

# The Register-Herald, Beckley, West Virginia

*August 24, 2013*

## ACT pickets local health center

*By Wendy Holdren*

**Register-Herald Reporter**

— A group of pickets with Affiliated Construction Trades Foundation were gathered on the roadway outside the Beckley VA Medical Center this week, holding signs that read “Demand Local Jobs for Local Workers.”

Representative Wayne Rebich said his group is concerned that the company hired to build an MRI center and an adult day care center at the VA, Seawolf Construction, is not following the same laws that West Virginia contractors are obligated to follow.

Seawolf Construction is a GSA-approved contractor, according to a representative for the Beckley VA Medical Center, and is based in Jersey City, N.J.

Rebich explained that Seawolf was the lowest bidder for both of the VA projects, so his organization contacted Seawolf to encourage them to hire local subcontractors.

“We deal with out-of-state companies all the time. They send a couple of key personnel and then they hire local and that’s what we want them to do.”

Rebich claims that their subcontractors for electrical, mechanical and masonry services are from South Carolina, Florida and New Jersey.

After contacting the West Virginia Division of Labor and requesting an investigation, investigators found that Seawolf Construction does not have a West Virginia contractor’s license, or a wage bond, which is a security posted with the Division of Labor that protects employee wages and fringe benefits.

Cease and desist orders have been issued for both violations, but Rebich said Seawolf will have a certain amount of time to correct the issues. He said if the issues are not corrected, however, charges could be filed and the cease and desist order would be enforced.

“I’m sure Seawolf is in the process of correcting this, but we have local contractors that bid this project and we wonder how can out-of-state contractors beat us, you know?” Rebich said. “They don’t have a license, they don’t have a wage bond. Do they have workers’ comp? Are they going to pay B&O taxes like our local contractors pay? If they’re not going to do that, how do you call that competitive bidding?”

Ernesto Arana, project manager for Seawolf Construction at the VA, said that all the requirements to be able to work at the property has been fulfilled by Seawolf.

“The VA requires that any contractor or subcontractor follow the Davis-Bacon Act. We do.”

The Davis-Bacon Act and related acts require that contractors and subcontractors must pay their laborers and mechanics employed under the contract no less than the locally prevailing wages and fringe benefits for corresponding work on similar projects in the area.

Arana said that yes, there are subcontractors from out of state, but the majority of the work being completed on the site is by local contractors.

“Our subcontractors would possibly be hiring local people. It would be advantageous of them to do it.”

Arana could not give exact numbers of West Virginia workers versus out-of-state workers currently working, but he did say, “There is a West Virginia majority right now.”

Both Arana and a Beckley VA Medical Center spokesperson were under the understanding that being a GSA-approved contractor supersedes any state regulations, but Barbara McClure with the West Virginia Division of Labor said that is not accurate — GSA-approved contractors must still abide by West Virginia guidelines.

“All GSA contracts have a clause that requires all their signatory contractors to comply with state and local regulation requirements,” confirmed Catherine Zacchi, communications specialist for the West Virginia Department of Commerce.

Rebich said his group plans to picket outside the construction site again next week.

“We want them to obey the same laws that West Virginia contractors have to.”

— E-mail: [wholdren@register-herald.com](mailto:wholdren@register-herald.com)