government Employees were co-sponsors of the show along with ACT.

However more sponsors were needed to help spread the cost of producing and airing the show.

“We had hoped other unions and perhaps friends in the legal community would help sponsor the show,” said Steve White, ACT director. “But it just didn’t happen.”

“We tried, and we did lead the way, we just couldn’t get others to come along.”

ACT has invested heavily into public relations and advertising efforts to get a message to the public about the value of local union construction workers.

ACT had developed the show to provide for a forum where stories could be told that couldn’t be told in 30 second commercials.

The half hour news magazine format allowed in depth reporting on issues like contractors using illegal aliens in the construction industry, state economic development efforts that ignored the job opportunities for local construction workers, the state workers compensation system that allowed millions of premiums go uncollected and the acts of courage of average workers when faced with contractors willing to break the law to avoid having to deal fairly with their employees.

The show also provided a format for unions to get their positive events televised. Many networks prefer to focus on the perceived negatives of unions and overlook training and volunteer efforts.

The show was produced and hosted by Eric Spelsberg who will continue to work for the labor oriented Vision Builders Inc.

“Eric did an excellent job,” commented Randy May, service representative for the Carpenters Union. “We got a lot of our issues to the public because of the show.”

ACT RESEARCH DIRECTOR Lesly Messina leads an online class on research for union organizers and business agents in Huntington.

Participants shared ways to find information on projects and companies using the internet.

Using Marshall University’s computer lab allowed those in attendance to be online at the same time.

One key source of information reviewed was the ACT database.

Since ACT was started in 1992 it has developed a database on construction projects and companies.

Member unions can access the data through ACT’s web site.

With 13 years of data the ACT database is the most comprehensive source of construction information in the state.

Also examined were numerous online sites to help find out if companies have defaulted on their workers compensation or unemployment payments, OSHA records, tax records for nonprofit’s, and corporate registration sources.

“We need all of the tools we can find,” said Donnie Huff, Director of Organizing for Operating Engineers Local 132.

ACT plans to hold the class at computer labs located within each of the five West Virginia Building Trades Council areas this summer.
Doctors Group Discharges Union Patients

A South Charleston medical practice has started firing patients who are union construction workers and their family.

Doctor Jeff Hively was caught hiring contractors without health insurance, workers compensation or unemployment.

When members of several construction unions pointed this out to the public Hively took quick action - he attacked the union construction workers.

Members of the Carpenters and Laborers placed banners near Hively’s new office building last month.

Hively had been approached twice by union representatives during the project, and both times he refused to talk.

Wolfe Construction was hired as the general contractor.

Wolfe has a history of paying substandard wages and hires sub contractors who do the same.

Quiet Storm Construction was a subcontractor on the job. Quiet Storm showed up on the Workers Compensation and Unemployment default lists.

This led to the banner which read “Shame on doctor Hively.”

When Hailey mentioned he didn’t appreciate being a patient of a practice that would only take health care but not pay for it Hively went a step further.

A letter was sent to Hailey, and another to his wife, letting them know they were discharged as patients.

“These doctors only care about themselves,” said Hailey.

“The workers don’t have health insurance, some contractors don’t have worker compensation or unemployment as the law requires but they think that’s OK.”

Many other crafts have joined the effort and are looking for ways to let the public know about the issue.

“The doctor keeps trying to make this a union issue but it’s not,” said Brewer. “Sure we’re union, and proud of it, but this is about health care, fair pay and following the law.”

“THIS IS AN ISSUE ABOUT HEALTH CARE. THAT A DOCTOR WOULD HAVE WORKERS WITHOUT IT IS JUST WRONG.” SCOTT BREWER, SERVICE REPRESENTATIVE, MID- ATLANTIC REGIONAL COUNCIL OF CARPENTERS

Claiming the banner was unfair Hively’s wife stood out with a sign that blamed the banner for driving doctors out of West Virginia.

“It was just a few months ago they claimed lawsuits were driving them away,” said Scott Brewer, Service Representative, Mid-Atlantic Regional Council of Carpenters.

The Doctor and his wife called a press conference to make their case.

But the Trades members stood firm.

“This is an issue about insurance,” said Brewer. “That a doctor would have workers without it is just wrong.”

Laborers’ field representative Jim Hailey was also manning the banner.

He realized his own doctor, Christopher Skaggs, was in the same practice.

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“THE ACT REPORT

July 2005

HIVELY’S WIFE STAGED a counter protest but was unable to answer why the company building her husbands office did not have healthcare or workers compensation. She also could not explain how doctors were being ‘driven’ out of state by workers who want health care benefits.