



Proud High School Graduate Scholarship recipients Tonia Lewis, Andrew Gulliver, Jeffrey Condules, Gabrielle Kozumi and Sophia Ross with presenter Vic Rozita. Thomas J. Swainy Scholarship winners were recognized at the July 9 membership meeting. A list of all the Swainy Scholarship recipients is on page 5.



**2009 IBEW 9th District Softball Champs!**

Pictured from left to right - Matt Murchison, At-Bench, Anthony Lopez, Jesse Bennett, Rick Meyer, Jesse Martinez, Manager Gary Daniels (front & center), Jason Fontana, J.D. Taylor, MVP Jason Kozicki, Travis McIntyre, Mark Davis, Derrick Brown, Anthony Mendez, Human Resources, Steve Simentes, John Smith

**Congratulations! Thanks for Six Championships!**

**Important Dispatch Announcement**

For all members working under the Trade Construction Agreement for Alameda, Colverese and San Joaquin Counties: Due to current high unemployment, effective September 1, 2009, a member can take a short-call to other Alameda County or Colverese/San Joaquin Counties without being removed from the Available-For-Work list.

**Important Calendar Reminders!**

- Health & Welfare Presentation: Thursday, October 8, 6 PM at the Hall. H&W consultant Jim Rhein will present the IBEW/NECA Family Medical Care Plan and other coverage options. Spouses invited!
- Old Timers Dinner and Pin Presentation will be Saturday, December 5, at the Shannon Community Center 11800 Shannon Avenue in Dublin

[WWW.IBEW595.ORG](http://WWW.IBEW595.ORG)



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NO. 3729

Local 595 International Brotherhood of Electrical Workers

The **595** Connection



**Victor Uno, Business Manager/Financial Secretary**  
6250 Village Parkway, Dublin CA 94568-3004

**Vol. 17 Issue 4**  
**July, Aug., Sept. 2009**

**BUSINESS MANAGER'S REPORT**

The economic downturn continues to hit our jurisdiction very hard. In Alameda County, calls for jobs trickled in all summer, and the available for work list never got below 220 for Book 1. In the valley, the work picture has been even slower. In both areas, about 25% of available apprentices are currently out of work. As we enter the last quarter of the year, the work picture will continue to be slow.

The announcement by Toyota in late August that it will end production at the NUMMI plant was devastating news for 4,700 auto workers, as well as for thousands of other workers who have jobs connected to this manufacturing facility. We have enjoyed many electrical construction projects at NUMMI over the years, and we all know someone who will lose their job as a result of the plant's closure.

One very bright light greeted us at the start of our Labor Day weekend. On Friday, September 4, I was able to attend



Billy Williams, Arvo Barret, Kevin Johnson, Guillermo Cervantes, Mark Kozlov and Tracy Mendez-Molton at Las Positas College Center for the Arts.

special ground-breaking ceremonies for the Solyndra manufacturing plant in Fremont. Along with Building Trades Council head Barry Lubowski and other skilled craft union leaders, we were able to hear U.S. Vice-President Joe Biden via satellite feed announce the signing of a Department of Energy loan for \$535 million to fund the building of the Solyndra phase II plant.

Energy Secretary Dr. Stephen Chu, Governor Schwarzenegger, Solyndra CEO Chris Gronet and dozens of invited guests and Solyndra employees, celebrated the beginning of construction of

the new facility. It is expected that hundreds of construction workers will be put to work in the beginning of 2010 on this all-union project. At the time of this Newsletter, an electrical contractor has yet to be named. This phase of the new facility will encompass 600,000 square feet, with another 400,000 square feet to be built in a second phase. As an example of the Obama administration's commitment to fund clean-tech companies, the Solyndra project could not be a better project at a better time.

**Health Care Debates**

During the summer congressional break, I attended one of the town hall meetings in Fremont where health care reform was proposed to be discussed. So many people showed up, I ended up outside the meeting, along with hundreds of others. 595 member Clark Denning, who was able to get into the meeting, reported that the discussion became very heated, with angry, anti-reform zealots attempting

Continued on next page

**ATTEND YOUR LOCAL UNION MEETINGS**

**Business Manager Report...**

continued from front page

ing to disrupt Congressman Pete Stark's efforts to talk to see people carrying signs comparing President Obama with Hitler. Efforts to engage in a civil discussion on health care quickly degenerated into angry yelling and accusations about supporting a president who had a "socialist" agenda.

We seek health care reforms. The costs of providing medical coverage continues to spiral ever higher, and employers who provide coverage find they are at a competitive disadvantage in a global marketplace, both here and abroad. We will be discussing our Local 595 Health and Welfare plan at our general membership meeting on October 8, and I urge all members to attend.

Jim Rhein, the plan's consultant, will report on the IBEW/NECA Family Medical Care Plan and other coverage options. Please attend this important discussion as your H&W Trustees will be reviewing coverage options for the coming year.

