

United States Senate

WASHINGTON, DC 20510

FOR IMMEDIATE RELEASE
February 21, 2007

CONTACT: Josh Vlasto(Schumer)
202-224-7433

BECHTEL AGREES TO KEEP ENGINEERING JOBS IN SCHENECTADY

*Mayor Stratton, Senator Schumer, Senator Clinton, Congressman McNulty,
Governor Spitzer, County Legislature Chair Savage Work Together to Save
Facility and Jobs in Schenectady*

*Bechtel and Navy Agree that Schenectady County Will Continue Key Role in
Nuclear Propulsion Program*

*Downtown Schenectady, slated to lose all Bechtel Jobs, will retain 130; Other
Employees to Find work at Nearby KAPL*

Today, Senator Charles E. Schumer, Senator Hilary Rodham Clinton, Congressman Michael R. McNulty, Governor Eliot Spitzer, County Legislature Chair Susan E. Savage and Mayor Brian U. Stratton today announced that after intensive negotiations, Bechtel has agreed to retain 130 employees at its existing facility in downtown Schenectady that was scheduled to close. Another 30 employees now located at Bechtel Plant Machinery, Inc. (BPMI) will be offered the opportunity to interview for open positions at the Knolls Atomic Power Lab (KAPL) in nearby Niskayuna. Finally, it is expected that about 60 employees will retire while another 70 positions will most likely relocate to the Pittsburgh area. BPMI currently employs 290 in Schenectady.

While the Schenectady facility will be downsized, the total number of jobs that will leave the Capital Region has been reduced to about 70. BPMI will plans to sign a long term lease for the Schenectady facility ensuring that Schenectady County will continue to play a major role in the Navy Nuclear program. BPMI will also benefit from the new agreement by retaining key program staff based in Schenectady and by realizing savings from a consolidation plan.

Mayor Brian U. Stratton said “Because of the outstanding leadership and quick response from Senator Schumer, Senator Clinton, Congressman McNulty and Governor Spitzer, we were able to save 130 good-paying jobs from leaving New York State, and keeping them in downtown Schenectady for good. Working together with the County, and with our Congressional delegation in Washington, we have pulled victory from the jaws of defeat. Indeed, when upstate New York stands together, nothing can stand in our way.”

Senator Charles E. Schumer said that, “While every job loss truly hurts, there is no question that today we have achieved a significant success for Schenectady and all of the Capital Region. We

snatched a victory from the jaws of defeat. There is no question that Schenectady is poised for growth and I look forward to continuing to lead this fight for years to come. This was a long, hard fought process, and I am proud of the deal we all struck. I especially want to single out Mayor Brian Stratton for his tenacity in this effort. My colleagues at the federal, state, and local levels and the business community here in Schenectady did an outstanding job and worked tirelessly to create an agreement that would keep Bechtel in the Capital Region.”

Senator Hillary Rodham Clinton said, “I am so glad that our hard work has resulted in a solution that benefits both our national defense and the local community, which was innovative in identifying solutions which enabled us to maintain Bechtel’s technology and engineering base in Schenectady. As a member of the New York delegation and the Senate Armed Services Committee, I would like to thank Admiral Donald who saw the merits of our argument that Bechtel should stay in Schenectady. I applaud all of the parties for working hard to achieve a solution that is good for the Navy, Bechtel and Schenectady.”

Congressman Michael McNulty said "By working cooperatively, the City of Schenectady, State of New York and the Capital District Congressional Delegation have assured that Bechtel Plant Machinery, Inc. will continue to have a presence in Schenectady. This is a testament of the commitment to the Tech Valley from elected officials at every level of government in the Capital District, and to the business friendly environment in New York State" added McNulty.

Patrick Foye, Co-Chairman of the Empire State Development Corp, said "We were proud to have worked on behalf of Governor Spitzer and the state of New York in helping preserving these jobs, all of which represent exactly the types of high-tech jobs we must fight to keep and encourage as we confront the challenges of the worldwide innovative economy."

Susan E. Savage, Chair of the Schenectady County Legislature said, “We are extremely grateful to Senators Schumer and Clinton, Congressman McNulty and Governor Spitzer for rallying to and leading the effort to save Bechtel jobs in Schenectady. By savings these positions, we are keeping more than \$20 million in direct economic impact here in the Capital Region each year. This agreement keeps Schenectady County at the forefront of the Navy Nuclear Program. This sends a strong message that Schenectady County will continue to fight for every job as we diversify and expand our economy through our aggressive economic development program.”

Ray Gillen, Chair of Metroplex and Commissioner of Economic Development in Schenectady County said, “While some wrote this facility off, we worked together as a community with our fantastic leadership team in Washington and in Albany to save critical tech jobs for Schenectady County and the rest of the Capital Region. In the process, we will create exciting new tech space that will help us bring new employers to Schenectady County.”

The remaining space at the Liberty Street complex will be marketed to tech companies and other companies looking for space in the region. BPMI, as part of the agreement with State and federal officials, will commit to trying to assist small businesses in the area.

Empire State Development (ESD) will provide a \$2 million grant to Metroplex to sub-divide the space creating an engineering center for Bechtel and office space that is in move-in condition for

other employers interested in locating at the complex. ESD will also provide up a total of \$1 million to help underwrite lease and operational costs.

The agreement announced today with Bechtel will create a new technology center in downtown Schenectady that will be used to bring additional tech employment and jobs to Schenectady County, while retaining key Bechtel engineering jobs in the community.

Metroplex is already pursuing several companies that might be interested in leasing space.

Bechtel originally announced plans last October to shutdown the Schenectady facility maintaining only a small satellite office at the Knolls Atomic Power Lab with the remaining jobs being shifted to the Pittsburgh area.

As a result of today's decision, Bechtel will operate facilities in Schenectady and at a new site to be leased in Monroeville, PA with similar lease terms and provisions as the Schenectady site.

###