

State of California • Department of Justice  
OFFICE OF THE ATTORNEY GENERAL  
Edmund G. Brown Jr.

## News Release

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**For Immediate Release**

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### **Brown Wins Back Pay for Over 200 Construction Workers Denied Fair Wages by Drywall Company**

BAKERSFIELD - Attorney General Edmund G. Brown Jr. today announced that his office has secured back pay for more than 200 workers who were "routinely denied" fair wages and overtime pay by Charles Evleth Construction, Inc., a Bakersfield-based drywall company.

"To boost its profits and underbid competitors, Charles Evleth Construction routinely denied its hardworking employees a fair wage and overtime pay," Brown said. "Today's judgment secures back pay for more than 200 employees and prohibits this company from violating workers' rights."

In addition to providing back wages for more than 200 construction workers, today's settlement prohibits Charles Evleth Construction from:

- Denying fair wages and overtime pay for workers;
- Paying employees in cash to avoid state and federal taxes; and
- Permitting supervisors to take kickbacks from their employees' paychecks.

Today's settlement follows a January 2009 suit Brown filed in Kern County Superior Court against Charles Evleth Construction to recover unpaid wages for workers who were denied full paychecks and overtime pay.

Brown's office initiated its investigation in late 2008 and found nearly 1,200 violations of California law. In addition to wage violations, the investigation found that the company had failed to pay unemployment insurance, make state disability fund payments and pay state and federal taxes.

These practices allowed the company to gain an unfair advantage over its competitors and underbid them for construction jobs.

In the complaint filed in January 2009, Evleth was sued for violations of:

- California Labor Code section 510 for denying overtime pay;
- California Labor Code section 226 for failing to provide itemized statements detailing rate of pay, hours worked, deductions and pay period;
- California Labor Code section 1197 for failing to pay minimum wage;
- California Industrial Welfare Commission Wage Order 16 (8)(b)) for requiring workers to bring their own tools without paying at least twice the minimum wage;
- California Labor Code section 221 and 223 for allowing supervisors to take kickbacks in exchange for being allowed to work; and,
- California Labor Code section 221 and 223 for allowing employees to split paychecks in cash.

### Worker's Story

Juan Manuel Avalos of Bakersfield worked for Charles Evleth Construction for five months in 2005. Avalos was hired with a verbal agreement to work five days a week for \$750 per week in pay. However, when Avalos started, he was required to work six days a week and often worked 12-hour shifts without overtime pay. Avalos was paid in cash every week, but discovered two months into the job that a site supervisor had been cashing his paychecks and taking up to \$500 every week from his pay, leaving Avalos what remained in cash.

Last month, Brown filed two other lawsuits against companies that failed to pay workers and subjected employees to potentially dangerous workplace conditions, including:

- A lawsuit filed March 10 against Juan Munoz, a farm labor contractor in Southern California, for failing to provide rest breaks, potable drinking water or shade to field workers.
- A lawsuit filed March 3 against Livermore-based Country Builders after the company falsified payroll records to hide underpayments, deliberately misclassified workers to reduce the company's workers' compensation premiums and violated state prevailing wage laws.

A copy of the settlement, filed in Kern County Superior Court, is attached.

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