**California State Budget**

The state legislature was able to pass a budget that was signed by Gov. Schwarzenegger on July 28. The effects of huge budget cuts will be felt by those who rely on support services: the disabled, domestic violence prevention, child care, and safety net family health care services. Schools are particularly hard hit by cuts. Class sizes will increase, shorter school years will be enacted, and tuition and fees will dramatically increase.

A \$1.7 billion reduction in reemployment monies in local cities will hit building trades workers. The state's dismal credit rating will make other public works jobs much more expensive, resulting in fewer and delayed projects.

Bob Balgerson, head of our State Building and Construction Trades Council, commented on the budget negotiations:

"Because of California's two-thirds vote requirement for a budget, the minority Republican Party held a huge tactical advantage throughout the negotiations, and consequently succeeded in their efforts to block any new state revenue which could have eased some of this pain...Democratic leaders were forced to accept what amounted to a Republican budget with no new revenues and horrific cuts everywhere."

Even with passing a budget, the economic situation continues to impact our state. Unemployment grew to 12%, and state tax revenues continue to decline. The legislature will soon have to address a budget that will be billions out of balance.

To emerge from our current economic recession, we

support President Obama's efforts to fund more public works projects and encourage public-private efforts, such as the building of Solvinda's manufacturing plant. Connecticut workers are ready to go back to work, building schools, libraries, bridges and transportation infrastructure. Workers with wages to spend will get the state's tax coffers filled again.

**Thank You 595 Volunteers!**

Our annual 595 picnic on August 15 boasted a record attendance, with hundreds enjoying a great cookout, many children activities, and much family fun. David Nelson organized a great event, and even arranged perfect weather. Thanks to all of the volunteers who helped do the set up, clean up, cook and serve.

Just as we had a great turn out for this activity, I want to thank the dozens and dozens of members who have come out to help fight for jobs and justice for 595 members and other workers. At public hearings for project labor agreements, for projects such as the Russell Cities Energy Center, as well as at courthouse rallies supporting the NBC workers, 595 members and their families have shown their resolve to fight for jobs and justice. Your support is greatly appreciated.

Stronger, Working Together,

*Jim & Len*

Victor Uno  
Business Manager



**The 595 Connection**  
Published by  
**IBEW Local 595**  
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**Organizing Report**

Welcome to our new "travelling" contractors who became signatory since our last newsletter. Sacramento contractor Set Point Control Inc. is doing the HVAC controls at Bancroft Junior High and the new Ninth Grade Campus project - both in San Leandro. CAM Contractors Inc., from Escalon, has a project at the PG&E substation in Oakland.

We also welcome the following new contractors: Oakland based DDBB Electric is a new start up contractor who will be doing residential and small commercial; LiveWire Electric, located in Hayward, concentrates on projects in hospitals and other medical facilities. LiveWire employees Tony Cortez, Ed Cushing, and Michael Cotroneo are new IBEW members.

David Nelson reports that the following Sound & Communication Contractors are newly signatory with IBEW 595: A-Tech Systems from Stockton with one new member; Dublin contractor Network Cabling Systems Inc. brings new members Brendan Erickson and William Leskowitz.

Sam Kharafteh reports two new signatories in the Stockton area - both new startup companies. Owever Lunar Travis of Canned Enclosures will be doing industrial work, controls, and photovoltaic systems. Part City Electric is owned by Alan Hoak and Paul Ott. They will be performing a mix of commercial and industrial work. The owners of both companies

**Thanks for Help**

A big thanks Travis Wolf, Manny Reynolds, Tony Bertolucci, Sam Kharafteh, Clark Denning, David Thoma, Jess Alexander, David Nelson, and Matt Maloon for getting it done. Special thanks to IBEW 617 Business Representative Don Haggerty for helping out here in 595.

**"IMPORTANT DUES REMINDER"**

Please note that it is the members' responsibility to always have a current dues receipt on hand while working. If you do not have a current dues receipt do not assume you are current - contact the Union Office!

ARTICLE XXI, Sections 4 & 5 of the IBEW Constitution states: "Any member indebted to his L.U. for six (6) months' full dues shall be dropped from membership



New 595 members after being sworn in at the August 13 membership meeting.

You can help the IBEW build market share and create more jobs for our members. There are many ways that by working together we can make this happen. Here are just a few:

1) SALTING is the time honored practice of union members who temporarily work for a non-union company for the purposes of organizing.

There are many positive results that can come from SALTING. Contact David Nelson, Sam Kharafteh or Matt Maloon for more information.

Working for a non-union company without IBEW approval can result in fines and other penalties.

2) Keep an eye on non-union jobs near you. Take note if the workers are on the job nights and weekends. Help us track the non-union jobs in our area.

