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Union wants public bids for road contract

By Toby Coleman

Staff writer

A union group wants to stop a state government plan to pay a coal company at least \$83 million to flatten a 14-mile stretch of Mingo County mountains to make room for a four-lane highway.

The Affiliated Construction Trades Foundation is suing to stop the deal with the Nicewonder Contracting Inc. because the coal company is using workers making far less than the foundation's union members.

"We want them to put this out for public bid so that the contractors who employ our laborers have an equal opportunity to do this job," said Steve White, the foundation's director. "It looks more to us like the state is subsidizing a coal company than building a road."

The state contracted Nicewonder to build roads earlier this year, after learning that one of the company's mountaintop removal mines was already flattening land along the planned path of the King Coal Highway, a four-lane road slated to run through the state's southern coalfields from Huntington to Bluefield.

After Nicewonder agreed to build a three-mile stretch of the highway for free on reclaimed mine land near its Twisted Gun golf course, the state Division of Highways hired it to build another 11 miles of highway nearby.

Most companies would have demanded around \$300 million to build 11 miles of highway over that mountainous terrain, according to the state.

Nicewonder agreed to do it for no more than \$105,558,225. The reason: the mountains the company will move for the road contain more an estimated 1.5 million tons of coal. The company believes that it can make a profit on the project after selling off the coal.

State Department of Highways officials took the deal without asking other road contractors to submit estimates for the project. They figured they were saving taxpayers money, increasing coal severance tax revenues and creating new jobs in one swoop.

“They can do it much cheaper than we could do it if it were bid out,” DOH spokesman Randy Epperly said recently.

Instead, they spent the spring hammering out a contract with Nicewonder.

Under the contract, the state can get the 11-mile stretch of road for as little as \$82,458,225 if Nicewonder pulls enough coal from the land under the proposed highway.

Unions are irked by a provision of the contract that exempted Nicewonder from rules mandating that the company pay laborers prevailing wages set by state and federal law.

So earlier this month, the Affiliated Construction Trades Foundation sued the state and Nicewonder in Kanawha Circuit Court. The group is hoping a Kanawha Circuit judge will void the state’s contract with Nicewonder and force the state to put the project up for bid.

“People have been building roads over coal in West Virginia for years,” said White. “Now all the sudden nothing has to go to bid, and the state makes a deal for the company to get this coal.”

“This just smacks of some sort of inside deal,” he said.

Epperly said the state believes it did not violate any laws when it exempted Nicewonder from prevailing wage rules.

He said the deal was made to give Nicewonder “flexibility” to move its workers around. Otherwise, he said, Nicewonder employees working on a mining job would get paid one wage while those working on the road would make another wage.

“This way, they don’t have to keep two sets of books,” Epperly said.

Epperly said the state will consider entering into similar deals with other coal companies, provided the savings are big enough.

“In this day and age,” he said, “we have to look for innovative ways to stretch our funding.”

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