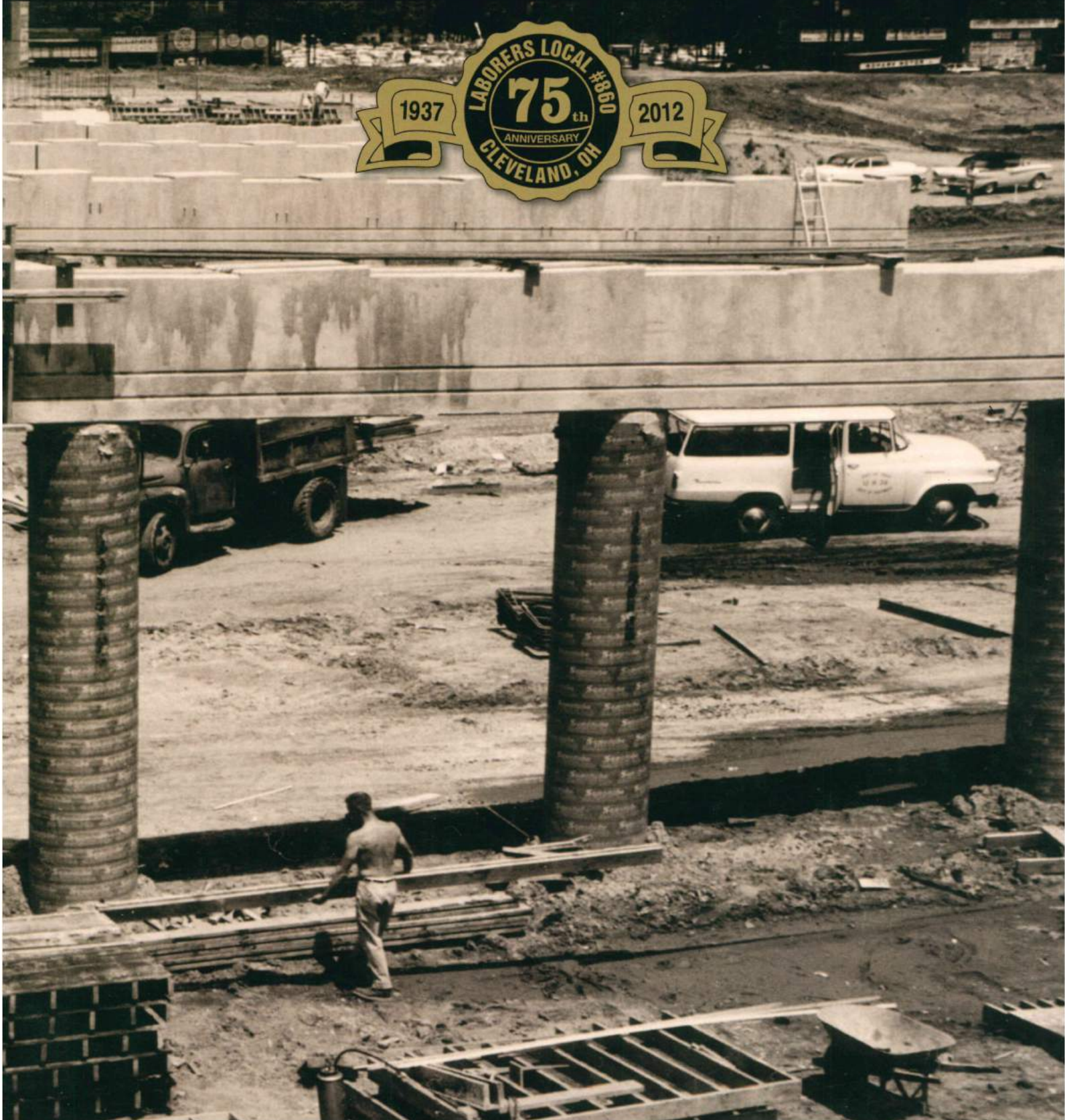


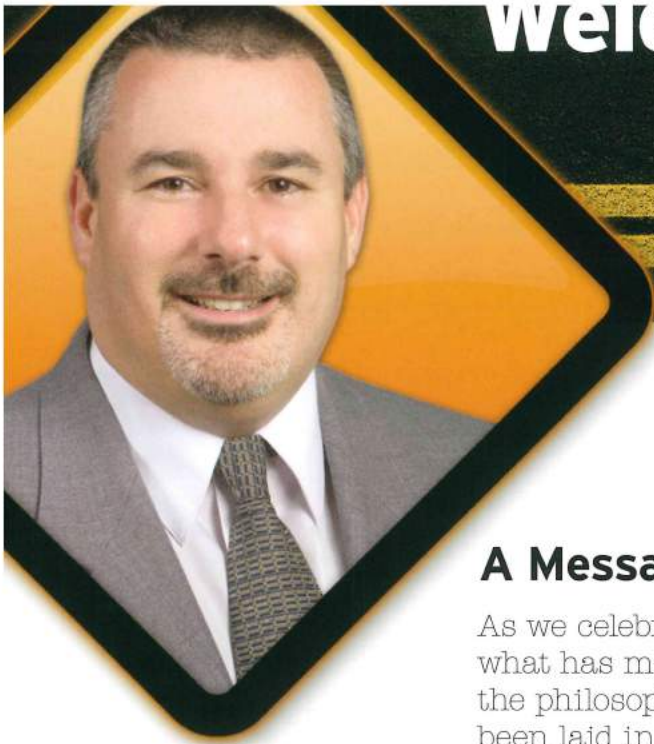
LABORERS' INTERNATIONAL UNION OF NORTH AMERICA, LOCAL 860 CLEVELAND

860 Express

DEDICATED TO ENSURING LABOR MAINTAINS IT'S PROPER PLACE IN THE WORLD

SUMMER 2012 / VOLUME 9 • ISSUE 4





A Message from Anthony D. Liberatore Jr.

As we celebrate our 75th year, you cannot help but reflect upon what has made our Union stand sound and strong. Of course, the philosophy of our forefathers, the very foundation which had been laid in 1937 plays a significant part. The vision and fortitude exhibited by those men not only inspire us to maintain, but to excel at what we do best. Not only to serve the public, but construct highways and utilities.

As the years pass, we continually defend ourselves against all outside forces that attempt to undermine our strength's very core. Amazingly, despite those forces, we continue to prosper. I would like to welcome and congratulate the 110 new members with the **Cleveland Metropolitan School District** who elected Local 860 to become their bargaining agent. These organizing successes are essential to strengthen and grow our union. Welcome to the family!

As we move forward, through strength and dignity, we will carry ourselves through future generations, continuing our tradition of productivity, versatility and value. We protect ourselves in protecting collective bargaining rights and jurisdiction and continued training. With information available through newsletters, the website and Facebook, we are armed with more information than ever before.

You can expect the obstacles that come with success. You can also expect our tried and true practice of overcoming those obstacles, just as we have for the past ¾ century. Be safe!

In solidarity

A handwritten signature in blue ink that reads "Anthony D. Liberatore, Jr." The signature is stylized and cursive.

Anthony D. Liberatore, Jr.

860 Express

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RECOGNIZE THIS PICTURE?

Local 860 Paving
the Innerbelt
in 1955.







FUEL TAX

RUNNING OUT OF GAS

The United States is at critical point in how it will continue to fund its infrastructure and pay for the maintenance, repair and construction of its roads, bridges and highways. These funds are crucial to the members of the Local 860 and are worthy of discussion. Funding for these projects comes from various sources. Each level of government derives money in a variety of ways. This article will discuss these funding avenues, along with the positives and negatives associated with each one. To fully understand the complexity of infrastructure funding it is important to uncover the basic principles and origins of the Federal, State and Local revenue sources and how these dollars are distributed.