3) Show up for demonstrations, city council or school board meetings, and pickets when asked to do so. Members are only contacted when a show of numbers is critical to an effort that will result in more jobs for our members.

- Matt Maloon, Organizing Director

by the F.S. and cannot become a member in good standing again in the IBEW, except by joining as a new member (Section 5). Members who are suspended forfeit all rights and previous standing in the IBEW, including any pension or death benefits payable from the Pension Benefit Fund.

A break in membership also affects IBEW service pin recognition awards. Keep your dues current!

## Solyndra Project Funded; Groundbreaking Held

**FREMONT** — At groundbreaking ceremonies on Friday, Sept. 4, clean-tech company Solyndra announced it will create 3,000 all-union construction jobs at a \$733 million solar-panel factory it is building here. The groundbreaking for the factory was attended by the governor and the energy secretary, with Vice President Joe Biden appearing via satellite. Union leaders from the Alameda County Building Trades Council were special guests for the event.

"If you build a better solar panel, the world will beat a path to your door," U.S. Energy Secretary Steven Chu said. "Building a better solar panel is what Solyndra has done. Compared to traditional solar panels,



Energy Secretary Dr. Stephen Chu, Gov. Schwarzenegger and Solyndra CEO Chris Grosser break ground for the new plant. Companies, Biden said via video.

"These jobs are going to be permanent jobs," said Biden. "These are the jobs of the future. These are the green jobs. These are jobs that won't be exported. These are the jobs that are going to define the 21st century."

### Green Industrialization

"We will not only be able to contribute to the new innovation economy, but also help to ignite a new era of green industrialization," said Chris Grosser, Solyndra's chief executive officer and founder.

Solyndra's deal is the vanguard of \$30 billion in loans guarantees federal officials will offer clean-tech



The final phase of construction will be 600,000 square feet of PV manufacturing



### New U.S. Treasurer Sworn

On August 20, Rosi (Rosi) Giannatasio Rosi was sworn in by Secretary of the Treasury Timothy F. Geithner as the 43rd Treasurer of the United States under President Barack Obama.

"This glorious day was a life-long culmination of hard work and sacrifice on the part of Rosi and our entire Rosi family," said 595 member Berman Rosi of his sister's accomplishment. "We have always been strong Democrats as well as union supporters who firmly believe in the American dream of success regardless of race, gender or economic status."

Treasurer Giannatasio Rosi is shown being sworn in by Sec. Geithner, along with husband Joe Giannatasio and children Joey and Brooke.

### Our Condolences to the Families of Our Recently Departed Members...

*Robert R. Croase, 96 years old and a member for 65 years.*

*Raymond Edward Everett, passed on August 23, 2009, 64 years old and a member for 62 years.*

*William C. Johnson, passed on June 20, 2009, 65 years old and a member 39 years*

*Philip A. Holmeweyer, 77 years old and a member for 44 years.*



Marchers rally to support the NBC workers. Alameda Supervisor Lai-Bikler, Ricky Lau, Oakland Councilmember Koenigman



## Courthouse Rallies Support NBC Workers

On August 29, over 200 elected officials, labor and community members demonstrated outside the Alameda County Superior Courthouse in Hayward to continue to call for just punishment of NBC Contractors' owner Monica Ung for her mistreatment of workers and fraud of California taxpayers.

Ung has hired high-priced defense lawyer Willie L. Brown, Jr., former Mayor of San Francisco, to represent her against 48 felony counts for cheating workers out of \$5.6 million in unpaid wages and embezzling \$1.5 million in insurance fraud from California taxpayers.

"We are here to show Monica Ung that she can't trample over the rights of workers, undercut good, law-abiding contractors, and get away with it," said Don Campbell, Executive Director of the Northern California Chapter of the National Electrical Contractors Association. "Her insider political connections won't stop us from making sure she answers for her crimes."

Local elected officials, labor, student and community leaders spoke to a crowd who held handmade signs denouncing Ung's treatment of workers.

"I am concerned by the many projects throughout the county that NBC Contractors has worked on while allegedly stealing millions from workers and taxpayers," said Alice Lai-Bikler, President, Alameda County Board of Supervisors. "We demand accountability for any business that violates the law, and California taxpayers have a right to know that their tax dollars are going to low bidding companies who treat their workers fairly."

Former NBC worker and whistleblower Ricky Lau described an environment of worker intimidation. "We could not receive our paycheck unless we signed false time cards which showed many hours less than what we actually worked," said Lau. "All of the workers worked hard and needed our paychecks to support our families."

"When people hear about this, they are outraged," said Victor Ung, Business Manager and Financial Secretary of the International Brotherhood of Electrical Workers, Local 595. "They want to ensure it will not happen again."

