

**BOARD OF TRUSTEES MEETING**  
**March 11, 2019, 11:00 AM – 1:30 PM**  
*AGC Conference Center, 2<sup>nd</sup> floor, Seattle, Washington*

**PURPOSE OF MEETING:** *To conduct the business affairs and establish policies of the association.*

**DESIRED OUTCOMES:**

- *Board orientation.*
- *Adoption of business reports.*
- *Knowledge of key association activities.*

**AGENDA**

<b>CALL TO ORDER</b> – President Paul Mayo	<b>(2 min.)</b>	<b><u>TAB</u></b>
<b>CONSENT AGENDA</b>	<b>(3 min.)</b>	
1. Accept unaudited December Financial Statements – Kelly Barber		<b>1</b>
2. Approval of December summary minutes		<b>2</b>
3. Approval of February Membership report		<b>3</b>
4. Accept Central, Northern, Seattle, and Southern district reports		<b>4</b>
 <b>BOARD ORIENTATION</b>		
1. Board Orientation – Bob Marconi, Ashbaugh Beal	<b>(25 min.)</b>	
2. Self-Introduction of Board Members – Paul Mayo	<b>(20 min.)</b>	
3. Strategic Plan Review – Dave D’Hondt	<b>(15 min.)</b>	
<i>(12:05 PM – lunch)</i>	<i>(30 min.)</i>	
<b>ORAL REPORTS</b>		
1. Department Presentations / Orientation: AGC BUILD-PAC; Culture of Care; Group Retro; Labor; Membership; Property; Safety	<b>(21 min.; up to 3 min. ea.)</b>	
2. President’s Report	<b>(5 min.)</b>	
a. Officers’ actions since last Board Meeting		
b. Western Chapters’ Mtg. recap		
c. Staff – years of service recognition:		
• Paula Jackson, Property Manager - 20 yrs.		
3. Executive Vice President Dave D’Hondt	<b>(5 min.)</b>	
a. Legal updates		
b. Board questions / comments		
 <b>INTERACTIVE DISCUSSION / ACTION:</b>		
1. Government Affairs update – Jerry VanderWood	<b>(10 min.)</b>	
 <b>OTHER BUSINESS</b>	<b>(4 min.)</b>	
1. Announcements:		
3/14 Lobby Days, Olympia		
4/3 Southern District Dinner Meeting, Tacoma Country Club, 5 PM		
4/8 Board of Trustees Mtg., AGC East Conference Room, 11 AM – 1:30 PM		
4/23 Seattle District Membership Breakfast, Emerald Room 7 AM		
5/1 Southern District Dinner Meeting, Tacoma Country Club 5 PM		
5/7 Seattle District Quarterly Social, Pyramid Brewery, 5 PM		
5/15 Everett Membership Breakfast Mtg., location TBD, 7:30 AM		
5/16 Bellingham Membership Breakfast, Bell. Golf & Country, 7:30 AM		
Build Washington Awards Dinner, Museum of Flight, 5 PM		
5/20 Seattle District Golf Tournament, Inglewood, 10 AM		

**1:30 PM – ADJOURN**

**TAB 1**





# AGC 2018 Financial Notes

## Preliminary Report – Current Period – December

### Year to Date Period – Jan. 1, 2018 to December 31, 2018

#### **Net Operating Income** – see Consolidated Statement of Operations (Page 9)

As of December 31, 2018, the preliminary Net Operating Income (NOI) equals \$1.335M vs. a year-to-date budget NOI of \$50K creating a favorable year-to-date total budget variance of \$1.285M.

The year-to-date positive revenue variance of \$1.037M combined with the positive expense variance of \$248K produces the total favorable year-to-date budget variance of \$1.285M.

#### **Income Variance**

The positive year-to-date revenue variance of \$1.037M (see Consolidated Statement of Operations – YTD Variance column) is primarily from above budget revenue in all revenue categories except Program / Grant Revenue and Event Revenue.

#### **Expense Variance**

The positive year-to-date expense variance of \$284K is comprised of under budget expenses in primarily all expense categories except Salaries, Consultant Fees and Building /Marina Expense.

#### **Accounts Receivable**

	Building	Marina	AR Parking	AGCEF	Other AR	Total
November	25,757	55,707	32,302	25,618	73,069	212,452
December	(12,687)	548	22,818	24,613	114,533	149,825

Note: AR Building primarily represents past billings from building tenants.  
 AR Marina primarily represents past billings from moorage tenants.  
 AR Parking primarily represents receivables for parking.  
 AR AGCEF represents billings to AGC Education Foundation  
 AR Other represents billings outstanding for purchases and events (i.e. annual meeting, sponsorships, membership dues, Retro, etc.).

**AGC Actual / Forecast** - see 12 Month Actual / Forecast to Budget

As of December 31, 2018, AGC's 2018 annual net operating income is \$1.335M versus an annual budget net operating income of \$50K. 50% of the net income is attributed to the annual Retro sponsorship fee which was 152% above budget.

