

**Remarks by Patrick Dean, President, Associated Builders and Contractors – Virginia Chapter made on April 18, 2011 at Representative Frank Wolf’s District Office in Herndon, Virginia**

On behalf of Associated Builders and Contractors (ABC) of Virginia’s 660 businesses and their employees in the construction industry, I would like to thank Congressman Wolf and officials from Fairfax and Loudoun County government for their leadership on this important issue.

Like many of you, ABC Virginia has major concerns over the rising costs of Phase 2 construction for the Dulles Rail Project.

Recent decisions by MWAA -- such as the resolution passed April 6 to mandate a special interest-favoring project labor agreement (commonly known as a PLA) -- are going to increase costs to Tollway users and Virginia’s state and local taxpayers financing the construction of this important \$3.5 billion project.

Anti-competitive PLA mandates have a proven track record of increasing construction costs by an estimated 12 percent to 18 percent compared to similar non-PLA construction projects.

The Phase 2 PLA will force qualified non-union merit shop construction firms to follow inefficient and costly union work rules and policies that will lead to waste. It will also force firms to replace most, or all, of their existing workforce with unfamiliar union workers dispatched from union hiring halls for the life of the Phase 2 project.

The Phase 2 PLA will discourage competition from Virginia’s qualified non-union merit shop contractors and their skilled nonunion employees from building projects paid for by their own tax dollars.

With 96 percent of Virginia’s private construction workforce choosing not to belong to a union, this discriminatory PLA policy will only create jobs for out-of-state union members instead of jobs for Virginia residents.

It will harm the very same qualified merit shop construction firms and skilled employees that have built Phase 1 of the Dulles Metro, the Pentagon, the Wilson Bridge and hundreds of superior construction projects in the region free from PLA mandates.

ABC Virginia is concerned that MWAA’s PLA resolution is nothing more than a special interest handout designed to end open, competitive and fair bidding on Phase 2 of this project.

Recent comments by MWAA board member Dennis Martire support this concern. Martire is the Vice President of the Laborers International Union of North America (LIUNA). His current employer stands to receive a large financial windfall from this PLA mandate, as the PLA ensures that LIUNA members will build this project and send cash into LIUNA coffers.

This would be no different than if a representative from Bechtel served on the MWAA board and pushed a resolution ensuring that all of the Phase 2 contracts went to Bechtel. This is corrupt self-dealing. The public deserves to know this truth.

ABC Virginia urges the Metro Washington Airports Authority to look out for the best interests of all Virginia taxpayers and residents instead of the well-connected special interests.

There should be no PLA mandated on Phase 2 of this project and it should be subject to free and open competition. Doing so will guarantee that taxpayers get the best possible construction project at the best possible price.

I’m available for comments following the press conference and encourage you to speak to the contractors who are here today.