

**SUMMARY MINUTES
AGC OF WASHINGTON
BOARD OF TRUSTEES MEETING
FEBRUARY 13, 2017**

BOARD MEMBERS PRESENT

Jake Jacobson	Osborne Construction Company
John Belarde	Belarde Company, Inc.
Curt Gimmetstad	Absher Construction Company
Frank Imhof	IMCO General Construction, Inc.
Paul Mayo	Flatiron Constructors, Inc.
Ian McFarland	View Dynamic Glass
Nancy Munro	MidMountain Contractors, Inc.
Shana Peschek	Construction Center of Excellence
Ross Pouley	AECOM
Jim Rowley	Howard S. Wright, a Balfour Beatty Co.
Dawn Stephens	Charter Construction, Inc.
Mickey Traugutt	Washington Patriot Construction LLC
Sharon Young	Concord Construction, Inc.

BOARD MEMBERS ABSENT

Sarah Cox	Dorsey & Whitney LLP
Mike Grace	Groff Murphy, PLLC
Chris Lang	Fisher Construction Group
Jessica Scarsella	Scarsella Bros., Inc.

Glyn Slattery	Lydig Construction, Inc.
Gordon Spencer	Teknon Corporation

STAFF/GUESTS PRESENT

David D'Hondt	AGC of Washington
Tim Attebery	AGC of Washington
Kelly Barber	AGC of Washington
Liz Evans	AGC of Washington
Sonja Forster	AGC of Washington
Randy Guzman	AGC of Washington
Paula Jackson	AGC of Washington
Dave Kearby	AGC of Washington
Diane Kocer	AGC Education Foundation
Mandi Kime	AGC of Washington
Andrew Ledbetter	AGC of Washington
Sean Lewis	AGC of Washington
Penny Schmitt	AGC of Washington
Stacy Mullane	AGC of Washington
Dani Tijan	AGC of Washington
Jerry VanderWood	AGC of Washington

CALL TO ORDER

President Jake Jacobson called the meeting to order at 11:05 AM.

BOARD ORIENTATION

Board of Trustees' Self-Introductions – Board Members introduced themselves and their affiliated member companies.

Staff Self-Introductions – Staff did self-introductions as well.

Orientation – President Jake Jacobson and Executive Vice President Dave D'Hondt oriented the Board on statutory and fiduciary responsibilities as trustees of the association. They asked all trustees to sign copies of AGC's *Responsibilities of the Board of Trustees' Pledge*, and *Conflict of Interest* and return both to Administrative Executive Dani Tijan. Jacobson reviewed a list of AGC of Washington committees / task forces and encouraged participation where possible. He noted that many of these committees / task forces are seeking Board liaison; anyone interested (or having an interest in serving on other committees) should contact AGC (Dave D'Hondt or staff of a respective committee / task force). Trustees are asked to "serve in good faith," in a manner such trustee believes to be in the best interest of the association. Per Chapter Bylaws, Art. 9, Board members (fiduciaries) are indemnified to the fullest extent permitted by law against any expenses incurred in connection with the defense of any action, suit or proceeding.

D'Hondt explained that AGCWA is a 501c6 trade association, which is affiliated with the AGC Education Foundation, a 501c3 non-profit. He further explained that AGC of America was formed in 1918; each AGC chapter pays a portion of dues (currently in the form of a franchise fee) annually to AGCA.

Board members were encouraged to review the *Board Policies*, *Bylaws*, and *Strategic Plan*, which helps guide AGCWA forward in its current 5-year plan.

Each Board member was given a laminated copy of "Board Responsibilities," which offers guidance to leaders of the unique aspects associated with governing a volunteer, membership organization; to mention a few:

- Boards govern and staff manage.
- Good governance: Boards are expected to be accountable, independent and transparent.
- Duty of Care: Requires leaders to use reasonable care and good judgement in making decisions on behalf of the interests of the organization.

