### CHICAGO UNION OFFICIAL DAVID FAGAN HEADS INDIANA LUNCH PAIL REPUBLICANS

### **SUMMARY**

In a blatantly self-interested move, Illinois IUOE Local 150 Chieftain David Fagan created anti-Right To Work organization he calls "Lunch Pail Republicans" (LPR). They claimed to have formed to "We are Indiana Republicans who are focused on providing for ourselves and our families, protecting our rights and our property from intrusion." Yet, LPR mission is to return power of union official to forcible confiscate individual employees' paychecks contradicting their own introduction as previously quoted.

Fagan's father-in-law served as Portage's Republican Mayor prior to Fagan's entry into the local town council race. Fagan served two terms on the town council, even as he served as a union official.

However, using the "put your money where your mouth is" analysis, Fagan's Republican credentials are questionable based his recent past political contributions. Though in 2003, Fagan gave Gov. Daniels a \$40 contribution. In 2010, none of Fagan's reported political contributions went to Indiana Republicans. In all, less than 12% of Fagan's 2010 contributions went to any Republican.

Though newspaper stories indicate that his union position influenced his political success, Fagan has never filed an LM-30 conflict-of-interest report. If any employers with collective bargaining agreements contributed to his campaign, then he should have filed an LM-30 report.

In addition, IUOE public employees contracts collectively bargains with the City of Portage, which may have created conflict-of-interests problems for Fagan as elected official.

In 2005, IUOE President William Dugan, now a convicted racketeer, "demanded and accepted from a company in Elgin represented by Local 150 several concrete buffalo feeders" for his Buffalo farm in located in Maryland. Dugan personally appointed Fagan as an organizer, and it was under his tutelage that Fagan became Financial Secretary. The case was finally settled in 2010.

Fagan serves as trustee on the IUOE Local 150 Health and Welfare plan boards. In 2009, the **Midwest Operating Engineers Pension was only 67.80% funded**. Funds below 80% funded are Endangered, and below 65% funded are Critical.<sup>iii</sup>

IUOE Local 150 has been involved in several disruptive strikes in Indiana in recent years.

While David Fagan serving as a union official at IUOE, there are reports of numerous violent acts related to union violence. The extent of Fagan's direct involvement is unknown, but he remained an official in this violent union.

Fagan is president of Indiana, Illinois, Iowa Foundation for Fair Contracting (IIIFC). This organization mainly harasses non-union employers by filing state and federal complaints.

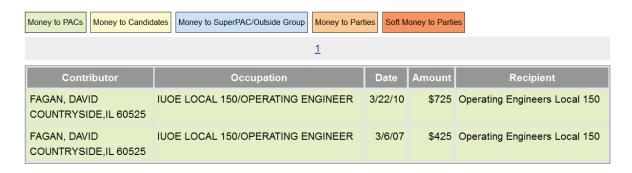
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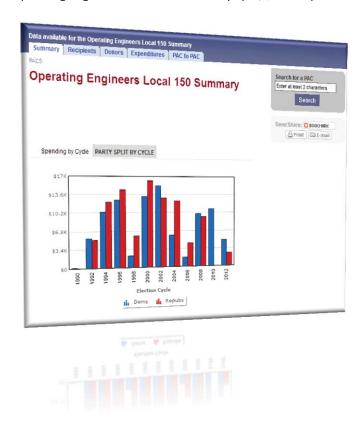
### 100% OF FAGAN'S 2010 REPORTED CONTRIBUTIONS TO DEMOCRATS

Using the "put your money where your mouth is" analysis, Fagan's Republican credentials are questionable. In 2010, less than 12% of Fagan's reported political contributions went to Republicans. None went to an Indiana Republican.

### **Federal Contributions**



Operating Engineers Local 150 PAC Party Split, \$0 to Republicans in 2010.



EPEC is the Engineers Political Education Committee, or the IUOE's International Union's federal PAC. In 2010, EPEC received the lion's share of Local 150's Pac – \$285,000. The other recipients of the Local 150 contributions were Democrat candidates. EPEC's 2010 were split 88% to Democrats and 12% to Republicans. None of EPEC's 2010 contributions trickled down an Indiana Republican. iv



Contributions, \$

Sector	Description	Total Expenditures
Campaign Expenses	Miscellaneous Campaign	\$513
Contributions	Candidates (Fed & Non-federal)	\$8,500
	Contrib Refunds	\$673
Transfers	Federal Transfer	\$285,000

### Top Vendors/Recipients

Rank	Vendor/Recipient	Total Expenditures
1	Epec	\$235,000
2	EPEC	\$50,000
3	Joe Donnelly For Congress	\$5,000
4	Fritchey For Us	\$2,500
5	Quigley For Congress	\$1,000

How does OpenSecrets.org classify campaign expenditures?

