

MINUTES
Associated General Contractors of Alaska
Board of Directors & General Membership Meeting
Friday, November 13 – Saturday, November 14, 2015
Captain Cook Hotel, Anchorage, Alaska

CALL TO ORDER

President Meg Nordale called the meeting to order at 1:45 PM, noting a quorum present. The Board approved a motion to waive the Roll Call.

ATTENDANCE / QUORUM

Attending were Immediate Past President Kevin Welker, President Meg Nordale, Vice President Dana Pruhs, Secretary Dan Hall, Treasurer Jim St. George, Associate Member Teri Gunter, Executive Director John MacKinnon, AGC of America President Chuck Greco, and Board Members Ron Smith, Kelly Layman, Brian Midyett, Gary Klebs, Mark Erickson, Earl Anderson, Michelle Holland, George Tuckness, Regina Daniels, Dave Cruz, Sam Robert Brice, Richard Green, Hal Ingalls, Mike Miller, Sarah Lefebvre, Robby Capps, Bryce Erickson, John Juettner, Billy Rosseau, Jack Grieco, Michelle Holland, Dave Johnson, Chris Reilly, Bob Cummings, Saigen Harris, Jaysen Mathieson, Rod Rodriguez, Mike Shaw, Jim Ferguson, Jason Davis and AGC Staff Member Molly Marler.

SPECIAL GUEST

AGC of America President Chuck Greco spoke to the Board and Membership. He thanked the Chapter for the hospitality and congratulated our members for the great participation and engagement in this Chapter and AGC of America.

Guest Speaker – Ron Duncan, CEO GCI – Alaska's Fiscal Solution

Ron Duncan, CEO of GCI spoke eloquently and gave a detailed description about the Alaska Fiscal Solution. He highlighted the state fiscal situation and the need for the Permanent Fund earnings account needing to be tapped into to help with the crisis. He talked about SB 114 as one solution.

Hal Ingalls asked what the board and membership of the AGC can do to assist with the mission he's proposing. Ron said that once the wording of the message is clear, board can assist by informing and educating the AGC membership and general public. Beginning with the employees of their respective businesses and by sending the legislature letters about the significance of the fix.

Jim Ferguson said he agrees with the premises, but Alaska has the most bloated state employee's benefits in the country. He then asked how we reduce the state government.

Gary Klebs contended the general public will need to be convinced that the "state" is giving up something too. He contended that it needs to be a quality marketing campaign as well as an educational piece.

Sarah Lefebvre thought there needs to be a softened, proactive message.

Meg asked how they can be part of the conversation. Ron said he will get back to within three weeks.

APPROVAL OF MINUTES

With no exceptions made and on a motion by Dana Pruhs, a second by Hal Ingalls, the minutes of the Spring Board of Directors Meeting dated April 19, 2015 were unanimously approved.

COMMUNICATIONS

John MacKinnon spoke about the various "AGC" items in this section of the Board Packet. He brought attention to a number of the correspondence items:

He noted the workers comp issue letter and the 38 letters that were considered in the initial response had to be resent for the October meeting. Sarah said that this had a HUGE impact and the medical schedule was in fact approved. She reiterated that the collective voice was effective here.

John reported on the Hilcorp Liberty project and asked that those who haven't replied to it please do so by November 19th.

October 30th, Letter to Governor Walker regarding the DOT specs regarding OJT for apprentice requirements. John says that this is an issue in all of Alaska and a real issue in the rural communities. He said it will be an ongoing discussion with the Department of Labor (DOL) for a while.

Regarding the letter to Secretary Fox for the TIFIA loans for the Knik Arm Bridge was in support of the project. John noted that he also solicited similar letters from the many member companies of the short-listed teams and it did result in a couple of, letters of support.

He discussed the letter about the DOL resident hire requirements for 100% state funded projects but hasn't heard back on that. The DOL continues to do things that impact our industry with no up-front consultation.

There were also a number of reminders for people to get out and vote.