the formation of the interstate system. He envisioned a network of limited access roads that included freeways, highways and expressways. In 1956, \$25 billion was allocated to construct 41,000 miles over a ten-year time frame. The dollars would be handled by the Highway Trust Fund, which paid 90% of this massive project, leaving each individual state to pay for the remaining 10%. At the Federal level these funds would be derived from a tax on fuel. This fuel tax was and still remains a flat tax, which is unlike most taxes that go on a percentage-basis of total sale. Furthermore, today's Federal funds are distributed on a "matched-funds" basis from the state or county receiving the funding. The flat tax rate formula is based on a "user-pays, user-benefits" premise. A person who travels more is adding additional wear and tear to the infrastructure and therefore should pay that additional amount via the fuel tax. This system is still in place, although the tax dollar amount has changed since 1956, it hasn't gone up since 1993. Presently, the Federal fuel tax is 18.4 cents a gallon for regular fuel and 24.4 cents for diesel. The 6-cent difference is based on the premise that vehicles utilizing diesel fuel have a greater impact on the infrastructure versus non-diesel users. There has been no increase in the gas tax since the Clinton administration. This gas tax money has been pooled since its origin in an effort to create a uniform system across the country. The formula for distribution is complicated and shifts periodically, due to the initial construction timetable from state to state.

Many are familiar with the "Highway Bill" which is actually named the Safe, Accountable, Flexible, Efficient Transportation Equity Act (SAFETEA-LU). This is a funding bill that governs federal surface transportation spending. It was signed into law on August 10, 2005 and initially expired as of September 30, 2009. However, Congress has renewed its funding formulas nine times since its expiration date. The last extension taking place this



past year. Congress is expected to begin working on a replacement bill for the next six-year period during its 2012 session. The SAFETEA-LU has always been considered a bipartisan Act, although the ongoing extensions have faced partisan obstacles. Federal infrastructure dollars do come from other sources, such as general tax funds, bond issues and tolls. However, 93.5 percent of the funds in the Highway Trust Fund are derived from taxes on fuel.