NOTE: All the numbers on this page are for the 2010 election cycle and based on Federal Election Commission data released electronically on Monday, May 09, 2011.

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Fagan's 2010 federal contribution records to Local 150 PAC reports his mailing address as "COUNTRYSIDE, IL 60525." This is inconsistent with previous filings and with his Mitch Daniels contribution of \$40 in 2003. This kind of discrepancy could indicate some internal financial shenanigans.

DAVID A FAGAN (IUOE#150/BUSINESS AGENT), (Zip code: 46368) \$221 to ENGINEERS POLITICAL EDUCATION COMMITTEE (EPEC)/INTERNATIONAL UNION OF OPERATING ENGINEERS on 02/08/06 Read more: http://www.city-data.com/elec2/elec-PORTAGE-IN.html#ixzz1oPZbdBfP

David Fagan (IUOE Local 150/Operating Engineer), (Zip code: 46368) \$300 to INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL 150 POLITICAL ACTION COMMITTEE on 02/20/06 Read more: http://www.city-data.com/elec2/elec-PORTAGE-IN.html#ixzz1oPZiM5A0

### FAGAN, DAVID COUNTRYSIDE, IL 60525

IUOE LOCAL 150/OPERATING ENGINEER 3/22/10 \$725 Operating Engineers Local 150

FAGAN, DAVID -- DANIELS, MITCH (G) PORTAGE, IN \$40 12/31/2003

### **CONFLICTS-OF-INTEREST**

Though newspaper stories indicate that his union position influenced his political success, Fagan has never filed an LM-30 conflict-of-interest report. If any employers with collective bargaining agreements contributed to his campaign, then he should have filed an LM-30 report.

It is highly likely that if Fagan raised any campaign funds, he received a reportable transaction under the Labor-Management Reporting and Disclosure Act (LMRDA) on the Form LM-30. The LM-30 requires Fagan to report any "derived income or other benefit of monetary value from, an employer whose employees your labor organization represents or is actively seeking to represent." His source of campaign funds and in-kind contributions should be scrutinized.

Fagan has another source of conflicts-of-interests. As a member of the town council, how much influence did he have on union contracts? This would be worth exploring further. For example, IUOE 150 public employees have collective bargaining agreements with the City of Portage. If Fagan is the lead contract negotiator in Indiana, did he negotiate with Portage and vote on or influence acceptance of the contracts?

### FAGAN'S LONGTIME BOSS CONVICTED

In 2005, IUOE President William Dugan, now a convicted racketeer, among other things he "demanded and accepted from a company in Elgin represented by Local 150 several concrete buffalo feeders" for his Buffalo farm in located in Maryland. Dugan personally appointed Fagan as an organizer, and it was under his tutelage that Fagan became Financial Secretary. The case was finally settled in 2010 with a misdemeanor plea. Fagan's rise mirrors Dugan's rise within the union hierarchy.

From the US Justice Department Release:

Dugan was also fined \$30,000 and ordered to pay restitution and the costs of his supervision while on probation, announced Patrick J. Fitzgerald, United States Attorney for the Northern District of Illinois; James Vanderberg, Special Agent-in-Charge of the U.S. Department of Labor Office of Inspector General in

Chicago; and Robert D. Grant, Special Agent-in-Charge of the Chicago Office of the Federal Bureau of Investigation.

The sentence was imposed by Magistrate Judge Michael Mason in U.S. District Court. Dugan, 77, of Hancock, Md., and formerly of Mt. Prospect, Ill., has already paid restitution of \$4,800 to Local 150 and \$6,000 to the Apprenticeship Skills Improvement Program (AISP.)

Dugan pleaded guilty to the misdemeanor charge of violating the U.S. Labor-Management Relations Act in March shortly after he was charged.

Under federal law, Dugan's conviction bars him from participating in any union activities for 13 years.

Local 150 represents approximately 23,000 members working in construction and a variety of other industries in Indiana, Illinois and Iowa.

In pleading guilty, Dugan admitted that in 2005 he demanded and accepted several concrete buffalo feeders valued at approximately \$500 apiece from a company in Elgin, whose workers were represented by Local 150.

In addition, Dugan admitted the following related conduct:

- in 2002, he accepted the rental and delivery at his Maryland farm of a front-end loader, with a value of \$7,265, from a company unionized by Local 150 workers;
- in 2004, this same company provided Dugan with a skid steer (small four-wheel drive engine-powered machine with a lift arm capable of being fitted with various attachments) at a price several thousands of dollars below market value;
- between 2003 and 2005, he accepted two 400-bushel truckloads of feed corn each year that, together with cash payments to Local 150, comprised the "rent" that a farmer paid to cultivate land the union owned in Will County;
- in 2003, he converted a front-end loader belong to the union apprentice program for his own benefit at his Maryland farm, and
- between 2001 and 2006, he misused a semi-tractor and trailers belonging to the apprentice program, while serving as the program's board chairman; and
- in 2005, he filed false reports with the Labor Department failing to disclose the benefits he obtained from companies whose workers were represented by Local 150.