NBC Contractors has received over \$100 million for work on over 30 public, taxpayer-funded, public works projects in Alameda, San Francisco, Contra Costa, and Marin counties, such as libraries, schools, and housing. Ung faces criminal and civil charges, including 48 felony counts involving wage theft, insurance fraud and perjury.

### 2009 Thomas J. Sweeney Scholarship Recipients

The East Bay Community Foundation and Local 595 congratulate the recipients of this year's Thomas J. Sweeney Scholarship grants. Best wishes for your academic careers!

**Apprentices/College Grants:**  
Suzanne Anderson  
Joshua Edwards  
Megan M. Farru  
Anthony Guerrero  
Christina Lau  
Eric R. Murray

**Graduating High School Student Scholarships:**  
Andrew Guilford  
Karlie Hayes  
Alannah Joseph  
Gabrielle Kozzumi  
Torrice Lewis  
Mayyah Matusumura  
Julious Orejudos  
Sophia Real  
Benjamin F. Stoskes  
Chantel Wiederholt



Proof College Student Scholarship winners Megan Farru and Christina Lau with presenter Vic Robla

## Alameda JATC

This summer began with a memorable graduation of 595 apprentices in July, where for the first time graduating Sound and Communication installers outnumbered graduating Inside Wiremen. It was a festive celebration, attended by numerous family members, program instructors, and industry members.



Bob Anthony and his 807 bracket class attended *soar PV for a Sucklers* event on Saturday, September 12.

Nancy O'Malley, Alameda County's Chief Assistant District Attorney, addressed the gathering, and she lauded our union for building strong training programs, sending hundreds and strong communities. She congratulated the many dozens of graduates. I also want to say "job well done!" to everyone who attended the July 11 event.

The Fall 2009 school semester is in

full swing with Apprentices and Journeyman Continuing Education classes beginning the week of August 17th. Welcome back all students and instructors! Unfortunately, due to the lagging economy the program will not have a 1st or 2nd bracket class this semester.

Continuing Education (CE) classes are off to a strong start with over 200 registrations received as of the beginning of September. All CE courses offered by the Alameda County Electrical JATC count towards the 32-hour continuing education requirement for the purpose of Electrical re-certification. A complete list of CE classes being offered this semester is available by viewing our website at [www.595jtc.org](http://www.595jtc.org).

### National Training Institute

The 20th Annual National Training Institute for IBEW-NECA was held in Ann Arbor, Michigan the first week of August. Attending on behalf of the program was Jim Guthrie, Bill Kenney, Cary Matsumura, Mel Switzer and Byron Benton. This was the first year the Training Institute was held at the University of Michigan campus after spending the last 19 years at the University of Tennessee.

A special congratulatory goes out to graduate Jim Guthrie for complet-

ing the 4-year Master Instructor program.

**Trade Show**  
The Sam Leandro Training Center will be hosting a trade show on Thursday, September 24, 2009 from 4 PM to 6 PM. All IBEW 595 members are invited to attend and see the latest tools and equipment available to the electrical construction industry. This special event is made possible by the generous support and contributions provided by Platt Electric.

**Work Picture**  
With summer coming to an end the program has seen a dramatic increase in the number of apprentices on the available for work list and is currently experiencing a 20% unemployment rate. In spite of these trying economic times, the apprenticeship is positioned to respond in a positive way once the work picture improves.

*Congratulations to Master Instructor grad Jim Guthrie!*

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- Byron Benton, Training Director



## Stockton JATC

Greetings from 595EAST JATC! Recently the Stockton City Council adopted a local hire ordinance. This would mean 50% of the workers on public works projects must live locally in the Stockton area.

It was good to see 595 East apprentices Clint Cosile, Anthony Guerrero, Susan Gagnier, Grenado Martinez, Bill Stoppelberg, David Slope, Hironami Lam, Ricky Lesai, James Grove, Ken Johnson, Will Valencia, and Frank Keller and Journeyman Travis Wolf along with our fellow union crafts show up in support of this important issue.

This policy should help local contractors. If out of town contractors are awarded projects in Stockton, our hiring half can dispatch the local journeymen or apprentices if needed.

Also included in the ordinance was a requirement to use apprentices from state certified programs who have graduated apprentices every year over a 5 year period. This will force paraprogram to meet graduation requirements they have neglected in the past or not be allowed to participate on public works projects. I would also like to thank Reps Tony Berrobleet and Sam Kharnisfeh for all

of the time and hard work they put in to make this possible.

We have enjoyed a good spring and summer regarding employment but this fall has seen a drastic reduction in jobs and as a result there are about 25% of our apprentices out of work along with numerous journeymen. If you are working and have an opportunity to put apprentices to work it would be greatly appreciated.

School is back in session for apprentices and journeymen (CE classes) but I must report there has been a sizeable drop in attendance related to continuous education classes. We speculated there would be less journeymen signing up for classes as many have already met their 32 hours required for recertification. We will continue to make classes available, but if we do not meet the minimum attendance required for the class, the classes will be cancelled and will be rescheduled for the spring.