This funding process is facing dire issues and many feel it has numerous shortcomings. These include, but are not limited to the following: the dollars from the fuel tax have plummeted due to vehicles becoming more

fuel-efficient, Americans driving significantly less miles. The advent of alternative-fuel vehicles, along with the increased use of electric cars has decreased the quantities at the fuel pumps. Alternative-fuel vehicles and electric cars have the same impact on pavement, but escape the fuel taxes needed to offset these damages. Something needs to be done to address how to receive the funds that are rightfully due by these drivers. All-in-all U.S. drivers contribute approximately 2 cents per mile to the repair of the infrastructure. The actual costs for these repairs are in excess of 10 cents per mile. These factors, along with others have made the fund nearly anemic and it has been proposed an increase is needed to offset these obstacles. According

CHART A: DISTRIBUTION OF THE STATE FUEL TAX

2006 ODOT FIGURES	%	MILLIONS
ODOT	51	\$924
Municipalities	13	\$231
Counties	11	\$199
Highway Bond Debt Serv.	9	\$170
Townships	6	\$115
PWC	4	\$64
Highway Patrol	3	\$57
Other State Agencies	2	\$45

Highway Trust Fund should be abolished and each state should be able to keep the funds generated within the state to pay for their own infrastructure needs. It has been proposed the Federal government enforce a sales tax that would produce additional dollars.

STATE OF OHIO FUNDING RESOURCES:

The Ohio Department of Transportation (ODOT) is the state organization responsible for the maintenance and development of the roadways throughout the great state of Ohio. The budget needed to operate in 2007 was approximately \$2.9 billion with actual revenues at \$1.089 billion from state sources and \$1.247 billion from the Federal fuel tax totaling \$2.336 billion, falling short by \$600 million. These numbers are unacceptable considering ODOT's interstate highway system is over 50 years old and is reaching the end of its designed life. ODOT estimates that 25 percent of all Ohio bridges fall into the deficient category. Ohio has the second highest number of bridges in the United States, yielding over 27,901 statewide, of which 13,993 are maintained by the state. In measurement of total lane miles, ODOT oversees the seventh largest highway system and sixth largest interstate system in the country. These roads handle the fifth greatest traffic volume and third largest commercial freight volume in the United States.

THE COUNTY ENGINEERS ASSOCIATION OF OHIO IS ASKING ALL THOSE WHO ARE INTERESTED IN IMPROVING THE STATE OF OHIO'S INFRASTRUCTURE TO GET INVOLVED. PLEASE ASK YOUR CONGRESSMEN TO MAKE THE FOLLOWING RECOMMENDATIONS TO THE OHIO GENERAL ASSEMBLY:

- Make a commitment to provide County Engineers with the resources to recover, stabilize and improve county maintained highways and bridges to minimum levels of safety and reliability.
- Ensure that new capital improvement dollars, as a result of additional appropriations or new revenue enhancements, are distributed among Ohio's 88 counties.

to a Northeastern University study a one-cent increase alone would generate over \$1.8 billion annually and for every \$1 billion invested in transportation more than \$2 billion is generated in economic activity. In Ohio alone, a transportation investment of \$1 billion would create over 47,000 jobs.

It has been suggested the per state distribution formula be revisited. With the present formula smaller, less populous states are on the winning end of receiving infrastructure dollars versus larger, more densely populated states such as, Texas, California, Florida, Ohio (ranked 4th in dollars paid-in) and Michigan, which make substantial

Highway Trust Fund collections in 2010 and received 3.4 percent of its spending, minus the subsidies. If the Fund operated on a matched fund basis the three-tenths of a percent would have provided an additional \$140.5 million.

Many have proposed implementing a "Vehicle Miles Tax (VMT), which would tax vehicles by the amount of miles driven. However, the complications and expenses involved with initiating such a program appear to outweigh the benefits. An increase in the number of tolls, along with an increase in toll fees is always up for debate, especially since 77 percent of Americans oppose any fuel tax increases and

The state uses two primary funding sources to assist in infrastructure expenditures: State Fuel Taxes, which have been supported by the Jobs and Progress Plan. This State fuel tax is coupled with the dollars distributed from the Federal Fuel Tax.

The present state fuel tax rate is 28 cents a gallon for all fuel types; this ranks fourth in the nation behind Pennsylvania, Rhode Island and North Carolina. Ohio collects approximately \$1.8 billion annually from the fuel tax and it is distributed as follows in Chart A (although the Highway Patrol distribution is being

LOCAL GOVERNMENT	STATE MOTOR VEHICLE LICENSE TAX	PERMISSIVE LOCAL LICENSE TAX	TOTAL
Counties	\$234.6	\$89.7	\$324.3
Municipalities	\$61.3	\$44.2	\$105.5
Townships	\$15.5	\$12.6	\$28.1
TOTAL	\$311.4	\$146.5	\$457.9



Governor Bob Taft unveiled a 10-year, \$5 billion, Jobs and Progress Plan in 2003. The plan was developed in order to supply \$500 million annually to ODOT for new construction and revitalization projects. The plan estimated to create an additional 4,000 highway construction jobs statewide. The plan primarily focused on incremental tax increases with a greater portion of distribution going to ODOT for infrastructure expenditures.

