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Level firms accused of price-fixing

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Accused of price-fixing

Boss claims he was fired for not going along

by BARRY W. DUGAN
Tribune Editor

The two biggest players in the county's nearly \$30-million per year gravel industry are being accused of a price-rigging scheme that has allegedly caused some aggregate prices to double in Sonoma County over the past three years.

In a lawsuit filed last week in Sonoma County Superior Court, former Kaiser Sand & Gravel executive Rudy Gonsalves claims Kaiser and Syar Industries plotted to raise prices of aggregate in late 1988.

Gonsalves was fired when he refused to go along with the price-fixing scheme, he claims in the lawsuit.

Within 30 to 60 days, the suit alleges, "prices charged by Kaiser and by Syar...increased substantially, via the concerted and methodical elimination of substantial competitive discounts that previously had been given against Kaiser's and Syar's respective published list prices."

The suit also states that "many of such prices are (now) double what they were in September, 1988."

Kaiser Vice President Jim Ellsberry said Monday from his Pleasanton office that "our attorney hasn't gotten a copy of the complaint and we can't respond. Until then, we can't comment."

The company's attorney, Ed Chapline, who represents Kaiser's parent company, Beazer-

West, Inc., did not return Tribune phone calls to his Dallas office.

Syar officials did not return several Tribune phone calls Monday.

The suit claims fraudulent concealment; restraint of trade; wrongful termination in violation of public policy; and breach of contract.

The lawsuit seeks up to \$600,000 in damages for Gonsalves, 64, who was fired from his job that paid up to \$200,000 per year. He had been with Kaiser for 36 years, starting as an

equipment operator.

Gonsalves' attorney, Daniel Bartley, said Monday that some of the evidence needed to prove his clients claims remains in Kaiser's possession. "I gave them every opportunity to disprove that there was a concerted effort at price fixing, but they elected not to do that," he said.

The alleged price-fixing scheme has cost county builders and developers millions of dollars, Bartley said.

"There's a lot of money involved," he said. "Builders, con-

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Bond backers return to drawing board

by PAULA LEINWAND
Tribune Assistant Editor

The narrow defeat of the \$50 million school bond has not deterred supporters of the measure to build new high schools for Healdsburg and Windsor.

Key members of the planning committees for the failed school bond measure are expected to meet this afternoon (Wednesday) to discuss new strategies for a similar proposal to present to voters next April or November.

Superintendent of Schools Larry Machi said he will be meeting with "a few folks from

the original steering committee to talk about the bond," at 4:30 p.m. at the district office.

Although it appears that Measure A, the \$50 million bond to build a new high school in Windsor and reconstruct the existing facility in Healdsburg, was defeated by the slimmest of margins, some backers of Measure A feel the bond stands a good chance to pass next year and are committing themselves to yet another campaign.

Dry Creek Valley resident and school planning committee member Jan Tolmasoff said, (Please turn to page11)

Defeat gets a mixed response