**AGC Building:**

Occupancy rate for office space is **100%** as of December 31, 2018.

Occupancy rate for retail space is **37%** as of December 31, 2018.

AGC of Washington 2018 Cash Activity Forecast			
	2018 Total Actual / Forecast	2018 Total Budget	Variance *
Retro Plan Income	2,930,870	2,352,216	578,654
Retro Exp Gross	(1,794,281)	(1,902,216)	107,935
<b>Net Retro Income</b>	<b>1,136,589</b>	<b>450,000</b>	<b>686,589</b> P
<b>REVENUES</b>			
Membership Dues	2,032,589	1,875,000	157,589 P
Program / Grant Revenue	206,507	231,795	(25,288) P
Event Revenue	288,621	291,800	(3,179) P
Building / Retail Rent	3,420,998	3,370,973	50,025 P
Other Rent Revenue	1,136,696	1,036,400	100,296 P
Other Revenue / CAM	162,677	92,208	70,469 P
Misc Income	16,513	16,155	358 P
<b>Operating Revenue</b>	<b>7,264,600</b>	<b>6,914,331</b>	<b>350,269</b>
<b>TOTAL REVENUE</b>	<b>8,401,189</b>	<b>7,364,331</b>	<b>1,036,858</b>
<b>EXPENSES</b>			
Salaries	2,475,293	2,440,758	(34,535) P
Payroll Burden Taxes & Benefits	693,635	716,026	22,391 P
Auto Expense / Corporate Travel	31,193	37,658	6,465 P
Miscellaneous Meetings	94,861	127,320	32,459 P
Consultant Fees	231,008	176,005	(55,003) P
Office Expense	75,373	80,418	5,045 P
Membership Dues/Donations	229,687	379,905	150,218 P
Rent	63,826	68,102	4,276 P
Technology Expense	77,407	82,584	5,177 P
Phone Exp.	38,631	38,574	(57) P
Program / Grant Expense	155,320	378,135	222,815 P
Membership Promotion	246,153	268,220	22,067 P
Event Exp	377,091	371,650	(5,441) P
Insurance / Tax / Training	74,070	80,175	6,105 P
Building / Marina Expense	1,557,516	1,381,390	(176,126) P
Leasing Comm. Amortization	47,773	58,836	11,063 P
Depreciation	596,844	628,575	31,732 P
<b>TOTAL EXPENSES</b>	<b>7,065,680</b>	<b>7,314,331</b>	<b>248,651</b>
<b>OPERATING INCOME (LOSS)</b>	<b>1,335,509</b>	<b>50,000</b>	<b>1,285,509</b>
<b>NET OPERATING INCOME (LOSS) - FORECAST VS. BUDGET</b>	<b>1,335,509</b>	<b>50,000</b>	<b>1,285,509</b>
<b>Non-Operating Investment Income (Loss)</b>	<b>(347,999)</b>	<b>12,000</b>	<b>(359,999)</b> P
<b>NET INCOME (LOSS)</b>	<b>987,510</b>	<b>62,000</b>	<b>925,510</b>
<b>Gain/Loss on Disposal of Asset</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL INCOME</b>	<b>987,510</b>	<b>62,000</b>	<b>925,510</b>
<b>Working Capital</b>			
Net Operating Income	1,335,509	50,000	1,285,509 P
Amortization	47,773	58,836	(11,063) T
Depreciation	596,844	628,575	(31,732) T
<b>Available Cash (Working Capital)</b>	<b>1,980,125</b>	<b>737,411</b>	<b>1,242,714</b>
<b>Less:</b>			
Capital Expenditures - Association	74,914	104,000	29,086 P
Capital Expenditures - Seattle Building	714,999	365,000	(349,999) P
Capital Expenditures - Fife Building	10,770	40,000	29,230 P
Capital Expenditures - Marina	113,048	60,000	(53,048) P
Tenant Improvements - Building	319,338	500,000	180,662 P
Lease Commissions	124,382	187,000	62,619 P
<b>Total Deductions</b>	<b>1,357,451</b>	<b>1,256,000</b>	<b>(101,451)</b>
<b>Cash (Working Capital) Variance Favorable (Unfavorable)</b>	<b>622,674</b>	<b>(518,589)</b>	<b>1,141,263</b>

**Associated General Contractors of Washington**  
**Statement of Financial Position**  
**For the Period Ending 12/31/2018**

[INTERNAL REPORT]

