

**SUMMARY MINUTES
AGC OF WASHINGTON
BOARD OF TRUSTEES RETREAT
AGC CONFERENCE CENTER
JUNE 1, 2018**

BOARD MEMBERS PRESENT

Frank Imhof	IMCO General Construction, Inc.
David Bal	Signs Now Washington
John Belarde	Belarde Company, Inc.
Krissy Dreher	McKinstry Co.
Sean Hilt	Turner Construction Company
Jake Jacobson	Osborne Construction Company
Chris Lang	Fisher Construction Group
Paul Mayo	Flatiron West, Inc.
Ian McFarland	View Dynamic Glass
Patrick McQueen	Lease Crutcher Lewis WA LLC
Shana Peschek	Construction Center of Excellence
Jim Rowley	Howard S. Wright, a Balfour Beatty Co.
Glyn Slattery	Lydig Construction, Inc.
Dawn Stephens	Charter Construction, Inc.
Jeff Tiegs	Lincoln Construction, Inc.

Lindsay Watkins Ahlers Cressman & Sleight PLLC

BOARD MEMBERS ABSENT

Curt Gimmestad	Absher Construction Company
Ross Pouley	RAP Consulting, LLC
Sharon Young	Concord Construction, Inc.

STAFF/GUESTS PRESENT

David D'Hondt	AGC of Washington
Kelly Barber	AGC of Washington
Sonja Forster	AGC of Washington
Diane Kocer	AGC Education Foundation

CALL TO ORDER

President Frank Imhof called the meeting to order at 8:30 AM.

CONSENT AGENDA

Action: It was moved, seconded, and carried to accept / approve the following consent agenda items:

- 1. April financial statements;*
- 2. April summary minutes;*
- 3. May and June Membership Reports (reflected below);*

Re: May Membership Report (approved by Officers 5/21/18)

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

NEW MEMBERS

ASSOCIATE

Seattle District

Sprung Instant Structures, Aldersyde, AB, Canada
Time Equipment Company, Bellevue, WA

Southern District

Pac-Van, Inc., Tacoma, WA

SPECIALTY CONTRACTOR

Southern District

Parshall and Associates, LLC; DBA HCP Development, LLC, Gig Harbor

Re: June Membership Report

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

NEW MEMBERS

SPECIALTY CONTRACTOR

Seattle District

Michels Corporation, WI

Southern District

LaRusso Concrete Inc, Wilsonville, OR

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ASSOCIATE

Seattle District

Selman Breitman LLP, Seattle, WA

REINSTATEMENT

Subcontractor, "Garner Construction, WBE," was dropped by the Board of Trustees on April 15th for non-payment of membership dues. They paid their dues in full on May 15th and are requesting to be reinstated into the membership.

INTERACTIVE DISCUSSION / ACTION

AGC's 10-year capital budget –

Action: It was moved, seconded and carried to approve the AGC's 10-year capital budget as presented by Controller Kelly Barber and Secretary/Treasurer Dawn Stephens.

Recommended AGC Reserves Allocation – Controller Kelly Barber and Secretary-Treasurer Dawn Stephens reviewed the Finance Committee's recommended AGC reserves allocation for 2018:

The 2017 target reserve balance is \$3.9M. The proposed target reserve for 2018 is \$5.0M (8.6M Assets less 2.3M Liability less 1.3M other = 5.0M), based on the current reserve calculation per audited financials as of 12/31/2017.

Proposed AGC reserve allocations broken down to their respective pots are:

Special Projects =	\$100k
Operations =	\$1.5M
Plant & Eqpt. =	\$3.4M

The Plant & Equipment allocation broken down:

Revenue Decline =	\$380k
Capital Investment =	\$700k
Building Savings =	\$800k
Tenant Deposits =	\$220k
Cur. Cap. Improv. =	\$1.3M

Action: It was moved, seconded, and carried to approve the 2018 recommended AGC reserves allocation.

Alternative Manufacturing Threats to Construction – Board member Ian McFarland reported on how contractors and labor are losing ground to alternative manufacturing. The report was very enlightening to the Board.

Action: It was the consensus of the Board for McFarland to prepare a written recommendation to the Officers on the establishment of a task force and its overall purpose to deal with this issue.

AGC GAC Issues – Past President Jake Jacobson reported on two Governmental Affairs Committee issues:

- I-1631 Carbon Tax – GAC recommended opposition of this initiative.
Action: After some discussion, it was moved, seconded, and carried to oppose I-1631.
- I-1608 Public Employee Collective Bargaining – GAC recommended support of this initiative.
Action: After some discussion, it was moved, seconded and carried to support I-1608.

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PLA Discussion Continued from April Board Meeting – Seattle District Manager Sonja Forster facilitated continued discussion on PLA's from the April Board meeting, including re-affirming the AGC of Washington's position against government-mandated and government-negotiated PLA's.

Jacobson gave an update on pending legal matters concerning PLA's.

A discussion on a public awareness campaign on PLA's took place, and it was agreed to let the PLA Task Force gather the information that was previously approved before moving forward.

Workforce Development Task Force – Board member Shana Peschek and Director of the AGC Education Foundation Diane Kocer gave a report on the make-up of workforce agencies in the State of Washington and the functions of each.

Community-based organizations were also talked about. This led to a discussion on how AGC of Washington can have an impact on reaching out to high school students for construction awareness.

Action: Peschek to distribute information to AGC members on her existing Ambassador Program and try to recruit AGC companies to go out to high schools in the AGC of Washington districts.

Diversity Committee Update – Executive Vice President Dave D'Hondt gave an updated Diversity Committee report. He reviewed the Strategic Plan's SMART GOAL 6: Increase diversity of AGC membership and reported that all three objectives are in progress.

ADJOURN

The meeting was adjourned at 12:10 PM. The group enjoyed a buffet lunch before heading out to an afternoon of teambuilding aboard Seattle Electric Boats.

Dawn Stephens, Secretary/Treasurer

Date