I would like to thank Gary Woody of Bockman & Woody Electric for persuading Square D Company to donate about \$45,000 worth of motor control equipment to the Stockton Training Center. This is a great addition to our facility and will maximize our training efforts. Lester Coe and several apprentices are building the new control lab as I am writing. The



Les Coe and apprentice Grenado Guerrero working on a new control lab.

next project in the works will be the advanced lighting control training lab we hope to have ready for this coming spring.

- Dave Brooks, Training Director

## Drug Free Workforce Program Starts in Alameda County

On September 1, 2009, the Drug Free Workforce program began for members working under the Inside Construction Agreement for Alameda County. So far, participating employers are Del Monte Electric, Design Electric, Givers Electric, Northern States Electric, Rod Top Electric and Smith and Sons Electric. If you are working for these companies, you will have to comply with the program requirements. Call Tom Mulvaney at (925) 556-0595 if you have questions.

## Congratulations to the Proud Parents of Our Newest 595 Additions!

Tyler and Francine Salcome are the proud parents of Giovanni Salcome, born January 15, 2009

Robert and Alana Gray are the proud parents of Samuel Douglas Gray, born June 27, 2009

Marvin Smith and Ashley Yaddie are the proud parents of Elijah Rome Smith, born July 1, 2009

Kris and Angel Gallegos are the proud parents of Sierra Kristine Gallegos, born July 8, 2009

Matt and Alicia Schneider are the proud parents of Hailey Marie Schneider, born July 11, 2009

Alex and Laura Yac are the proud parents of Aler Christian Yac, born July 29, 2009

Mike and Amanda Kaelin are the proud parents of Molly Kaelin, born August 4, 2009

Chris Yang and Brobyn Long are the proud parents of Tiffany, born August 19, 2009

NECA office manager Janet Stevens and husband Dan are the proud parents of twins Carolyn Joy and Elizabeth Grace, born May 12, 2009

# EAST BAY EXPRESS

AUGUST 26-SEPTEMBER 1, 2009

VOLUME 31, ISSUE 46

EASTBAYEXPRESS.COM

THE EAST BAY'S INDEPENDENT WEEKLY

## Monica's Victims

A Chinatown construction magnate may have ripped off taxpayers and workers for as much as \$20 million.

Now she's trying to evict Le Cheval. By Robert Gammon

Monica Ung was a rising star on the East Bay political scene. She was a player in Oakland's tight-knit Chinatown community, and her construction business, NBC General Contractors, was booming. In the past half decade, she had scored dozens of multi-million-dollar public works projects. But as she stood silently in front of an Alameda County Superior Court judge on Monday, facing dozens of felony fraud charges, it was clear that the forty-nine-year-old would no longer be rubbing elbows with the East Bay's political and business elite. After one of her attorneys entered a plea of not guilty on her behalf, Ung meekly said, "Yes," when the judge asked her if she waived her right to a speedy trial. She then scurried out a side door of the courthouse.



The District Attorney's Office has charged Ung and two of her assistants with stealing millions of dollars from their employees, many of them Chinese immigrants who speak little English. The trio also is accused of

defrauding the state's insurance fund and local taxpayers. The total alleged fraud scheme has been estimated to be between \$5 million and \$20 million, and possibly could be more. One lawyer involved in the case says Ung may have ripped off at least two-hundred of her employees in the last few years by severely underpaying them and then lying about it.

"If you look at the scope of this, it's amazing," said Victor Uno, business manager for the International Brotherhood of Electrical Workers Local 595, which helped expose Ung's and NBC's alleged fraud. Uno, who also is the president of the Oakland Port Commission, has been informing East Bay political leaders this summer about what NBC General Contractors had been doing and convincing many of them to denounce the company's business practices. "As far as we're concerned," Uno explained, "it's a criminal enterprise."

But the story of Monica Ung is much more than a case of a woman who allegedly tried to defraud her employees and the taxpayers. It's also about public agencies that turned a blind eye to her elaborate scheme when they were supposed to be safeguarding both the public's money and the workers who construct or remodel public buildings. In fact, the City of Oakland still appears to be ignoring its responsibilities.



Members of the International Brotherhood of Electrical Workers Local 595 have picketed outside the courthouse during Ung's recent court dates.

The city continues to employ Ung's construction company and is paying her millions of dollars in taxpayers' funds to build a \$14 million public library in East Oakland even though prosecutors are trying to confiscate her assets and put her behind bars for up to forty years. And because Oakland and other public agencies, including the Peralta Community College District, Oakland Unified School District, and Alameda Unified School District, have yet to conduct their own thorough investigations into what Ung and NBC did and seek restitution for exploited workers, they may ultimately be held liable under state law.