	Dec Unaudited	Dec Audited
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	3,128,665	4,263,803
Building Savings	807,508	803,482
Short-Term Investments	748	3,247,489
Accounts Receivable	149,825	307,891
Prepaid Expenses	132,994	167,340
Total Current Assets	<u>4,219,740</u>	<u>8,790,005</u>
Group Retrospective Rating Plan Assets	34,205,423	23,884,765
Prepaid Lease Commissions	231,916	112,367
Long Term Investments	4,893,744	-
<b>Property and Equipment</b>		
Land and Land Improvements	2,441,742	2,413,375
Buildings	14,385,690	13,590,762
Leasehold Improvements	1,697,567	1,403,076
Furniture and Equipment	1,362,053	1,315,507
Automobiles	43,774	43,774
Marina	1,746,904	1,675,341
Total Property Plant and Equipment	<u>21,677,730</u>	<u>20,441,834</u>
Less: Accumulated Depreciation	<u>(12,363,583)</u>	<u>(11,737,345)</u>
Net Property Plant and Equipment	<u>9,314,147</u>	<u>8,704,489</u>
<b>TOTAL ASSETS</b>	<b><u>52,864,970</u></b>	<b><u>41,491,626</u></b>
<b>LIABILITIES &amp; NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts Payable	673,998	680,901
Accrued Expenses	38,016	66,910
Deferred Income	1,730,401	1,594,470
Current Portion - LT Debt	-	-
	<u>2,442,415</u>	<u>2,342,281</u>
Group Retrospective Rating Plan Liability	34,205,423	23,952,765
Long Term Debt, Less Current Portion	-	-
Tenant Deposits	242,182	209,141
Total Liabilities	<u>36,890,020</u>	<u>26,504,187</u>
<b>Net Assets</b>		
Unrestricted	10,974,950	11,087,439
Board Designated	5,000,000	3,900,000
<b>TOTAL UNRESTRICTED NET ASSETS</b>	<b><u>15,974,950</u></b>	<b><u>14,987,439</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>52,864,970</u></b>	<b><u>41,491,626</u></b>

**Associated General Contractors of Washington**  
**Cash Flow Statement**  
**For the 12 Month(s) ending 12/31/2018**

	<b>Unaudited</b>
<b>Changes in Net Assets</b>	<b>987,512</b>
<b>Adjustments to Changes in Net Assets to Cash Provided by Operating Activities</b>	
Depreciation	626,238
(Gain) Loss on Disposal of Property	-
(Gain) Loss on Sales of Investments	(140,419)
(Gain) Loss on Investments @ Market	485,426
<b>(Increase) / Decrease in accounts:</b>	
Accounts Receivable	158,066
Prepaid Expenses and Other Assets	(85,203)
<b>Increase / (Decrease) in accounts:</b>	
Accounts Payable	(74,903)
Accrued Expenses	(28,893)
Tenant Deposits	33,040
Deferred Income	135,931
<b>Net Cash Provided / (Used) by Operating Activities</b>	<b>2,096,794</b>
<b>Cash Flow From Investing Activities:</b>	
Purchase of Long Term Investment	(5,238,750)
Leasehold Improvements - Seattle Bldg	(294,491)
Capital Improvements on Seattle Bldg	(812,525)
Capital Improvements on Marina	(82,333)
Purchase of property, equipment and automobile	(46,547)
<b>Net Cash Provided / (Used) by Investing Activities</b>	<b>(6,474,647)</b>
<b>Cash Flow from Financing Activities:</b>	
Current Long Term Debt	-
Long Term Debt / Loan Payments	-
<b>Net Cash Provided / (Used) by Financing Activities</b>	<b>-</b>
Net Increase (Decrease) in Cash	(4,377,853)
Cash, Beginning of Year	5,067,285
Cash Equivalents Beginning of Year	3,247,489
Total Cash and Cash Equivalents, Beginning of Year	8,314,774
<b>Cash, End of Period</b>	<b>3,936,173</b>
<b>Cash Equivalents, End of Period</b>	<b>748</b>
<b>Total Cash and Cash Equivalents, End of Period</b>	<b>3,936,921</b>

**Associated General Contractors of Washington**

(INTERNAL REPORT)

**12/31/2018**

**Schedule of Reserve Funds**

	Balance		Reserve Accounts
Operations	1,500,000	Long Term Invst	3,887,536
Plant & Equipment	3,400,000	Short Term Invst	748
Special Projects	100,000	Building Savings	807,508
	5,000,000		4,695,792

**\*\* Statement of Capital Expenditures**

(\*\* Designed for Budget Monitoring Purposes)

		2018	Balance
	12/31/2018	Approved Budget	Remaining
Parking Lot Improvements	1503-50-000	28,367	(28,367)
Fife Building	1505-85-000	10,770	40,000
Office Equipment	1509-10-000	-	-
Computer Hardware/Software	1513-10-000	46,547	54,000
Member Services Database	1514-10-036	-	50,000
RTW Curriculum	1515-10-000	-	-
SEA Bldg - Tenant Improvements	1550-50-000	294,491	500,000
SEA Bldg - Capital Improvements	1551-50-000	784,158	365,000
SEA Bldg - Lease Commissions	1402-50-050	124,381	187,000
Seattle Marina	1575-75-000	71,563	60,000
		1,360,278	1,256,000
			(104,278)

