

METROPOLITAN WASHINGTON AIRPORTS AUTHORITY



August 22, 2011

Ms. Linda Perry
President
Purcellville Business and Professional Association
P.O. Box 567
Purcellville, VA 20134

Dear Ms. Perry:

Metropolitan Washington Airports Authority Chairman Charles D. Snelling has asked me to respond to the Purcellville Business and Professional Association's letter, in which you expressed concern regarding the use of a project labor agreement (PLA) on Phase 2 of the Dulles Corridor Metrorail Project.

There seems to be a misunderstanding regarding the Airports Authority's Board of Directors PLA resolution. On April 6, 2011, the Board adopted Resolution 11-08, acknowledging the benefits that a PLA has produced during Phase 1 of the Project and determining that Phase 2 should include a PLA to help ensure timely, efficient, and cost-effective construction. The Board instructed Airports Authority staff to include in Phase 2 construction solicitations a requirement for a PLA which would be based, to the extent practicable, on the PLA used during Phase 1. The Board further instructed staff to report to its Dulles Corridor and Business Administration Committees on the manner in which the resolution would be implemented when ready.

Regarding the use of a PLA on Phase 2, you raise two important concerns: first, that the PLA will result in substantially higher construction costs; and second, that the PLA will prevent qualified, non-union contractors, who might provide lower-cost bids from working on Phase 2 of the Project.

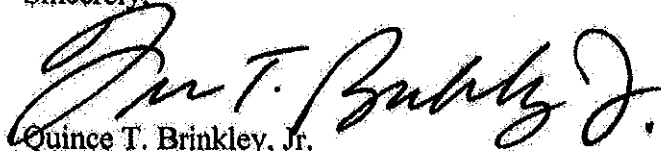
To your first point, Phase 2 construction costs are not expected to be affected in any significant way by the wage and benefit provisions of a PLA. Those PLA provisions will likely call for the payment of wages and benefits at or close to the prevailing wage and benefit rates established by the U.S. Department of Labor pursuant to Public Law 107-217 (Davis-Bacon). Federal law requires that construction projects receiving federal assistance must apply these Davis-Bacon rates. Since some form of federal assistance is expected to be provided for Phase 2, Davis Bacon rates will apply to Phase 2 whether or not there is a PLA. As a result, Phase 2 construction costs will not be driven higher by a PLA which provides for the payment of wages and benefits based upon the David-Bacon prevailing rates.

Ms. Linda Perry
August 22, 2011
Page 2

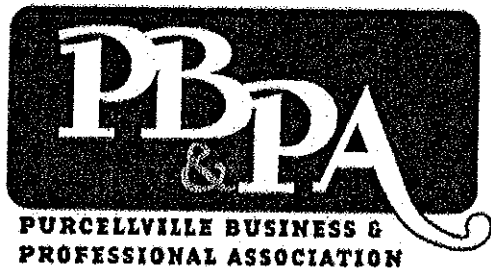
To your second point regarding the possible adverse impact of a Phase 2 PLA on non-union contractors, experience to date in Phase 1 has shown that non-union contractors have not been discouraged or prevented by the Phase 1 PLA from securing work on the Project. Indeed, through April of this year, almost 60 percent of the value of contracts awarded by the Phase 1 prime contractor have been awarded to non-union contractors. This experience stems, we believe in significant part, from the fact that the Phase 1 PLA does not require subcontractors to become a signatory to the PLA. As I indicated previously, we expect the PLA in Phase 2 to be similar to the Phase 1 PLA. Moreover, of course, a Phase 2 PLA will fully comply with Virginia law.

I thank you for your July 26 letter, and I very much appreciate your association's interest in ensuring the cost-efficient delivery of the Dulles Corridor Metrorail Project.

Sincerely,

A handwritten signature in cursive script that reads "Quince T. Brinkley, Jr." The signature is written in dark ink and is positioned above the printed name.

Quince T. Brinkley, Jr.
Vice President and Secretary to the Board of Directors



July 26, 2011

Chairman Charles D. Snelling
Metropolitan Washington Airports Authority
1 Aviation Circle
Washington, DC 20001

Dear Chairman Snelling:

The Purcellville Business and Professional Association (PBPA) vehemently opposes the Project Labor Agreement (PLA) currently proposed for the Phase 2 Silver Line extension of METRO to Dulles Airport and Loudoun County. We believe that the proposed PLA will unfairly discriminate against Virginia firms and workers, while increasing costs for the Virginia businesses and families who will pay 90% of the increased costs.

We applaud MWAA's superb management of Phase 1: schedules have been met and budgets maintained while minimizing disruptions to traffic and businesses along a congested corridor. A PLA was employed in Phase 1 but, unlike what is proposed for Phase 2, the Phase 1 PLA was not a prerequisite for or a factor in the bidding, was agreed to voluntarily by the primary contractor after the bidding, and does not apply to hundreds of subcontractors. In fact local contractors contributing to the success of Phase 1 complain that they will not be able to work on Phase 2 under the new provisions of the Phase 2 PLA.

The Phase 2 PLA is so strongly pro-union that it will be difficult for 96% of Virginia construction firms and laborers to compete for work on Phase 2. A mandatory PLA will discourage competition and will lead to higher prices, an estimated increase of 12% to 18%. That is more than the much debated \$330 million added cost for the proposed underground station.

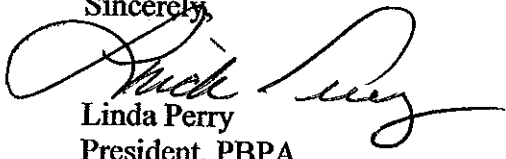
Purcellville Business & Professionals Association - PBPA
PO Box 567, Purcellville, Virginia 20134

The most important problem, however, that in a project wholly in a right-to-work state and paid for by Virginians, local Virginia workers will be discriminated against in favor of providing jobs to out-of-state union workers.

We are disturbed by the intimidating tactics of the unions. In April, unions bused in protestors from outside the area to disrupt a community meeting of local leaders in Herndon. Are these the people we would want to welcome to our community and entrust them with one of our most important public endeavors? Do we want to favor them over our neighbors for work on a Virginia project?

The Purcellville Business and Professional Association firmly supports the Silver Line rail extension to Dulles and Loudoun County. In accomplishing this, however, we believe that contracts should be awarded based on merit, and that there should be no discrimination against merit-shop contractors and Virginia workers.

Sincerely,

A handwritten signature in black ink, appearing to read "Linda Perry", written in a cursive style.

Linda Perry
President, PBPA