NEW BUSINESS

A. AUDIT REPORT

Our auditor Arleen Koenig (Richard Johnson & Granberry) presented the financial report for the past fiscal year ending July 31, 2015. Of note, dues revenue had a significant decline of \$150,000 since last year on volume dues. This has occurred in the past and can depend on timing and/or receipt of the dues reports. Whether this was a trend or a timing issue will be known in a couple of months. Investment income was strong. CIPF was staying strong. Online plans continues to be a great savings. Sarah asked if the staff had done the research on why the volume dues were down and inquired if there was a plan to recover some of this amount. Arlene reported that there were letters sent out in an effort to ascertain/collect the remaining outstanding dues. The annual dues are stable, but volume dues are paid on the honor system. AGC will need to reassess total reductions within the next few months as contractors will begin closing their books for the season end. John reported that the volume dues get paid as the last check that contractors write. He said that they take care of business first. Jim Ferguson said that's how it's always been done and that he believes this is an indicator of something else. John said that there will be personal contact from him to the contractors in question.

On a motion by Dana Pruhs that was seconded by Robby Capps, and without objection, the report was accepted.

B. CIPF Board Member Approval

Mike Shaw reported that Scott Bringmann took Carrie Foster's place and Scott Hanson replaced John Palmatier on the board. He also announced the new officers for 2015-2016 year. Mike Shaw is chair, Larry Bell is Vice Chair, Joey Merrick is Secretary Treasurer.

John reminded the board that according to the bylaws, the AGC Board of Directors must approve the new CIPF Board

On a motion by Dan Hall and a second by Dave Cruz, and without objection, the two new CIPF Board members were approved.

C. ACIAP Board Member approval

Mike Shaw asked the history of the ACIAP. Mike Miller reported that it is a fund that has carried over as it was prevailed in the pipeline days. Each year, depending on fund earnings, it dispenses a couple of grants, including to the AGC, RDC and the PLF – Pacific Legal Foundation. John said that a long time Director Pete Casper had moved south and in search for a replacement Director, Robby Capps has agreed to take the spot. Similar to the CIPF, the AGC Board of Directors must approve the new ACIAP Board Member. Dana asked what the funding source is. Robby said its .05/hour from prevailed wages during the pipeline. Currently there is about \$1.5 million in the fund.

On a motion by Hal Ingalls, a second by Chris Reilly, and without objection, Robby Capps was appointed as the new Director for the fund.

REPORTS:

a. President Meg Nordale:

Meg said she enjoyed this last year. She said it's been a bit of work and she will continue to vigilantly be involved. Her goal was to circle back to Kevin Welker's Strategic plan. Meg said that member voices are very important. She reported that she instituted a bi monthly call to discuss things and keep in tune with things. She asked that AGC and new president, Dana Pruhs continue the bi monthly E board calls. She reported that she was in DC for the national Leadership conference and it was a fabulous experience. She said that despite the state fiscal doom and gloom, she felt that Senator Dan Sullivan will have more positive news to report on the Federal level at the Saturday breakfast.

b. Vice President Dana Pruhs

Dana thanked the Executive Board and the guidance from John in the past year and said he's looking forward to the experience next year as President. He also thanked the AGC staff, and President Meg Nordale for all her work the past year.

c. Executive Director John Mackinnon

John reported a very busy year. He noted that this was his 8th year as Executive Director. He reported that the activity side on the political level as well as the events were at least doubled from the time he started. He reported 7 staffers and events and planning. He also mentioned there was a tremendous learning curve due to the new staff who are all very passionate about the construction industry. Budget wise, despite volume dues being down, he feels that it is a timing issue and that things will pick up.

He noted that with the presentation of Ron Duncan, it is important to get on board with a fiscal solution. There are many pieces to it, and that not all have to happen at once. The important piece is to use the earning of the permanent fund to soften the impact of low oil revenue. He said we need to look at the message of the CIPF ads and that they be consistent with that of the fiscal fix.

Dana commented that business owners need to participate in sending a message and that they will also need to get onboard with their checkbooks.

Dave Cruz gave the history of the 49ers, saying that this was their mission.

