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Bechtel's Niagara connections

By DON GLYNN
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The Bechtel Corp., a worldwide construction empire headed by Secretary of State-designate George P. Schultz, has three major projects under way in Niagara County.

They include the proposed \$200 million expansion of the Niagara Power Project, the \$40 million railroad line for transporting coal to the New York State Electric & Gas Corp.'s power plant in Somerset, and the cleanup of the Lake Ontario Ordnance Works in Town of Lewiston, where radioactive materials have been stored since 1944.

Schultz, nominated as the successor to Alexander Haig, is expected to resign as Bechtel's president soon.

As with any nominee for cabinet or high-ranking government post, Schultz's background and his company's operations inevitably will come under close scrutiny during the upcoming Senate confirmation hearings.

Not that the senators are interested in Bechtel's new Amherst, N.Y., office, where engineers are designing the addition for the Robert Moses Power Plant, the 16-mile railroad between Lockport and Somerset, and the remedial efforts at the Lewiston ordnance site.

Instead, the Senate panel will be asking numerous questions about Be-

Closer look

chtel's involvement in the Middle East, where its contracts include the Jubail Industrial Complex, termed the world's largest civil engineering project.

How much of an impact Bechtel's dealings with the Saudis could have on Schultz's State Department practices or, more importantly, the U.S. foreign policy, is a subject which some senators are certain to debate.

As for Bechtel's local operations, some area officials were disappointed earlier this year, when the firm announced it would open an office in Amherst rather than Niagara County, where the three major projects were on the drawing boards.

At one point, Lewiston-Porter School Supt. Daniel J. Healy suggested the Bechtel firm consider leasing the vacant primary school on the Creek Road campus.

That idea also was supported by several local government and community leaders, but Bechtel officials apparently turned a deaf ear to the offer.

The addition of two or three generating units at the Niagara Power Project — one of the largest construction projects in Niagara County during the past

two decades — is a relatively routine undertaking for Bechtel, a San Francisco-based firm.

Its contracts have run the gamut from the massive James Bay hydroelectric project in Canada to the reconstruction of the two oldest dams in the Americas — built in 1570 and 1573 and located in Brazil.

The company's workload has been stable with about 38 new projects booked in 1981, divided equally between the U.S. and overseas.

To date this year, Bechtel is working on 113 major projects, each with revenue of \$50 million or more.

Stephen Bechtel Jr., chairman of the company, told the 20th annual meeting of Bechtel's directors and directors' advisory group about the plight of the electric utility industry in the U.S. and the continued impact of imported oil on the American economy.

In part, it sounded exactly like a warning John S. Dyson, chairman of the New York State Power Authority, issued more than two years ago.

"It's a serious situation not only for us and our (Bechtel) clients, but for the country. The people in Washington have to give better leadership to these problems, because they are not going to go away by themselves," Bechtel said.

The railroad line in Niagara County

is one of the firm's exciting projects, a spokesman said, because it is a modern-day version of the kind of job which marked the company's entrance into the engineering-construction business 85 years ago.

The story goes that Warren A. Bechtel started the company in 1898 when he hired out his mule team to help construct railroads cross a territory then known as Oklahoma.

After more than 15,000 jobs, Bechtel is back in the same line of business with the Somerset Railroad, which is designed to transport coal and limestone to the new NYSEG plant on the shore of Lake Ontario.

Bechtel's Hydro and Community Facilities Division was selected for the project by the Somerset Railroad Corp., a wholly-owned subsidiary of NYSEG.

Bechtel is providing detailed design engineering, procurement and construction management for the project. The rail line is scheduled for completion by late 1983, and plant operations are set to begin in the spring of 1984.

A spokesman said Bechtel will be employing an engineering staff of nearly 50 for the project. The field construction staff is expected to peak at between 150 to 200 craftsmen during the spring of 1983.