

REED & REED



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Representative Scott Cuddy
Members of the Labor and Housing Committee

RE: LD 1969

My name is Jackson Parker. I am Chairman & CEO of Reed & Reed, Inc., a 94-year young construction company based in Woolwich, Maine. We are proud to be one of northern New England's largest and most versatile general contractors. Our company was founded as a bridge-building firm in 1928 and has prospered under four generations of family leadership to build a long-standing reputation for excellence. In the 90+ years since, we have expanded from a bridge-building company into many different markets including renewable energy and are now Northern New England's leader in wind generation construction.

There are 407 wind turbines located across 19 projects in Maine. The proud and skilled men and women of Reed & Reed have built 378 of them. The other 29 were built by Cianbro. Every one of these 19 wind projects in Maine, with a total value of over \$2.3 billion, were built by Maine companies. Our subcontractors on these projects have included Sargent Corp., Maine Drilling & Blasting, Underwood Electric, and many, many other Maine companies.

The first of these projects was Mars Hill in 2006. Not a single one of our employees had any wind power experience. But we trained them. Yes, we trained them to build wind projects.

As our workforce acquired these skills, we were able to parlay this experience into building wind projects in NH, VT, MA and now West Virginia. Through the outstanding

skills, work ethic and dedication of our workforce, we earned the chance to build project after project – 15 in all in Maine. On these projects our employees worked over 1.1 million hours safely and productively.

In 2016 Reed & Reed became 100% Employee-Owned. These same skilled employees are now owners of the premier wind power services company in New England. They achieved this high status by capitalizing on the training provided by Reed & Reed combined with their work ethic and ability.

There was no state mandated apprenticeship program or PLA involved in any of their achievements. An old-line company and its dedicated employees worked together to become the best. I am extremely proud of what we have achieved.

It is in our interest as an employer to have trained and skilled workers and that is why we are an employer-sponsor under the AGC Maine Apprenticeship program. This program is designed to train workers in skills that fit our needs, not an over-broad government-dictated program that does not.

Clearly, the detailed requirements of LD 1969 are so narrowly written that only union sponsored apprenticeship programs can comply. This, coupled with the potential 30% penalty for a developer who doesn't commit to a PLA would leave 85% of Maine companies and workers out.

Now, after defeating LD 1231 last year, the Maine Legislative Council has allowed the same concept into this session with LD 1969.

As I have stated before, this bill is a wolf in sheep's clothing, while purporting to create apprenticeship opportunities for workers it will:

- create layers of bureaucratic process,
- reduce competition for renewable energy projects,
- drive up the cost of doing business,
- signal business that Maine is not interested in open and fair competition,
- create reporting requirements full of tripwires,
- require on-going burdensome reporting,
- discourage investment in Maine

While this bill has been amended, it still includes a project labor agreement which seeks to use the machinery of government to displace our highly skilled and trained employees from an industry they helped create and impose bureaucratic requirements where none are needed. LD1969 would impose union work rules and policies. Simply put, this is another attempt by state government to shift income to union coffers at the expense of adding value to employee-owned companies. This is wrong.

Our company routinely participates in contracts where 'prevailing wages' are required but these projects are 100% funded by state and federal tax dollars. LD1969 would impose these same contract requirements on projects where the state-provided financial "Assist" may be only a tiny fraction of the project cost, unless we submit to a PLA.

In closing, LD 1969 is designed to create new layers of unnecessary bureaucracy at the expense of taxpayers and to the detriment of 85% of Maine construction workers who are NOT in unions.

Maine is indeed fortunate to have hundreds of construction firms working diligently and responsibly, treating its employees with respect and dignity, paying generous wages and benefits. Our firm has built hundreds and hundreds of public projects over the past 94 years and has earned a strong reputation for the work we do and the way we care for our employees. LD 1969 would bring irreparable harm to our employee-owners, our company and the State of Maine.

I urge the Maine Legislature to defeat this legislation.

Respectfully Submitted,

A handwritten signature in black ink, appearing to be 'J. Parker', with a stylized flourish at the end.

Jackson A. Parker
Chairman & CEO