In an effort to seek alternative funding sources ODOT created the Division of Innovative Delivery to explore alternative funding options. Recently, they launched the Sponsorship, Maintenance and Advertising Revenue Targeted (SMART) initiative to assist in offsetting budget deficits surrounding the maintenance of rest areas. The state is considering a public-private partnership to expedite some of the larger construction projects. The state, along with the federal government is researching the effectiveness of a Vehicle Mile Tax. The state of Oregon has implemented a pilot VMT program. The results of the program have not yet been determined.

COUNTY AND LOCAL LEVEL FUNDING:

Funding for the county and local branches of government is slightly more complex and often less fruitful. These entities are presented with more options, however they carry less magnificent dollar figures. These branches utilize the fees absorbed from License Registration fees, license plate costs, permit fees, Permissive License taxes, Tax Increment Funding (TIF) and Municipal Bonds. All of these sources of money are combined with the portion of dollars received from the 28 cent State Fuel Tax.

Cities and Villages are responsible for all of the roads and bridges within the corporate limits, with the exception of bridges over waterways. 242 cities oversee 24,500 miles of road and 2,083 bridges. Counties upgrade 24,536

Infrastructure funding is complex, but all roads to this funding lead to taxes on fuel. Everyone resists tax increases, but it may be time for Americans to address a very real fiscal crisis that could be resolved with a moderate fuel tax increase.

all of those over waterways. The 1,317 Townships throughout the state have the least burden. They are responsible for a total of 186 bridges. It is estimated that 50 percent of the roads in Ohio fall in to the deficient category due to age, usage and factors relating to weather.

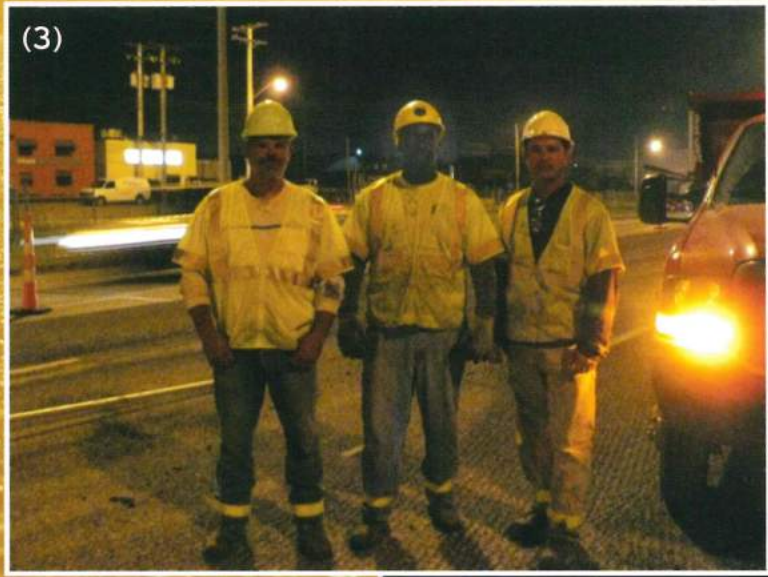
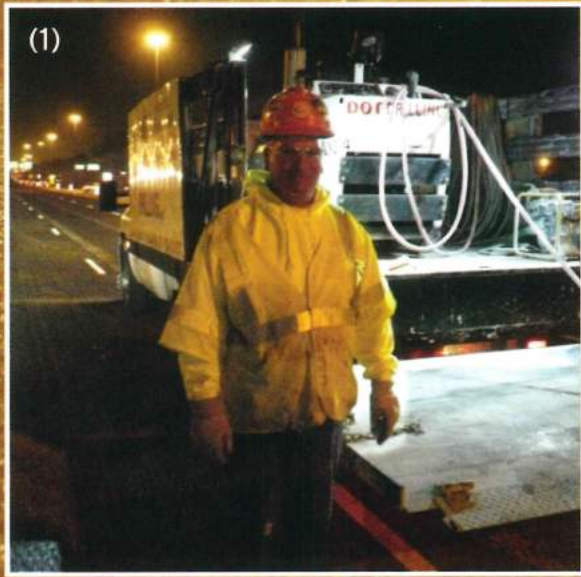
In Ohio, with a few exceptions, all motor vehicles must be registered annually and pay a state motor vehicle license tax. The total tax for a passenger car is \$34.50, with various rates for other vehicles. Commercial trucks and tractors are taxed according to weight. Permissive taxes can be enacted in \$5 increments at various governmental levels. It is simply important to know that if all increments have been put in place by the county, municipality or township, the maximum additional local permissive motor vehicle tax in any county is \$20. Every penny of every Permissive Tax goes to road and bridge maintenance and repair. The County Engineer receives 70 percent of the \$20 motor vehicle registration fee. Chart B shows the

Tax Increment Funding (TIF) is an economic development mechanism available to local governments in Ohio to assist in financing public infrastructure improvements. Basically, the future gains in taxes projected to be received due to an improvement are used to subsidize the actual improvement. TIF creates funding for public or private projects by borrowing against the future increase in these property-tax revenues. TIF programs do fall under criticism since accuracy in projected gains can be difficult.