**General Asset Capitalization Policy**

- computer hardware, software, office equipment, and furniture with useful life of at least one year and \$2,000 or more must be capitalized
- capital assets for properties must be at least \$5,000 to be capitalized
- depreciation expense per year is based on estimated useful life
- depreciation expense may be prorated in the 1st year of a new purchase

**Schedule of Depreciation Expenses**

		12/31/2018		
		Actual	Budget	Variance
Seattle District Office	6950-12-000	942	942	-
Southern District Office	6950-14-000	-	-	-
Technology	6950-17-000	16,729	23,734	7,005
Administration	6950-18-000	19,932	19,932	(0)
Accounting	6950-19-000	1,066	1,065	(0)
State Government	6950-30-000	6,277	6,277	-
Labor Relations	6950-34-000	926	926	(0)
Membership	6950-36-000	24,438	23,187	(1,251)
Safety	6950-42-000	11,101	11,101	-
Northern District	6950-46-000	995	995	0
Central District	6950-48-000	1,084	1,084	0
Seattle Building	6950-50-000	414,737	431,275	16,538
Seattle Marina	6950-75-000	66,128	78,476	12,348
Fife Building	6950-85-000	32,483	29,584	(2,899)
		596,838	628,579	31,741

**Board Contingency Expenses:**

	YTD	2018	Balance
	12/31/2018	Approved Board	Remaining Board
	Budget	Contingency	Contingency
Ahlers & Cressman - WSDOT Waiver		5,000	
Construction Advocacy Fund		10,000	
Construction for Change		10,000	
AGCA Board of Directors		6,180	
Veterans Golf Tournament Sponsorship		1,000	
Birch Golf Classic		4,000	
NRLB Complaint		1,138	
Prevailing Wage Lawsuit		35,347	
		298,000	72,665
			225,335



**Associated General Contractors of Washington**  
**Unaudited Statement of Activities by Cost Center**  
**For the 12 Month(s) ending 12/31/2018**