Jim Ferguson wanted to point out that he's not disagreeing but cautioned against getting ahead of ourselves and make sure we that we have a plan not to be in APOC violation. Jim said the CIPF ads are already produced.

Dana says they may be worth little if the economy drops much.

Chris Reilly emphasized the importance of a unified voice for the state's fiscal solutions.

Dana agreed saying that the message will need to be a grass roots effort.

d. National Directors Update

Robby Capps gave a brief overview and said there would be a more complete report at the Spring meeting after the March Convention in San Antonio.

AGC of America – Chuck Greco reported that the National finances are in good shape. On the membership side, Chuck said that they are trying to help the local chapters increase membership, on the advocacy side of things they are working on VA issues – pension plans – tax reform – and tax extenders for S corps and/or individual taxes. Chuck said that construction pays the most taxes of any industry across the board. He said the CLC needs to be better organized within the smaller members and they are working on that. San Antonio is the next national convention location. Proposed membership drive, for growing memberships - motion presented if a chapter grows its dues revenue over 20% each year, the AGC of America dues will be capped.

COMMITTEE REPORTS

The following committees reported their 2015 involvement of the year:

External Affairs: Presented in paper only by Mike Shaw who wrote that we negotiate with 7 trade unions and the owner management teams have done a great job. Operators still in progress and that we likely done early in 2016.

Internal Affairs: After the auditor's report of a decrease in 3rd Q volume dues and in anticipation of a downturn, Dana asked that John come back to the E Board in January with a 5% reduced expense budget. John clarified that a 5% annual reduction would be a 2.5% reduction for the second half of the fiscal year.

Convention Subcommittee: All has gone well.

Fairbanks Task Force: Sarah reported on the very successful student chapter in Fairbanks at UAF and encouraged the Anchorage branch to also get involved with the UAA student chapter.

Golf Sub Committee: Jack reported another successful Anchorage Golf Tournament.

Sporting Clays: Earl Anderson reported another successful year including the venue change.

PAC Committee - Hal Ingalls reported on the results of this year's PAC contributions and reminded Board Members of the importance of the PAC and the contributions. He added that he had the winning ticket in his pocket if anyone wished to purchase it.

Regulatory Committee: Mike Miller mentioned DOT best meeting to date. Sarah says that they look at the reactive state too often and maybe AGC can take a proactive approach.

Education & Workforce Development: NO report

Membership Committee: Meg Nordale reported that the membership committee needs to revamp the ALLSTARS and says "we" are struggling.

CIPF – Already funded and set up for the next campaign, Mike Shaw said we need to line that up the next message with the message from the AGC for the importance of the state fiscal situation.

Technology Committee: Schlee was not able to present but had his report included in the packet.

Emerging Leaders: Saigen Harris gave a presentation on the formation of the group, and attending their National CLC in Pittsburg. They had their second big event last night and it was well attended.

On a motion by Jim Fergusson, and a second by Mike Swalling, and without objection, the Board recessed at 4:26 PM until 10:10 AM Saturday, November 14.

**Associated General Contractors of Alaska
Board of Directors & General Membership Meeting
(Continuation)**

10:12 AM, Saturday November 14, Meg Nordale called back to order and then adjourned the Board of Directors meeting. She then opened the General Membership Meeting.

ATTENDANCE / QUORUM

Attending were Immediate Past President Kevin Welker, President Meg Nordale, Vice President Dana Pruhs, Secretary Dan Hall, Treasurer Jim St. George, Member at Large Mike Swalling, Executive Director John MacKinnon, and Board Members Ron Smith, Kelly Layman, Brian Midyett, Gary Klebs, Mark Erickson, Earl Anderson, Michelle Holland, George Tuckness, Regina Daniels, Dave Cruz, Sam Robert Brice, Richard Green, Hal Ingalls, Mike Miller, Sarah Lefebvre, Robby Capps, Bryce Erickson, John Juettner, Billy Rosseau, Jack Grieco, Michelle Holland, Dave Johnson, Chris Reilly, Bob Cummings, Saigen Harris, Jaysen Mathieson, Rod Rodriguez, Mike Shaw, Jim Ferguson, Jason Davis and AGC Staff Members Molly Marler, Bekka Lirot, Lauren Sharrock and CEF staff Mandy Beaulieu.