The government was represented by Assistant U.S. Attorney Patrick King. Other Labor Department branches that participated in the investigation were the Employee Benefits Security Administration and the Office of Labor Management Standards.

### FAGAN OVERSEES UNION'S EVAPORATING PENSION

Fagan has more important things to worry about than compelling people to pay unions and pay into the union-controlled pension, and that is making the pension solvent. In 2004, the Midwest Operating Engineers Pension fund was 95% funded according to a Moody's report. However, by 2009, the Midwest Operating Engineers Pension funding level had fallen to 67.80%. [I'd like to verify this at EBSA]

### **IUOE LOCAL 150 INTIMIDATION AND ASSAULT**

Based on eyewitness accounts and legal filings, IUOE Local 150 includes intimidation and violence as part of its normal operating procedures.

Robert Browoski, a former police officer and a security professional at the time of his attack and beating by a Local 150 goon, relays a story of a brutal beating that hospitalized him and of long-term harassment of his former employer.

Randy Truckenbrodt, owner of Randall Industries, suffered economic losses exceeding \$340,000 in his battle with IUOE Local 150. His company was attacked in Portage, IN while Dave Fagan was the area's organizer.

Randy Truckenbrodt referred to several incidents of damage to Michael J. Uremovich's company that included driving two pieces of heavy equipment off cliffs. Uremovich's company suffered in excess of \$400,000 of damages and costs. Even more personally, the union slaughtered some of Uremovich's lambs.

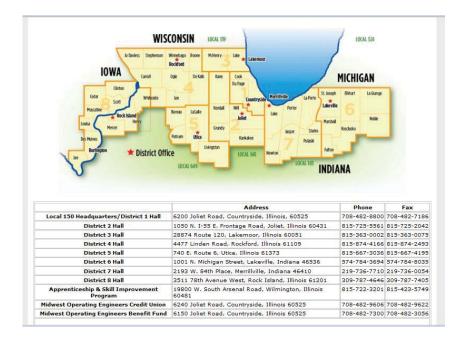
## Bob Browoski retired (630) 341-1980 Mobile (616) 847-4090 Home rcrmslvr@aol.com

# Randy Truckenbrodt Randall Industries, Inc (800) 966-7412 Work (630) 835-8603 Mobile (630) 833-9100 Home rantru@aol.com 741 South State Route 83 Elmhurst, IL 60126-4228 www.randallperformance.com/

### **BIOGRAPHICAL INFORMATION**

### David Fagan

- Financial Secretary of the International Union of Operating Engineers Local 150 headquartered in a Chicago suburb, at 6200 Joliet Road Countryside, Illinois. Fagan is also the union's lead contract negotiator for the IUOE Indiana District Halls. In 2010, the union reported paying Fagan a salary of \$200,287 plus an \$8,880 allowance. The union does not disclose Fagan's perks and benefits in the DOL report.
- Dave started working as a Local 150 Operator in 1978. In 1989, William Dugan appointed Dave to work
  as an Organizer. In 2005, the officers of Local 150 elected Fagan Financial Secretary. In 1992, thenGovernors Bayh and O'Bannon appointed Dave to the Indiana Law Enforcement Training Board.
- IUOE Local 150 is a multistate local with 8 Districts. It appears to be a primarily Illinois union, but it also has members in Indiana, Michigan, Wisconsin, and Iowa based on the union's website.



- Fagan was twice elected to the Portage City Council and spent many years as a Republican Precinct Committeeman. VIII
- Fagan's father-in-law, Robert Goin, had been a popular Republican mayor of Portage.

http://www.lunchpailrepublicans.com/new/

http://mchenrycountyblog.com/2010/10/14/porbation-for-operating-engineers-bill-dugan/

 $<sup>\</sup>frac{\text{iii}}{\text{http://www.redstate.com/jeffdunetz/2010/03/07/how-obama-is-running-government-to-prevent-union-pension-collapse/}$ 

http://www.opensecrets.org/pacs/lookup2.php?strID=C00029504&cycle=2010

v http://www.ifebp.org/pdf/moodysmethodology.pdf

vi http://www.nwitimes.com/business/local/operating-engineers-on-strike-against-contractors-group/article\_ac5686ac-824d-5171-bd63-9e454d6b7272.html?mode=story

https://portal.iuoelocal150.org/About/Officers/Pages/David-Fagan-Financial-Secretary.aspx

http://www.lunchpailrepublicans.com/new/lunchpail-republicans-launch-to-return-indiana-party-to-ordinary-hoosiers/

http://www.highbeam.com/doc/1N1-108487BF5F493AE8.html