Court records also show that over the past nine months Ung has quietly waged a campaign against Le Cheval Restaurant and is attempting to evict the East Bay institution from its longtime home in downtown Oakland. Le Cheval is one of the most beloved eateries in the region...If Ung is successful in terminating Le Cheval's lease, the restaurant's owners say they would have to lay off more than seventy employees and close their business for several months as they search for a new location. "The practical effect of such a closure would be devastating to the restaurant and those who depend upon it for their livelihood," said Le Cheval general manager and co-owner Lan Tran in a sworn statement to the court.

Ung, who lives in Alamo and owns Oakland property valued at several million dollars, did not return phone calls seeking comment for this story. She has hired a stable of Bay Area lawyers to preside over her many legal battles. Her defense team is led by former San Francisco Mayor and longtime state Assembly Speaker Willie Brown, who also did not return a phone call seeking comment. Ung's criminal defense attorney, Fred Remer of Berkeley, also declined comment, saying that his team was still trying to gather all of the facts in the case.

... State prosecutors are now focusing on Monica Ung because of young men like Ricky Lau. In the spring of 2007, Lau was looking for work after returning from an extended trip to China, when he saw a job posting by NBC General Contractors in a Chinese-language newspaper. The 30-year-old is a certified electrician and noticed that the job paid only \$25 an hour — less money than he was used to. But he needed work and figured he would quickly earn a raise once his supervisors saw him in action.

... Lau said he first noticed that something was hinky about his paycheck and time cards after about six months on the job. He said that his total pay on his checks was correct, but that his pay stubs said he only worked 20 to 25 hours a week when he was actually working 50 to 60. The stubs also said he was making \$60 an hour when he was actually being paid \$25. "When I asked about it, they told me to just make sure that the amount on the paycheck is correct, and not to worry about anything else," he said.

Then in the spring of 2008, while working on an NBC construction job at Laney College in Oakland, he said he saw a union rep from the International Brotherhood of Electrical Workers. The rep, John Be Tao Huang, already knew that NBC was not paying some of its workers the prevailing wage and was trying to interview more of them. But NBC officials were refusing him access to the worksite even though it was public property. "When I got on the jobsite, the superintendent tried to kick me



Electrician Ricky Lau wondered why his checks would say twenty-five hours at \$60 an hour when he'd actually worked sixty hours at \$25 an hour.

out," Huang said. "He tried to get physical with me because I was going around with the wage sheet for how much the workers were supposed to get paid, and they didn't want the workers to know."

Later, Lau decided to contact Huang, and learned that under state law NBC should have been paying him \$60 an hour — not \$25. Eventually, Uno contacted Oakland labor attorney Ellyn Moscowitz, who launched her own investigation. And the union decided to alert the state Department of Insurance, noting that NBC was not only seriously underpaying its employees, but also likely engaging in worker's compensation fraud.

Department of Insurance investigator Gladys Rivera then began to investigate NBC's payroll records and uncovered Ung's alleged fraud scheme. According to Rivera's sworn affidavit, the scam went like this: NBC would report to public agencies, such as the City of Oakland or the Oakland Unified School District, that it was paying workers the prevailing wage — such as \$50 to \$60 an hour, when it was actually paying \$20 to \$25 or less. At the same time, NBC would report that the workers were only putting in 20 to 25 hours a week, when they were actually working 50 to 60.

That way, neither the agencies nor the workers would get suspicious. The

agencies would see that the workers were being paid the prevailing wage, and the workers, like Lau, would see that their total pay was correct. For example, if Lau worked 60 hours in one week, his pay would be \$1,500 (60 hours times \$25 an hour). In turn, NBC would submit a separate set of books to the public agency, saying that he only worked 25 hours at \$60 an hour — which also works out to \$1,500.

Rivera alleged that Ung and two of her assistants, Joey Ruan and Tin Wai Wu, misrepresented NBC's payroll in this way for more than seventy employees on at least twenty-seven different public works projects in the Bay Area between 2003 to 2007. Rivera also said in her affidavit that NBC repeatedly forced workers to put in twelve-hour days, and work six days a week without getting overtime in violation of state law. Because she is a state insurance investigator, Rivera focused her examination on California's worker's compensation fund and said NBC defrauded it by no less than \$1.45 million. But she also said in her affidavit that a cursory audit of nineteen employee payroll records at NBC found that Ung had underpaid those workers by at least \$3.6 million.

Rivera's investigation ultimately became the basis of the forty-eight felony criminal charges filed against Ung and her two assistants by the

Alameda County District Attorney's Office. County prosecutors also are attempting to seize Ung's two Oakland properties and her bank accounts to ensure that at least some of her alleged victims are eventually repaid. Along with the Le Cheval building, she owns a building on 9th Avenue. She rents a home in Alamo and is free on bail after posting a \$535,000 bond, presumably by putting up one or both of her properties as collateral.