First item was to announce the procedure and results of the Associate Board Members election that was carried out previously by mail. Associate members elected three:

Traci Johnson	Spenard Builders
Teri Gunter	Senco Alaska
David Hale	Hale & Associates

These three convened, and **Traci Johnson** was chosen to serve on the Executive Board.

Building Division Contractor Board Members Elections were conducted. Elected were:

John Eng	Cornerstone General Contractors	Carry Over
Meg Nordale	GHEMM	2 Year
Mike Shaw	Roger Hickel Contracting	1 Year

Highway Division Contractor Board Members elected were:

Dana Pruhs	Pruhs Construction.	Carry Over
Sarah Lefebvre	Exclusive Paving	2 Year
Derek Betts	Granite Construction	1 Year

Heavy Industrial Contractor Board Members elected were:

Dan Hall	Knik Construction	Carry Over
Jim St. George	STG Inc	2 Year
Marcus Trivette	Brice, Inc	1 Year

Specialty Contractor Board Members elected were:

Scott Bringmann	Alcan Electrical & Engineering, Inc.	Carry Over
Chris Reilly	Rain Proof Roofing	2 Year
Rod Rodriguez	Coldfoot Environmental	1 Year

Contractors-At-Large Board Members elected were:

Bryce Erickson	Orion Marine Contractors, Inc.	Carry Over
Michelle Holland	Holland Roofing	2 Years
Earl Andersen	Grazinni Brothers	1 Year
Brian Barney	NLC General	1 Year
Bob Cummings	Denali Mechanical	1 Year
Jason Davis	Turnagain Marine	1 Year
Mark Erickson	Mass Excavation	1 Year
Gary Klebs	Klebs Mechanical, Inc.	1 Year
Jaysen Mathiesen	M Alaska Construction, LLC	1 Year
Toby Miller	Miller Construction	1 Year
Billy Rosseau	Advanced Blasting Services LLC	1 Year
Ron Smith	AK Constructors	1 Year

Following the election, it was announced that there were no new **Life Directors**

The following was named as an Honorary ***Life Board Member***

Dick Engebretson	Aurora Supply
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Meg Nordale adjourned the General Membership Meeting at 10:38 AM and opened the 2015 - 2016 Board of Directors meeting and Election of Officers.

Jim Fergusson gave instructions for the election of the officers. He clarified that newly elected board members and Life Boards Members may vote, with only one per company eligible to vote.

Nominations were opened for President:

Meg Nordale nominated **Dana Pruhs** for the office of **President**, seconded by **Dan Hall**. **Meg Nordale** moved to close nominations. By unanimous consent, **Dana Pruhs** was elected.

The meeting was turned over to President-elect Dana Pruhs, who thanked all the outgoing Board members for their service and all the life members who continue to serve, and welcomed the newly elected members.

Nominations were opened for Vice President:

Dana Pruhs nominated **Dan Hall** for the office of **Vice President**, seconded by **Hal Ingalls**. **Meg Nordale** moved to close nominations. By unanimous consent, **Dan Hall** was elected.

Nominations were opened for Secretary:

Dan Hall nominated **Jim St. George** for the office of **Secretary**, seconded by **Dana Pruhs**. **Dana Pruhs** moved to close the nominations. By unanimous consent, **Jim St. George** was elected.

Nominations were opened for Treasurer:

Robby Capps nominated **Mike Shaw** for the office of **Treasurer**, seconded by **Jim St. George**. **Dana Pruhs** moved to close the nominations. By unanimous consent, **Mike Shaw** was elected.

Nominations were opened for Contractor-At-Large:

Sam Robert Brice nominated **Tony Johansen** to serve as **Contractor-at-Large**, seconded by **Meg Nordale**. **Dan Hall** moved to close the nominations. By unanimous consent, **Tony Johansen** was elected.

The meeting was adjourned at 11:17 AM.