**YTD**

	REVENUE			EXPENSES			REVENUE OVER EXPENSES		
	ACTUAL	BUDGET	VAR	ACTUAL	BUDGET	VAR	ACTUAL	BUDGET	VAR
<b>I. Building &amp; Properties:</b>									
a) Seattle Building	3,866,957	3,674,691	192,266	1,961,428	1,791,114	170,313	1,905,530	1,883,577	21,953
b) Seattle Marina	802,140	771,559	30,581	577,464	547,112	30,352	224,676	224,447	229
c) Fife Building	53,331	53,331	0	100,612	101,835	(1,223)	(47,281)	(48,504)	1,223
<b>Total Building &amp; Properties</b>	<b>4,722,428</b>	<b>4,499,581</b>	<b>222,847</b>	<b>2,639,503</b>	<b>2,440,061</b>	<b>199,442</b>	<b>2,082,925</b>	<b>2,059,520</b>	<b>23,405</b>
<b>II. Association:</b>									
<b>1. Financial Assets</b>	0	0	0	0	0	0	0	0	0
<b>2. Admin. &amp; Management</b>									
a) Board of Trustees	0	0	0	136,499	361,929	(225,430)	(136,499)	(361,929)	225,430
b) Technology	0	0	0	128,604	138,413	(9,809)	(128,604)	(138,413)	9,809
c) Administration	51,719	27,070	24,649	509,466	467,900	41,565	(457,746)	(440,830)	(16,916)
d) Accounting	9,345	9,345	0	277,413	271,483	5,930	(268,068)	(262,138)	(5,930)
	61,064	36,415	24,649	1,051,981	1,239,725	(187,744)	(990,917)	(1,203,310)	212,393
<b>3. Member Services</b>									
a) Communications	20,783	26,400	(5,617)	186,127	196,949	(10,822)	(165,344)	(170,549)	5,205
b) Meetings & Events	0	0	0	69,118	78,200	(9,082)	(69,118)	(78,200)	9,082
c) Special Events	129,145	150,000	(20,855)	197,579	203,195	(5,616)	(68,434)	(53,195)	(15,239)
d) Member Service	2,034,812	1,881,000	153,812	241,068	250,949	(9,881)	1,793,745	1,630,051	163,694
e) Construction Leadership Council	21,840	10,000	11,840	120,179	127,995	(7,816)	(98,339)	(117,995)	19,656
	2,206,581	2,067,400	139,181	814,071	857,288	(43,218)	1,392,510	1,210,112	182,398
<b>4. Education &amp; Training Service</b>									
a) Workforce Development	0	50,000	(50,000)	258,817	411,953	(153,135)	(258,817)	(361,953)	103,135
b) Safety	83,061	79,145	3,916	503,218	487,391	15,827	(420,157)	(408,246)	(11,911)
c) Group Retro	2,945,643	2,352,216	593,427	1,809,054	1,902,216	(93,162)	1,136,589	450,000	686,589
	3,028,703	2,481,361	547,342	2,571,089	2,801,560	(230,471)	457,614	(320,199)	777,813
<b>5. Government Relations</b>									
a) Government Affairs Council	28,840	26,500	2,340	484,368	521,997	(37,629)	(455,528)	(495,497)	39,969
b) Build-Pac	0	0	0	23,503	24,511	(1,009)	(23,503)	(24,511)	1,009
c) AGC - Federal Facilities	0	1,000	(1,000)	9,384	9,910	(526)	(9,384)	(8,910)	(474)
	28,840	27,500	1,340	517,254	556,418	(39,165)	(488,414)	(528,918)	40,505
<b>6. Industry Relations</b>									
a) Labor	1,150	0	1,150	406,575	391,771	14,804	(405,425)	(391,771)	(13,654)
b) Open Shop	0	0	0	19,383	19,469	(86)	(19,383)	(19,469)	86
	1,150	0	1,150	425,958	411,240	14,717	(424,808)	(411,240)	(13,567)
<b>7. Districts</b>									
a) Seattle District	76,275	69,200	7,075	276,969	295,108	(18,139)	(200,694)	(225,908)	25,214
b) Southern District	63,625	65,450	(1,825)	328,124	317,670	10,454	(264,499)	(252,220)	(12,279)
c) Northern District	2,550	0	2,550	81,299	131,756	(50,457)	(78,749)	(131,756)	53,007
d) Central WA District	19,027	19,650	(623)	168,486	165,725	2,762	(149,459)	(146,075)	(3,385)
	161,477	154,300	7,177	854,879	910,258	(55,379)	(693,401)	(755,958)	62,556
<b>Total Association</b>	<b>5,487,816</b>	<b>4,766,976</b>	<b>720,840</b>	<b>6,235,231</b>	<b>6,776,490</b>	<b>(541,259)</b>	<b>(747,415)</b>	<b>(2,009,514)</b>	<b>1,262,099</b>
<b>Total of Assoc. &amp; Prop</b>	<b>10,210,244</b>	<b>9,266,557</b>	<b>943,687</b>	<b>8,874,734</b>	<b>9,216,551</b>	<b>(341,817)</b>	<b>1,335,510</b>	<b>50,006</b>	<b>1,285,504</b>
Non-Operating Income (Loss)	(337,536)	24,000	(361,536)	10,462	12,000	(1,538)	(347,998)	12,000	(359,998)
<b>Grand Total</b>	<b>9,872,708</b>	<b>9,290,557</b>	<b>582,151</b>	<b>8,885,196</b>	<b>9,228,551</b>	<b>(343,355)</b>	<b>987,512</b>	<b>62,006</b>	<b>925,506</b>

**Associated General Contractors of Washington**  
**Unaudited Statement of Activities by Cost Center**  
**For the Month ending 12/31/2018**

