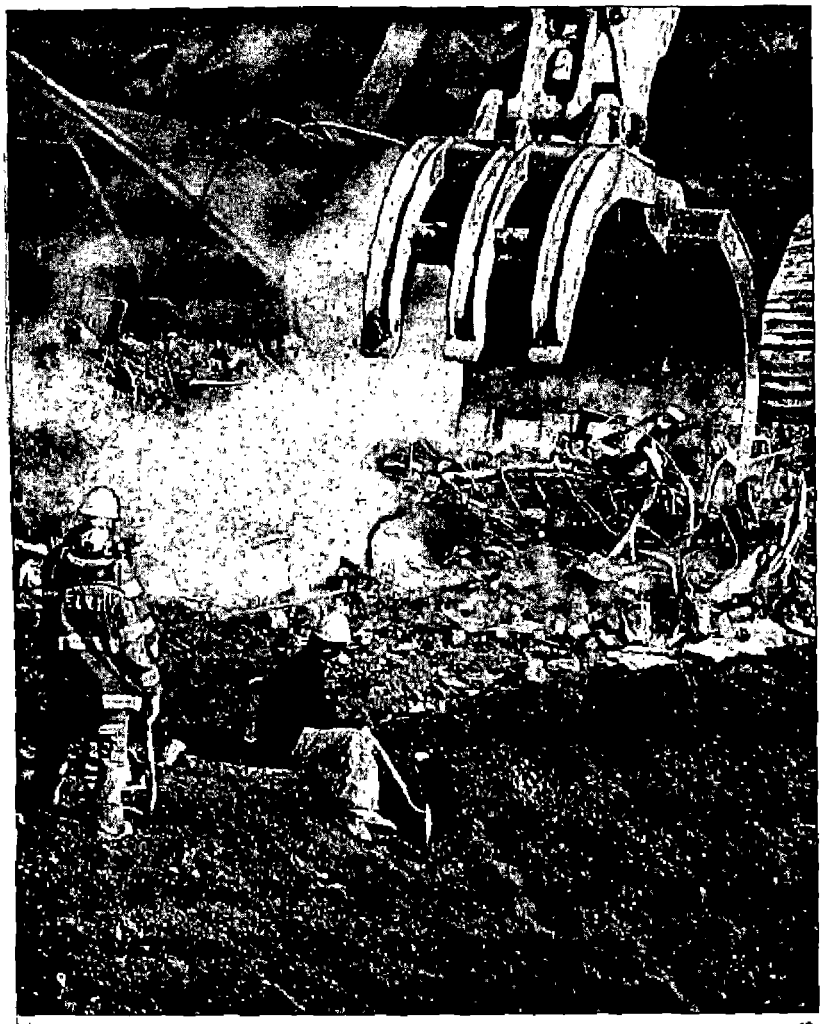
NYC 9/11 Public Portal Document

deal with giant company



AP

Dramatic shift in work at site

By GREG GITTRICH
DAILY NEWS STAFF WRITER

The city is close to cutting a deal that would turn over the day-to-day management of Ground Zero to one of the world's largest construction companies, sources said yesterday.

The specifics of the potentially lucrative deal with the Bechtel Group were not immediately available. City Hall did not respond to calls.

But Bechtel spokesman Alexander Winslow confirmed that the politically connected San Francisco-based company is in talks with the city about its "possible role as a project manager" at the World Trade Center site.

Construction foremen clearing the 1.2 million tons of debris from the fallen towers said they were told by city officials this month that Bechtel could take over as soon as today.

If Bechtel is hired, it would represent a dramatic reduction in the role of the city Design and Construction Department, which now manages the site's four contractors.

The value of the contract being discussed with Bechtel was not immediately known, and it was unclear if the contract was competitively bid.

Another contractor, Bovis Lend Lease, submitted a similar proposal to run the site last week after being told by the city of Bechtel's negotiations. Bovis spokeswoman Mary Costello said the proposal was made "at the city's invitation."

As much as $1 billion in contracts — the amount initially approved by the city to clear the Trade Center site — could be controlled by the project manager. The prestige factor also would be huge.

Hardhats worried

Hundreds of hardhats have been worried about their job security since Nov. 2, when, they say, city officials first mentioned bringing in Bechtel. The workers are suspicious of the company because it often hires nonunion labor.

But Winslow said that would not happen if Bechtel gets the contract.

"If we are selected, it is our intention to work with the local contractors and the labor unions on this job," Winslow said.

Four contractors — Bovis, Amec Construction Management, Tully Construction and Turner Construction — have been working at Ground Zero since the week of the attack. Each is in charge of a quadrant and reports to the Design and Construction Department.

"We are told that Bechtel would replace the Design and Construction Department," said a foreman. "They would be in charge."

Sensitive issue

Winslow declined to comment on whether the roles of the contractors would change or the pace of clearing the debris would quicken — a sensitive topic to wives and colleagues of missing firefighters whose bodies have yet to be recovered.

The firefighters union is looking into Bechtel's possible role, Tom Butler, a spokesman for the Uniformed Firefighters Association, said.

Thomas Maguire, president of Local 15 of the International Union of Operating Engineers, said he is "very happy" with the current setup.

"We were all doing a good job — I thought," he said.

If Bechtel becomes the big boss, several union foremen argued, it would be because of its political ties.

George Shultz, secretary of state in the Reagan administration, is a director of the company.

Winslow rejected claims Bechtel used political connections in dealing with the city. Like many other companies, Bechtel rushed to the disaster site after the terrorist attack to volunteer its help. Its most substantive role has been as a safety monitor.

With Ralph R. Ortega

BECHTEL

HISTORY
Founded in 1898 by Warren Bechtel, who made his name laying railroad beds with a mule-drawn scraper in the Oklahoma Territory. Within a decade, he was contracting railroad jobs up and down the Pacific coast. Four generations of the family have led the business.

CORPORATE HEADQUARTERS
San Francisco, although company maintains a significant international presence.

MAJOR PROJECTS
20,000 jobs in 140 nations, including the Hoover Dam, Alaska pipeline and Bay Area Rapid Transit system. Also secured profitable contracts with the Saudis in 1970s and conducted oil cleanup in Kuwait after Gulf War.

ROLE IN THE CITY
Active since 1946. Managed renovations for the Long Island Rail Road and the Penn Station concourse. Overseeing a $1.5 billion contract to build a light rail link to Kennedy Airport.

POLITICAL CONNECTIONS
George Shultz, secretary of state in the Reagan administration, is a director. Caspar Weinberger was the company's general counsel before becoming Reagan administration defense secretary.

WORKERS
Hires both nonunion and unionized labor.

REVENUES
$14.3 billion last year

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