

# Prevailing wage repeal welcomed by recreation, school district leaders

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MARTINSBURG, W.Va. — Had the state’s prevailing-wage law been repealed a few years ago, the W. Randy Smith Recreation Center would have cost \$500,000 to \$600,000 less to build, Martinsburg-Berkeley County Parks & Recreation Board Executive Director Steve Catlett told board members this week.

Catlett said the state Legislature’s full repeal of state wage-rate requirements for publicly funded projects in House Bill 4005 — set to take effect in May — would have resulted in substantial savings for the southern Berkeley County recreation facility, which opened in 2013.

Though primarily funded by \$2.1 million in Powerball winnings that were donated by Smith, who a \$79 million jackpot in August 2010, the recreation center built on the Musselman High School campus was deemed a public project and prevailing wage rates had to be applied.

Looking ahead, Catlett expects the parks and recreation board will net future savings from the prevailing wage repeal, but still must comply with federal Davis-Bacon Act wage determinations on some projects, including the upcoming overhaul of the Dr. Martin Luther King Jr. Park in Martinsburg.

The installation of playground equipment, pavilion and other improvements at the West Martin Street park in Martinsburg mostly is being paid for with \$80,000 in federal Community Development Block Grant funding. The federal wage requirement will substantially inflate the labor cost, but Catlett doesn’t expect the project budget to be exceeded.

Even with future labor cost savings, Catlett said the parks and recreation board still must identify a larger revenue stream if it intends to move forward with needed capital projects and additional park development to take advantage of the law change.

Catlett urged parks and recreation board members last Tuesday to “keep pressing the button” with lawmakers to try to get a slight increase in the state sales tax for parks and recreation funding, given his belief that other funding measures, such as a bond levy, are unlikely to gain enough support.

And with public school systems in West Virginia facing their own set of financial constraints due to state budget cuts, Berkeley County Schools Superintendent Manny Arvon also welcomed the prevailing wage repeal.

“I think it will probably allow us to get more future construction done for our dollars,” Arvon said of

the prevailing wage repeal, which he was told will take effect May 12.

Exactly how much savings will result from the law repeal isn't clear because Arvon said the school district has already benefited from competition among multiple contractors that submitted bids for construction projects over the years. That competitive bidding environment might not be the case in more than more rural areas of the state, Arvon added.

In addition to competitive bidding, Arvon said the school district also has put out for bid the various components of a construction project, such as plumbing and heating and air conditioning to help contain costs and come in under budget.

Regardless of the future anticipated savings, Arvon said it is critical that the quality of the work not diminish.

Arvon said he has been fortunate to have Don Zepp on staff to oversee project construction and maintain good working relationships with contractors to maintain a quality standard.

Jefferson County Schools Superintendent Bondy Shay Gibson, meanwhile, says it is entirely possible that any savings could be offset with cost increases, given market-based fluctuations that will be possible without set prevailing wage rates.

Depending on level of expertise, contractors "may be able to command an even higher wage," Gibson said.

The prevailing thought, however, is that labor costs will be lower, she said.

All members of the Eastern Panhandle delegation in the legislature supported HB 4005 except Del. Stephen Skinner, D-Jefferson and state Sens. Herb Snyder, D-Jefferson/Berkeley and John Unger, D-Berkeley/Jefferson, who voted against the bill, according to roll calls posted on the legislature's website.