**MTD**

	REVENUE			EXPENSES			REVENUE OVER EXPENSE		
	ACTUAL	BUDGET	VAR	ACTUAL	BUDGET	VAR	ACTUAL	BUDGET	VAR
<b>I. Building &amp; Properties:</b>									
a) Seattle Building	331,341	291,244	40,097	199,153	125,642	73,511	132,188	165,602	(33,414)
b) Seattle Marina	70,350	64,319	6,031	50,433	39,169	11,264	19,917	25,150	(5,233)
c) Fife Building	4,554	4,554	0	7,605	6,869	736	(3,051)	(2,314)	(736)
<b>Total Building &amp; Properties</b>	<b>406,245</b>	<b>360,117</b>	<b>46,127</b>	<b>257,191</b>	<b>171,680</b>	<b>85,511</b>	<b>149,054</b>	<b>188,438</b>	<b>(39,383)</b>
<b>II. Association:</b>									
<b>1. Financial Assets</b>	0	0	0	0	0	0	0	0	0
<b>2. Admin. &amp; Management</b>									
a) Board of Trustees	0	0	0	49,109	30,513	18,596	(49,109)	(30,513)	(18,596)
b) Technology	0	0	0	15,065	11,539	3,526	(15,065)	(11,539)	(3,526)
c) Administration	400	0	400	69,061	56,307	12,753	(68,661)	(56,307)	(12,353)
d) Accounting	0	0	0	38,936	30,502	8,433	(38,936)	(30,502)	(8,433)
	400	0	400	172,170	128,862	43,309	(171,770)	(128,862)	(42,909)
<b>3. Member Services</b>									
a) Communications	0	2,200	(2,200)	19,655	21,937	(2,282)	(19,655)	(19,737)	82
b) Meetings & Events	0	0	0	2,957	2,750	207	(2,957)	(2,750)	(207)
c) Special Events	0	0	0	5,779	5,189	590	(5,779)	(5,189)	(590)
d) Member Service	0	0	0	56,662	58,433	(1,771)	(56,662)	(58,433)	1,771
e) Construction Leadership Council	500	800	(300)	6,173	12,551	(6,377)	(5,673)	(11,751)	6,077
	500	3,000	(2,500)	91,227	100,860	(9,633)	(90,727)	(97,860)	7,133
<b>4. Education &amp; Training Service</b>									
a) Workforce Development	0	0	0	40,721	26,933	13,788	(40,721)	(26,933)	(13,788)
b) Safety	523	2,650	(2,127)	62,455	59,112	3,343	(61,932)	(56,462)	(5,470)
c) Group Retro	173,291	158,518	14,773	173,291	158,518	14,773	0	0	0
	173,814	161,168	12,646	276,466	244,562	31,904	(102,652)	(83,394)	(19,258)
<b>5. Government Relations</b>									
a) Government Affairs Council	0	0	0	64,298	55,257	9,040	(64,298)	(55,257)	(9,040)
b) Build-Pac	0	0	0	2,545	2,612	(67)	(2,545)	(2,612)	67
c) AGC - Federal Facilities	0	0	0	1,067	571	496	(1,067)	(571)	(496)
	0	0	0	67,910	58,441	9,469	(67,910)	(58,441)	(9,469)
<b>6. Industry Relations</b>									
a) Labor	0	0	0	38,511	34,902	3,608	(38,511)	(34,902)	(3,608)
b) Open Shop	0	0	0	2,205	2,076	130	(2,205)	(2,076)	(130)
	0	0	0	40,716	36,978	3,738	(40,716)	(36,978)	(3,738)
<b>7. Districts</b>									
a) Seattle District	1,740	2,300	(560)	27,750	34,696	(6,945)	(26,010)	(32,396)	6,385
b) Southern District	900	0	900	40,043	37,916	2,127	(39,143)	(37,916)	(1,227)
c) Northern District	500	0	500	10,929	16,696	(5,767)	(10,429)	(16,696)	6,267
d) Central WA District	0	0	0	23,749	18,480	5,269	(23,749)	(18,480)	(5,269)
	3,140	2,300	840	102,471	107,788	(5,317)	(99,331)	(105,488)	6,157
<b>Total Association</b>	<b>177,854</b>	<b>166,468</b>	<b>11,386</b>	<b>750,960</b>	<b>677,490</b>	<b>73,470</b>	<b>(573,106)</b>	<b>(511,022)</b>	<b>(62,084)</b>
<b>Total of Assoc. &amp; Prop</b>	<b>584,099</b>	<b>526,585</b>	<b>57,513</b>	<b>1,008,151</b>	<b>849,170</b>	<b>158,981</b>	<b>(424,052)</b>	<b>(322,585)</b>	<b>(101,467)</b>
Non-Operating Income (Loss)	(185,960)	2,000	(187,960)	3,325	0	3,325	(189,284)	2,000	(191,284)
<b>Grand Total</b>	<b>398,139</b>	<b>528,585</b>	<b>(130,447)</b>	<b>1,011,475</b>	<b>849,170</b>	<b>162,305</b>	<b>(613,336)</b>	<b>(320,585)</b>	<b>(292,752)</b>

**Associated General Contractors of Washington**  
**Statement of Operations**  
**CONSOLIDATED**  
**For the 12 Month(s) ending 12/31/2018**