Municipal Bonds are issued by government agencies at the state, county and local levels. These bonds permit the governmental agency to get cash up front from an investor to use on a capital project. These bonds are usually issued in \$5000 increments and have a lower interest rate than bonds issued in the private sector. However, the interest received from these bonds is usually tax exempt, which adds to their appeal. Furthermore, municipal bonds are considered safe investments.

Infrastructure funding is complex, but all roads to this funding lead to taxes on fuel. Everyone resists tax increases, but it may be time for Americans to address a very real fiscal crisis that could be resolved with a moderate fuel tax increase. Overall, driving in America today is cheaper in relative terms to inflationary standards going back as far as the Great Depression. According to USA Today, Americans spend \$19 for every 1000 miles driven, half of what they paid in 1975. An Ohio family with 2 cars driving an average of 24,900 miles a year contributes less than one penny per annual mile to the maintenance of Ohio's bridge and highway repair. The deficiency in Ohio's roads equate to \$230 per year in vehicle repairs, and that excludes wear and tear on tires. Properly expanded roads that yield minimal congestion statistically have half the number of accidents than roads in need of expansion. It's probably time to face the tax truth. Especially when one considers the dollars spent on infrastructure

AROUND THE CLOCK



I-90 RESURFACING

DOT DIAMOND CORE DRILLING, INC.

- (1) Ken Miller
- (2) Bud Resar

PERK COMPANY, INC.

- (3) Tom Moran, Alfonzo Elder and Joe Heintz
- (4) Delmar Hartness
- (5) Gene Cook
- (6) Chuck Bramley

THE SHELLEY CO.

- (7) Alan Clark
- (8) Jimmy Farmer, John Swortchek and Josh Fenstermaker
- (9) Ron Kichurchak, Doug Ludwick and Ed Booth
- (10) Dan Massey and Lisa Delsignore

TRAFFTECH, INC.