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- Duty of Loyalty: Requires leaders to be faithful to the organization, avoiding conflicts of interest.
- Duty of Obedience: Requires leaders to comply with governing documents (i.e. bylaws, articles of incorporation, policies, etc.).
- Strategic Planning – A strategic plan focuses the board on mission and goals for 3 to 5 years. It serves as a roadmap.
- Risk Management – 1. Public Records, Form 990 must be made available for the last 3 yrs.; 2. Antitrust Violations occur when two or more persons from the same industry or profession discuss suppliers, processes, prices or operations; 3. Apparent Authority arises when directors, committees, or chapters behave as if they have authority. Authority rests with the chief elected officer and may not be usurped; 3. Financial Audits need to be performed by an independent financial expert; 4. Conflicts of Interest need to be disclosed.

D'Hondt reviewed AGC's Strategic Plan. He reported that Shana Peschek with the Construction Center of Excellence and AGC's 2017 non-member Board of Trustees' member will be assisting AGCWA in impressing upon the Legislature how important funding is to workforce development (CTE). Peschek reported that she worked with the Dept. of L&I Apprenticeship Council subcommittee to develop an Apprenticeship Ambassador Program, wherein apprentices and journeypersons engage in peer-to-peer recruitment and act as stewards for their trade. Peschek noted that she is happy to be on board to help advise us in our workforce development efforts (BuildWashington.com). D'Hondt also reported that Liz Evans will be transitioning to take the lead with the Diversity Task Force; the current focus will be to promote DBE's including AGCWA's own DBE members to its membership.

It was noted that the officers will be reviewing AGC's Strategic Plan at their March meeting to make certain we are on track.

D'Hondt circulated copies of *2017 Fast Facts* for the Board's review. He reported that he is currently developing a dashboard of AGCWA measurements for 2017, which he hoped to have available for the April 10 Board Meeting. He noted that he would be using the *2017 Fast Facts* as a starting point.

Due to insufficient time, President Jacobson postponed department presentations by Government Affairs, Group Retro, and AGC's BUILD-PAC.

ORAL REPORTS

President's Report –

- a. Actions taken by the officers since the last Board Meeting
 - Tom Zamzow / Parsons – appointed as Co-chair of the Sound Transit Best Practices Committee
 - Shawn Marvin / Flatiron – appointed as an AGC Rep. on the Sound Transit Best Practices Comm.
 - Geoff Owen / Kiewit Infrastructure West – appointed as an AGC Rep. on the AGC/Sound Transit Best Practices Comm.
 - Tyler Kimberley / IMCO – appointed as the AGC Representative to WSDOT Business Advisory Committee.
- b. Western Chapters' Meeting recap – President Jacobson reported on the recent Western Chapters Meeting, which was held in Scottsdale with attendance by himself, 2nd VP Paul Mayo, and Dave D'Hondt. Some of the keynote speakers included Mark Knight, AGCA President (Dodge Construction Forecast); Steve Sandherr, AGCA CEO (ELC Report); a presentation by William Symonds from Pathways Institute on workforce development and the lack of CTE in schools. Per Jacobson, there will be a Pathways Conference scheduled in Denver mid-September.
- c. AGC Education Foundation – Jacobson reviewed AGCWA's affiliation with the AGC Education Foundation regarding workforce development and craft workers. He reported AGCWA subsidizes the AGC Education Foundation \$200k/annually, as well as providing free rent. During 2013-14,

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looking at AGCWA's ROI, the AGCWA renewed and updated a partnering agreement with the Foundation. Jacobson stated that AGCWA views the Foundation as a clearinghouse resource for training (continuing education) in addition to providing scholarships and its grant activities. Per Jacobson, last year the Foundation sought an additional \$60k subsidy/annually for workforce development efforts. After careful review, the AGCWA decided to use the \$60k to hire its own in-house workforce development person to focus on the craft side of workforce development issues (CTE).

- d. 2016 Board Evaluation and Questionnaire – Jacobson announced that Dani Tijan would e-mail Board members the results of the 2016 Board surveys.