	<b>DEC ACTUAL</b>	<b>DEC BUDGET</b>	<b>YTD ACTUAL</b>	<b>YTD BUDGET</b>	<b>YTD Variance</b>	<b>Annual BUDGET</b>	<b>Budget Remaining</b>
Retro Plan Income	173,291	158,518	2,945,643	2,352,216	593,427	2,352,216	(593,427)
Retro Exp Gross	(173,291)	(158,518)	(1,809,054)	(1,902,216)	93,162	(1,902,216)	(93,162)
Net Retro Income	0	0	1,136,589	450,000	686,589	450,000	(686,589)
Membership Dues	0	0	2,030,631	1,875,000	155,631	1,875,000	(155,631)
Program / Grant Revenue	2,355	7,100	206,508	231,795	(25,287)	231,795	25,287
Event Revenue	2,100	800	289,162	291,800	(2,638)	291,800	2,638
Building / Retail Rent	305,914	275,400	3,422,413	3,370,973	51,440	3,370,973	(51,440)
Other Rent Revenue	86,016	77,033	1,136,696	1,036,400	100,296	1,036,400	(100,296)
Other Revenue / CAM	14,315	7,684	162,677	92,208	70,469	92,208	(70,469)
Misc Income	108	50	16,514	16,165	349	16,165	(349)
<b>Total Revenue</b>	<b>410,808</b>	<b>368,067</b>	<b>8,401,190</b>	<b>7,364,341</b>	<b>1,036,849</b>	<b>7,364,341</b>	<b>(1,036,849)</b>
Salaries	396,023	357,797	2,475,294	2,440,758	34,537	2,440,758	(34,537)
Payroll Burden Taxes and Benefits	69,872	59,669	693,636	716,026	(22,390)	716,026	22,390
Auto Expense / Corporate Travel	3,424	2,979	31,193	37,658	(6,465)	37,658	6,465
Miscellaneous Meetings	7,353	5,213	94,861	127,320	(32,459)	127,320	32,459
Consultant Fees	19,669	1,969	231,008	176,005	55,003	176,005	(55,003)
Office Expense	5,045	7,344	75,737	80,418	(4,681)	80,418	4,681
Membership Dues/Donations	38,954	20,194	229,687	379,905	(150,218)	379,905	150,218
Rent	4,616	5,623	63,826	68,102	(4,276)	68,102	4,276
Technology Expense	8,463	5,638	77,407	82,584	(5,177)	82,584	5,177
Phone Expense	3,959	3,172	39,226	38,574	652	38,574	(652)
Program/Grant Expense	40,704	27,949	155,320	378,135	(222,815)	378,135	222,815
Membership Promotion	49,433	60,527	247,769	268,220	(20,451)	268,220	20,451
Event Expense	3,725	6,425	372,377	371,650	727	371,650	(727)
Insurance/Tax/Training	3,479	4,681	74,070	80,175	(6,105)	80,175	6,105
Building / Marina Expense	125,602	64,188	1,559,661	1,381,390	178,271	1,381,390	(178,271)
Leasing Comm. Amort.	4,803	4,903	47,769	58,836	(11,067)	58,836	11,067
Depreciation	49,737	52,382	596,838	628,579	(31,741)	628,579	31,741
<b>Total Expenses</b>	<b>834,860</b>	<b>690,652</b>	<b>7,065,680</b>	<b>7,314,335</b>	<b>(248,654)</b>	<b>7,314,335</b>	<b>248,654</b>
<b>Net Operating Income (Loss)</b>	<b>(424,052)</b>	<b>(322,585)</b>	<b>1,335,510</b>	<b>50,006</b>	<b>1,285,504</b>	<b>50,006</b>	<b>(1,285,504)</b>
LT Inv - Dividends/Interest	48,391	2,000	152,869	24,000	128,869	24,000	(128,869)
LT Inv - Net Gain (Loss)	(234,350)	0	(490,406)	0	(490,406)	0	490,406
Investment Consultant Fee	(3,325)	0	(10,462)	(12,000)	1,538	(12,000)	(1,538)
<b>Non-Operating Income (Loss)</b>	<b>(189,284)</b>	<b>2,000</b>	<b>(347,999)</b>	<b>12,000</b>	<b>(359,999)</b>	<b>12,000</b>	<b>359,999</b>
Gain / Loss on Disposal of Asset	0	0	0	0	0	0	0
<b>Grand Total</b>	<b>(613,336)</b>	<b>(320,585)</b>	<b>987,510</b>	<b>62,006</b>	<b>925,505</b>	<b>62,006</b>	<b>(925,505)</b>

TAB 2



**SUMMARY MINUTES  
AGC OF WASHINGTON  
BOARD OF TRUSTEES MEETING  
AGC CONFERENCE CENTER  
DECEMBER 10, 2018**

**BOARD MEMBERS PRESENT**

Frank Imhof IMCO General Construction, Inc.  
David Bal Signs Now Washington  
John Belarde Belarde Company, Inc.  
Krissy Dreher McKinstry Co.  
Curt Gimmestad Absher Construction Company  
Sean Hilt Turner Construction Company  
Chris Lang Fisher Construction Group  
Paul Mayo Flatiron West, Inc.  
Patrick McQueen Lease Crutcher Lewis WA LLC  
Ross Pouley RAP Consulting, LLC  
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

Sharon Young Concord Construction, Inc.

**BOARD MEMBERS ABSENT**

Jake Jacobson Osborne Construction Company  
Ian McFarland View Dynamic Glass - Resigned  
Shana Peschek Construction Center of Excellence

**STAFF/GUESTS PRESENT**

David D'Hondt AGC of Washington  
Tim Attebery AGC of Washington  
Kelly Barber AGC of Washington  
Lance Calloway AGC of Washington  
Greg Crisostomo AGC of Washington  
Sonja Forster AGC of Washington  
Dani Tijan AGC of Washington  
Jerry VanderWood AGC of Washington

**CALL TO ORDER**

President Frank Imhof called the meeting to order at 3:30 PM and called for self-introductions beginning with recently hired Northern District Manager, Lance Calloway.