Ung also is facing a class-action lawsuit filed by Oakland labor attorney Moscowitz in which Lau is the lead plaintiff. Moscowitz and her team have conducted their own investigation, and have collected the payroll records of twenty-eight former NBC employees. They estimate that Ung's alleged fraud in the past few years extended to about two hundred workers. Moscowitz estimates that Ung may owe \$10 million to \$20 million in back wages. State and local governments also have lost out on millions in payroll taxes.

Monica Ung's alleged fraud gave her a significant advantage over her competitors. It allowed her to underbid them on public contracts, because her costs were considerably lower than theirs since she wasn't paying the prevailing wage. Moscowitz said that when she began telling other East Bay union contractors that prosecutors wanted to throw Ung in prison, none of them shed any tears. "They were so happy that NBC finally got caught," she said. "They couldn't figure out how NBC was bidding so low."

Public agencies that did business with Ung apparently didn't know how she was doing it either. It turns out that all they had to do was talk to Moscowitz, the electrical workers' union, the state Department of Insurance, or the county DA. And because they didn't and still have not, it could come back to haunt them.

For example, when asked why the City of Oakland was still employing and paying NBC to build the 81st Avenue library in East Oakland, Alex Nguyen of the City Attorney's Office said that city officials had found no

evidence that NBC had engaged in fraud on the contract. However, the city's investigation apparently only included the examination of payroll records that NBC submitted to the city and didn't involve talking with former company employees who are suing NBC, or with the electrical worker's union, or with prosecutors, or with the state Department of Insurance.... "If you just look at the certified payroll records, you can't tell if anything is wrong," Moscowitz said.

Bill Withrow, president of the Peralta Community College District board of directors, which employed NBC on construction contracts at Laney College and at City College of Alameda, also said his agency's investigation uncovered no evidence that NBC had engaged in fraud on those projects. But when asked whether the inquiry included anything more than checking the payroll records that NBC submitted, Withrow referred questions to Jake Sloan, an independent consultant who conducted the examination, but he did not return a phone call seeking comment. Withrow said that the district originally withheld its final payment to NBC, but after Sloan's investigation, they decided to pay Ung everything she claimed she was owed.

But the conclusions of Sloan's investigation were flatly contradicted by Rivera, the insurance department investigator. She said in her sworn affidavit that Ung had defrauded workers while employed by Peralta. The college district's decision to pay Ung also angered Moscowitz and the electrical workers' union, because Moscowitz had asked the district to withhold payment of \$782,000 to NBC because that was the amount of alleged fraud she had discovered involving the company's work at Laney and the College of Alameda. Moscowitz also said that neither Sloan nor anyone else from district contacted her to verify what she had uncovered.

In addition, Uno said Peralta had ignored their pleas to stop doing business with Ung last year. In fact, after the union told the board what it had found, Ung was an honored guest at a gala hosted by the Peralta

Foundation. The emcee of the event was Willie Brown.

As for Oakland Unified, spokesman Troy Flint said that district had no reason to investigate NBC or Ung because it "no longer does business with them." However, under state law the district may be still be liable, because Rivera singled out Oakland Unified in her affidavit, saying Ung had committed fraud while working for the district. The district employed NBC on construction contracts at Skyline High School and Piedmont Avenue Elementary School, according to records gathered by Moscowitz.

As for Alameda Unified, Kurt Viera, an independent consultant who managed NBC on its contracts for the district and conducted a review of its payroll practices, acknowledged that he only looked at the records supplied by Ung's company. The district hired NBC for about \$4.5 million of contracting work at Edison, Otis, and Donald Lum elementary schools.

NBC also was employed by Alameda County; the cities of El Cerrito, Walnut Creek, San Francisco, and Daly City; and the school districts of Fremont, Mount Diablo, San Francisco, and Reed Union (Marin County).

Richard Alarcon, the former Democratic state senator from Los Angeles who wrote the 2003 California labor law that holds public agencies responsible for their contractors, said that this case is exactly what he had in mind when he wrote the bill. "The intent of the bill," explained Alarcon, who is now a Los Angeles city councilman, "is to make employers, in this case public agencies, pay close attention to what their contractors are doing and to ensure a high-level of due diligence."

The owners of Le Cheval have been reluctant to go public with their story about what Monica Ung is trying to do to them for fear that customers will stop dining at the restaurant if they think they're being evicted. They're especially worried that people will think they may be a bad tenant. Rumors have been swirling for months



Chris Duffe  
Ung has tried repeatedly to evict her tenant Le Cheval, the beloved Vietnamese restaurant.

in Oakland's Chinatown community about the possible eviction. Court documents, however, make it clear that Ung appears to have no good reason for evicting Le Cheval, and she and her husband, Dennis Chow, appear to be unreasonable landlords.