- (11) Randy Mullins, Joe Saplak and Mike Williams

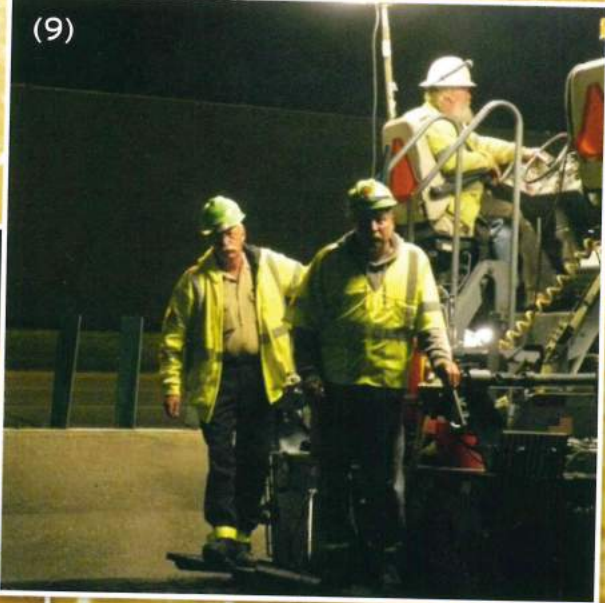




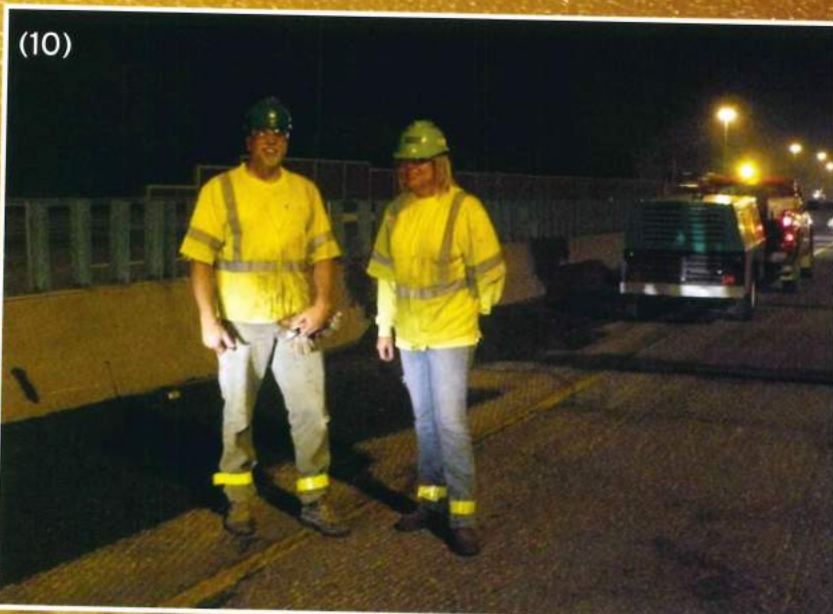
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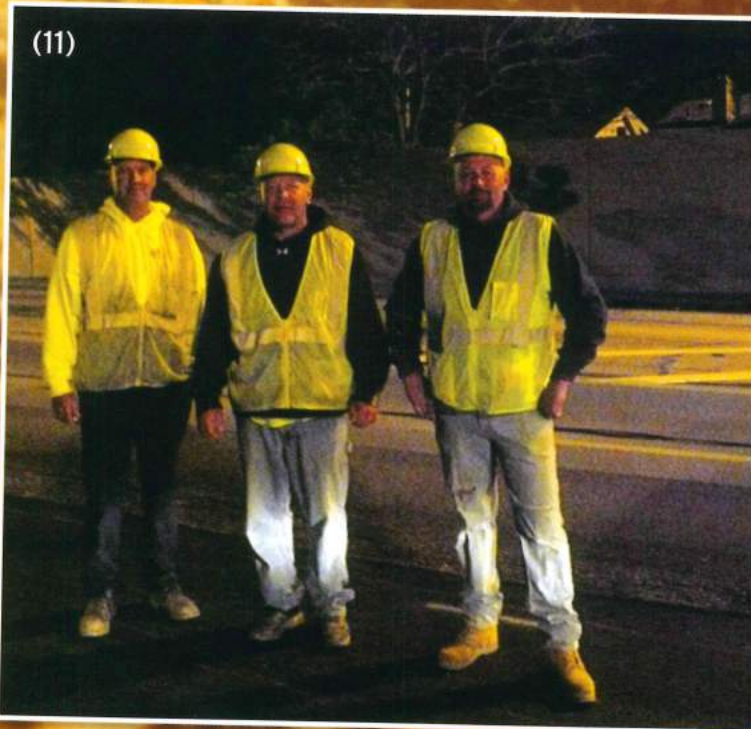
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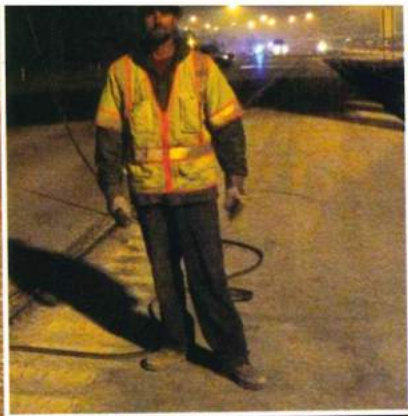
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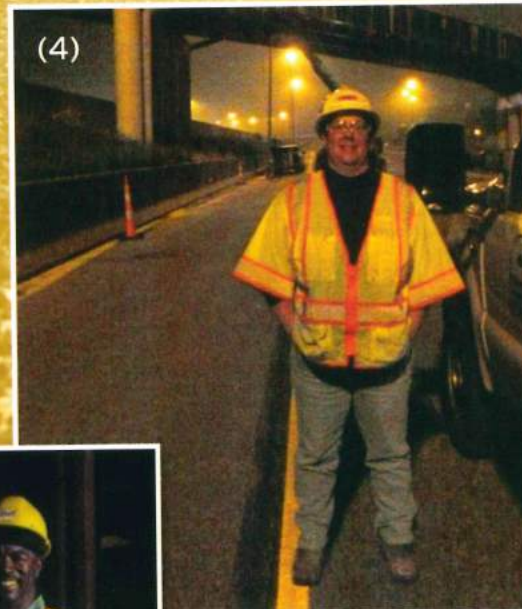
(6)



(11)



(3)



(4)

MAPLEDALE BRIDGE REPLACEMENT

GREAT LAKES CONSTRUCTION COMPANY

- (1) Gary Brandt
- (2) Patrick (Rock) Jones and John Crawford

CLEVELAND BARRICADING SYSTEMS

- (3) Mark Brake
- (4) Michelle Chase



(2)