Executive Vice President's Report – Executive Vice President Dave D'Hondt reported on the following:

- a. BuildWashington.com – D'Hondt reported that BuildWashington.com is aimed at finding quality, craft workers. The website is up-and-running through Birddog. Currently, AGCWA is seeking funding for CTE in this legislative session, and there is a Workforce Awareness Bill that is currently going through the House and Senate. D'Hondt advised that he and Nancy Munro will be testifying at a hearing tomorrow in Olympia in support of this bill. AGCWA hopes to secure a grant for advertising workforce development issues (BuildWashington.com). AGCWA is supported by the Regional Agencies Coalition, which includes Sound Transit, Port of Seattle, City of Seattle, City of Tacoma, WSDOT, among others. D'Hondt thanked Sean Lewis for getting the BuildWashington.com website up and running (in collaboration with the Inland Northwest and partnership with Construction Center of Excellence. A job board has been added (both union and open shop jobs posted). He reported that Melinda Nichols will be hired on an interim basis until AGCWA recruits a workforce development person. It was noted that Nichols has 40 years' experience in the construction industry including construction management (State Apprenticeship Training Council, ran ANEW Program for 7 yrs., worked at CITC for 4 yrs.).
- b. Diversity Task Force – D'Hondt reported that WSDOT's DBE goals have been modified to exclude white women; white women are still included in WSDOT's federal DBE goals. Per D'Hondt, this task force continues to review (with the goal of improving) WSDOT's mentor protégé program. Two minority contractors have joined AGCWA since the formation of the task force.
- c. CTE Event – D'Hondt reported on a CTE event scheduled for March 27 that involves the construction of tiny shelters by 25 high school teams; the location will be The Capitol Campus, Olympia. He requested Board approval for AGCWA to sponsor this event at the Gold Level in the amount of \$7,500 from the Board Contingency Fund. It was noted that AGC's logo would be displayed on team t-shirts.

Action: It was moved (Young), seconded (Stephens), and carried to approve \$7,500 from the Board Contingency Fund for Gold Sponsorship of the March 27 CTE Event where 25 teams of high school and college CTE students will build tiny shelters that will be provided to homeless communities.

CONSENT AGENDA

December Summary Minutes

Action: It was moved (Mayo), seconded (Traugutt), and carried to accept the December summary minutes as presented.

February Membership Report

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It was moved (Mayo), seconded, and carried to accept the February Membership report as presented (see below).

Re: February 13, 2017, Membership Report

The following candidates have been screened and meet the proper classification requirements:

NEW MEMBERS

ASSOCIATE

Seattle District

Innovative Vacuum Services, Edmonds, WA
JLM Strategic Talent Partners, Long Beach, CA
Payne West, Seattle, WA

SPECIALTY CONTRACTOR

Seattle District

Carmona Construction LLC, Everett, WA
Hayward Baker Inc., Tukwila, WA
Kane Remediation Technologies, Inc., Seattle, WA
Northwest Tower Crane Service Inc., Des Moines, WA
Signs Now Washington, Everett, WA

Southern District

KD&S Environmental, Inc., Montesano, WA

INTERACTIVE DISCUSSION/ACTION

Financial Report – Controller Kelly Barber reviewed the unaudited financials for the month ended December 31, 2016. As of December 31, 2016, the preliminary Net Operating Income (NOI) equaled \$955k vs. a year-to-date budget NOI of \$179k creating a favorable year-to-date total budget variance of \$776k. The year-to-date positive revenue variance of \$604k combined with the positive expense variance of \$172k produced the total favorable year-to-date budget variance of \$776k. The year-to-date positive revenue variance of \$604k was from above budget revenue in all revenue categories. The year-to-date positive expense variance of \$172k was comprised of under budget expenses in most all expense categories except payroll and insurance/taxes. As of December 31, 2016, the AGC's 2016 operating revenue was 5% above budget and operating expenses were 2.7% below budget. The AGC Building's occupancy rate was 100% as of December 31, 2016; the Marina was approximately 95% occupied.

Action: It was moved (Munro), seconded (Mayo), and carried to accept the unaudited December financials as presented.

OTHER BUSINESS

Announcements

Feb. 21 Seattle District Membership Mtg., 7:30 AM, Harborside
Mar. 1 Southern District Membership Mtg., 5 PM, Tacoma Country Club
Mar. 7-9 AGCA National Convention, Las Vegas
Mar. 8 Women's Leadership Conference, 8 AM – 4 PM, Hotel Murano, Tacoma
Mar. 21 Seattle District Membership Mtg., 7:30 AM, Harborside
Apr. 5 Southern District Membership Mtg., 5 PM, Tacoma Country Club
Apr. 10 Board of Trustees Mtg., 11 AM – 1:30 PM, AGC Conference Center

The meeting was adjourned at 1:45 PM.

Dawn Stephens, Secretary/Treasurer