... In late December, Minh Tran, one of Le Cheval's co-owners, noticed workers measuring the restaurant's front windows. In a sworn declaration, he said one of the workers told him he was working for Chow and that they were measuring the windows because they planned to board up the restaurant on January 1 after Le Cheval's lease expired. Minh Tran also said that a subcontractor for Direct TV told him that while he was doing an installation for Le Cheval's televisions, Chow said he wanted the restaurant to leave as soon as possible because he "hated those people."

So on December 29, Le Cheval's owners sued Ung and Chow to stop them from evicting the restaurant. In court documents, they also provided convincing evidence that Ung and Chow's claims that they defaulted on the lease were bogus, and that the couple had been harassing the restaurant's employees and owners for years with a series of petty complaints. "It's just been hell," Minh Tran told the *Express*. Chow has "been harassing us nearly every day, for nitpicky things. Just the most inane complaints ever."

... For the past several months, Ung and Chow have been trying to get Le Cheval's suit thrown out of court, so that they can evict the restaurant, but they have been unsuccessful. And although they have Ung and Chow as landlords, Le Cheval's owners clearly want to stay. "Le Cheval's location and reputation in the community are extremely important to its success," Minh Tran explained in his statement, adding that if the restaurant were forced to leave downtown Oakland, it would lose its customer base. "This could effectively destroy the restaurant," he said.

Outside the Hayward Hall of Justice on Monday, labor leaders and some politicians held a rally to condemn Monica Ung and NBC's business practices. Among the feature guests were Oakland City Councilwoman Pat Kernighan and Oakland school board President Noel Gallo. Neither, however, mentioned that their public agencies had paid Ung millions of dollars in recent years and had yet to conduct a thorough investigation of her alleged fraud, despite the 48 felony charges lodged against her.

Inside the courthouse, after Ung's lawyer entered her not guilty plea, Alameda County Superior Court Judge Gary Picetti scheduled her next court appearance for October 30. Clearly, Ung and her defense team are in no hurry to go to trial. And why

should they be? As long as she's out on bond, she can continue to operate NBC General Contractors and collect millions from the City of Oakland and other public agencies.

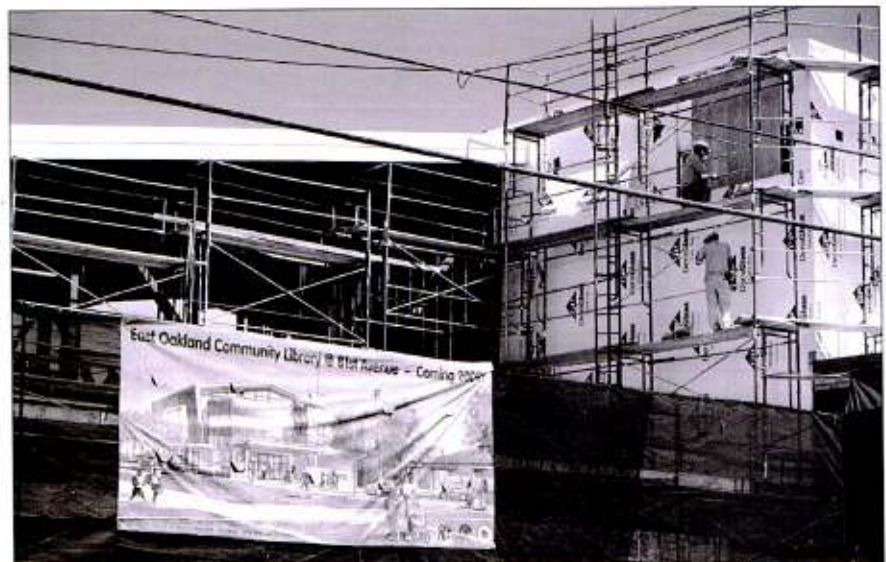
But all of that could come to an end soon — and not because of anything that the city is doing. The office of Attorney General Jerry Brown has begun a legal effort to rescind NBC's contractor's license. If that were to happen before NBC completes the 81st Avenue library, then Oakland would be required under law to terminate Ung's contract.

Victor Uno of the electrical workers' union said the East Bay labor community wants the city to end its relationship with NBC but is not interested in killing the library project. "That library is very important to the East Oakland community," he said. He added that organized labor is willing to help the city in any way it can to make sure that the library is completed — by a law-abiding contractor, that is.

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The article above was condensed with permission of Robert Gammon and the East Bay Express.

For information about how you can support the NBC Workers and Le Cheval restaurant, email the committee to Stop Taxpayer and Worker Rip-Offs at: [justiceforbcworkers@gmail.com](mailto:justiceforbcworkers@gmail.com) or call (510) 677-2586



Chris Duffe  
Despite ample evidence that NBC General Contractors has defrauded its workers and clients, it is still being used on the East Oakland library project.