I-480 BRIDGE REHABILITATION

THE RUHLIN COMPANY
Mike Kreinbrook, Riuth Vann and
Justin Miller



E. 9TH STREET & CHESTER

UTILITIES CONSTRUCTION COMPANY

- (1) Tommy Fratus
- (2) Rick Collello, Jr.
and Sam Milano



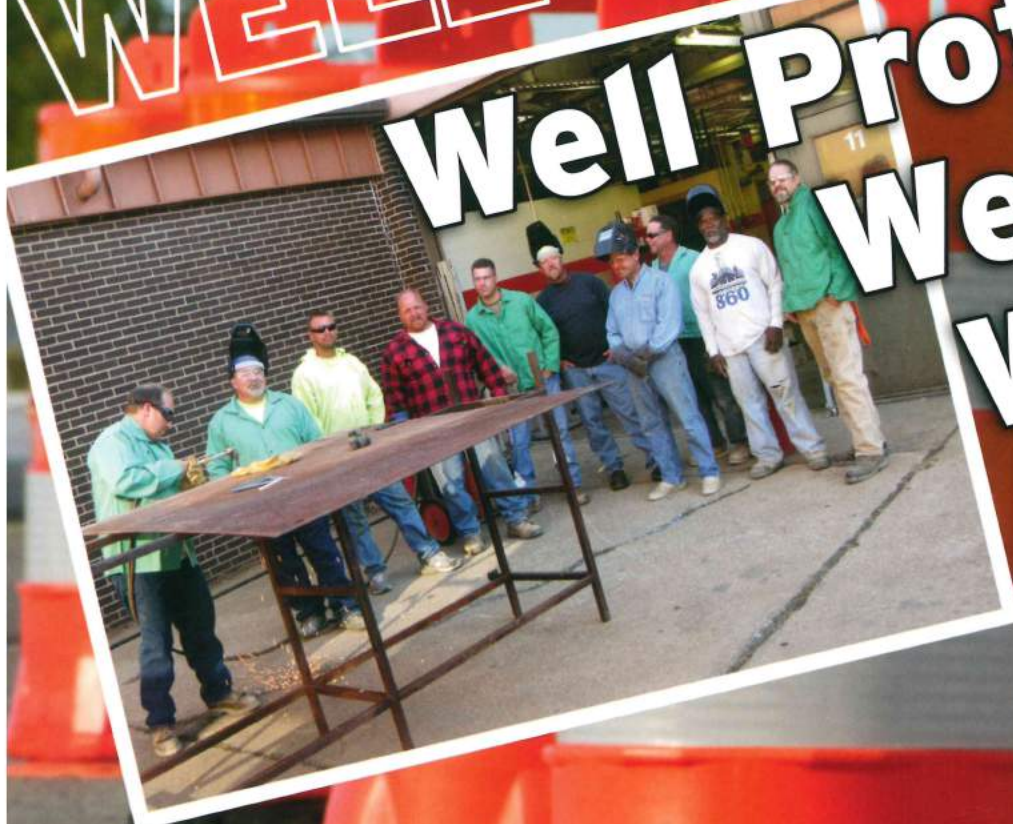
Local 860 endorses
Judge Joan Synenberg at
June Membership Meeting.

Be sure and check out the
Right to Work area on our website.
It's full of information about
how we can protect our jobs
and our Union.



WELL TRAINED

Well Protected Well Paid Welding



Construction technologies and procedures continue to change, as do OSHA safety regulations. It's important that 860 members stay on top of these changes by taking advantage of the training classes available.

Last season, Local 860 Express featured more than 10 members who had recently completed a welding class at Polaris Business Resource Center. Those 860 members not only gained an advanced knowledge of welding, but broadened their opportunities for employment. They are currently working a solid 2012 season.

We encourage all members to take advantage of the training that is available through our Training Center and Drexel J. Thrash Training Center in Central Ohio.

On November 8, 2010, OSHA's new Crane & Derrick Standard (OSHA 1926 Subpart CC) went into effect.

That regulation has specific training requirements that directly impact our signatory contractors and members performing rigging and signaling work.

As of May 1, 2011, all Laborers dispatched to and/or employed on a project were required to have successfully completed the 16-hour Safety Training Passport or an OSHA-approved 10-hour Construction Safety Training Program. Comparable safety training needs to be renewed and updated every five years, as well as Traffic Control Supervisor Certifications. Please check your Certificate Card and make arrangements with John Perri to renew.

SIGN UP EARLY FOR THE 2012/2013 TRAINING CLASSES

For more information about upcoming training classes, call John Perri at 216.432.1022 ext. 115 or go to www.laborers860.com.

And remember: Well trained = Well protected and Well paid.



We say it a lot: **Always Be Aware.**

We talk about the importance of work zone safety because every day, drivers distracted by their cell phones put Local 860 members' lives in danger. We say it a lot, but we can not ever say it enough.

The good news is that safety awareness is seemingly on the rise, both nationally and statewide. This past June, Ohio became the 39th state to pass distracted driving legislation.

Ohio drivers can expect the new legislation to be in effect by December of this year. The recently signed bill amends the current Ohio Revised Code from texting while driving as a secondary traffic offense to now officially count as a minor misdemeanor.

primary offense only for drivers under 18. It will remain a secondary offense for those 18 and older. This means that adult drivers cannot be stopped and cited for texting alone.

Additionally, there is a federal campaign launching to battle distracted driving. Beginning with two states receiving federal funding with plans to:

- Raise awareness in the 11 states currently void of distracted driving laws with the intent to enact and enforce legislation.
- Increase distracted driving law enforcement.
- Create a public education campaign to remind drivers of the dangers of texting and driving.
- Encourage the auto industry to

- Partner with driver-education schools to teach new drivers about the dangers of distracted driving.

This is progress. With 3000 deaths caused by distracted driving in 2010 alone, the amended Ohio legislation as well as a federal coalition is where is just the tip of the iceberg. Local 860 will continue to do our part by raising awareness locally with Bud-the-Barrel billboards reminding drivers to slow down and be aware.

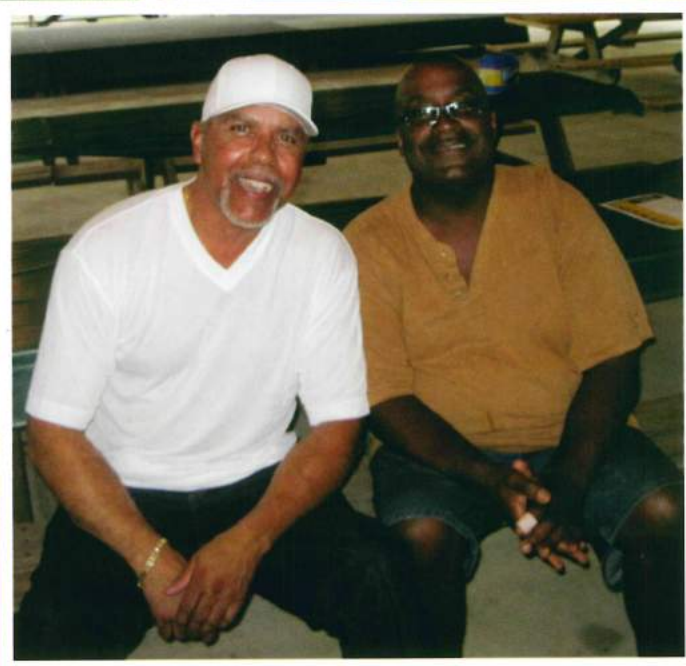
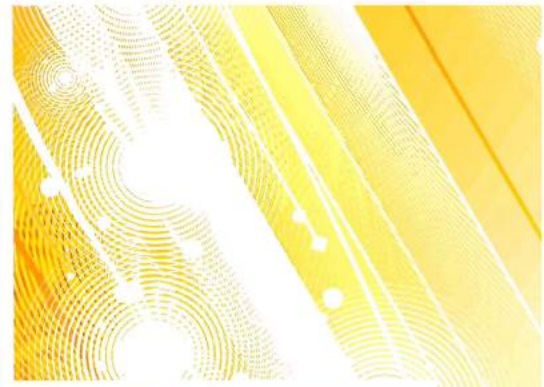
But our role goes beyond just that. Safety is a two-way street. Not only do we emphatically encourage 860 members to always be aware while working on roadways, but also equally as important is our role as being safe drivers.

So please don't text and drive. Look

AND FIRST ANNUAL RETIREEE PICNIC







DON'T SEE YOUR PICTURE HERE?
Check out our Facebook page.

Contact Us

LABORERS' LOCAL 860

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216.432.1022

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(ext. 103)

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Mallory Jackson
(ext. 105)

Field Representative
Mark Olivo
(ext. 106)

Field Representative
Lenny Rizzo
(ext. 107)

Secretaries
(ext. 0)

Training & Apprenticeship
Coordinator
John Perri
(ext. 115)

REGISTER TO VOTE!



It is imperative that every member,
their families, neighbors and
friends register to vote. You may
register to vote

at your local library, post office
or by online at www.sos.state.oh.us (at the bottom
of the homepage, under heading "Voters").

OCT. 9 Deadline for voter registration for
Nov. 6 general election.

NOV. 3 Applications for absentee ballots
to be mailed must be received by
Board of Elections by noon.

NOV. 6 General Election Day.

UPCOMING EVENTS



**CLAM BAKE
75TH ANNIVERSARY PARTY**
September 22, 2012

HOLIDAY GIVEAWAY:
November 17 & 18, 2012



UNION MEETINGS

First Thursday of Every Month.



CHANGE OF ADDRESS & CONTACT INFORMATION

It is extremely important that Local 860
and the Ohio Laborers' Fringe Benefit
Program are informed of any changes
concerning your address and/or contact
information, including email addresses. Change of
address forms and beneficiary forms are available
at Local 860 for your convenience.

KEEP YOUR DUES UP TO DATE



It is imperative that you keep
your monthly union dues up to
date to avoid suspension. If you get



LABORERS' INTERNATIONAL UNION OF
NORTH AMERICA, LOCAL 860

3334 PROSPECT AVENUE
CLEVELAND, OH 44115-2616



PERMIT NO. 3401

RETURN SERVICE
REQUESTED