**CONSENT AGENDA**

***Action: It was moved (Slattery), seconded (Belarde), and carried to accept / approve the following consent agenda items:***

1. *October financial statements;*
2. *November summary minutes;*
3. *December Membership Report (reflected below);*
4. *Central, Seattle, and Southern district written reports;*

**Re: December 10, 2018 Membership Report**

---

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

**NEW MEMBERS**

**ASSOCIATES**

**Northern District**

HWA Geosciences, Bothell, WA  
Pacific CM LLC, Everett, WA

**Seattle District**

Clise properties, Seattle, WA  
Lockton Company, Inc., Bellevue, WA

**Southern District**

Northern Environmental LLC, Tacoma, WA

**GENERAL CONTRACTORS**

**Central District**

N.A. Degerstrom, Inc., Spokane Valley, WA

**Seattle District**

HOC Contractors, Auburn, WA

**SPECIALTY CONTRACTOR**

**Seattle District**

Pipe Construction, Inc., Auburn, WA

**COMPANIES NOT RENEWING MEMBERSHIP**

**Associate**

Pegasus Global Holdings, Inc. – Central – No reason provided  
Milestone Worldwide – Seattle – found that construction industry doesn't have use for their services, applauded AGC on membership benefits and meetings/events

**General Contractors**

Compass General Construction I LLC – Seattle – joined ABC  
Compass Construction Management – Seattle – joined ABC  
Wiseman Utilities, Inc. – Southern – Business closing

**Specialty Contractors**

Atrium Shade Company LLC – Seattle – business closed  
Black Sheep Electric – Northern – dropped AGC Health Plan

**COMPANIES MOVING FROM SEATTLE DISTRICT TO NORTHERN DISTRICT (49)**

**Associates**

1029 Consulting, Inc.  
1st Security Bank  
DTG Enterprises, Inc.  
HWA GeoSciences  
Innovative Vacuum Services

Intuitive Safety Solutions, Inc.  
Lennon Crane & Equipment Co. Inc.  
QCC Quality Controls Corporation  
Water Tectonics, Inc.

**General Contractors**

Aecon Infrastructure Group  
Aldrich & Associates, Inc.  
Cobra Construction Company, Inc.  
Combined Construction, Inc.  
Franklin Pacific Construction Company  
Granite Construction Company

KLB Construction, Inc.  
Mietzner Home Builders, LLC  
Pacific Building Envelope  
PELLCO Construction, Inc.  
Western Ventures Construction, Inc.  
Wilcox Construction, Inc

**Specialty Contractors**

Black Sheep Electric  
Carmona Construction LLC  
Elcon Corporation  
Emerald Paving, Inc.  
Ewing Electric, Inc.  
Gale Contractor Services  
Goldfinch Bros., Inc.  
Goodnight Construction, Inc.  
Hawk Mechanical Contractors, Inc.  
J&J Hammer Construction, LLC dba Hammer Construction, LLC  
John-Wayne Construction Company  
K & D Services, Inc.  
Marshbank Construction Inc.  
Partition Systems, Inc.

Penny Lee Trucking, Inc.  
Petrochem Insulation, Inc.  
Powerco Drywall Systems dba Alliance Partition Systems  
Salinas Construction Inc.  
Signs Now Washington  
Skyline Communications  
SR Building Services  
Sterling Electrical Contractors  
Subsurface Construction  
True Contracting, LLC.  
Unity Electric  
University Mechanical Contractors, Inc.  
Wards' Masonry, Inc.  
Wrecking Ball Demolition, LLC

**ORAL REPORTS**

**CLC Update by CLC Board Rep. Krissy Dreher** – Krissy Dreher gave an updated CLC report. Dreher reported:

- Brad Neudorfer, Howard S. Wright replaces JB Gibson as the 2019 CLC Chair
- Planning 3 socials next year; goal is to increase the quality with fewer events
- Treehouse Toy Display Event, 11/30; good event
- Steering Committee Board has 4 new members

### President's Report –

Frank Imhof recognized the following outgoing Board members:

- Jake Jacobson, Immediate Past President
- Jim Rowley, 2015 – 2018 Trustee
- Glyn Slattery, 2014 – 2018 Trustee
- Sharon Young, 2014 – 2018 Trustee

He also reviewed the Nominating Committee Report, which is being mailed tomorrow. It lists the 2019 nominees slated for the positions of Officers and Board of Trustees. It was noted that the search for the Secretary / Treasurer position continues and will be filled by current Secretary / Treasurer Dawn Stephens until a permanent replacement is found.

Executive Vice President's Report – Dave D'Hondt gave updated reports on two upcoming legal issues:

- 1) Prevailing Wage – filing an injunction the week of December 15 on behalf of AGC of Washington and taxpayers in the State of Washington.
- 2) PLA's – filing an NLRB Complaint on December 21 for the 520 project (*confidential for now*).

### **INTERACTIVE DISCUSSION / ACTION**

Proposed 2019 Operating & Capital Budget Review – CFO Kelly Barber reviewed the proposed 2019 operating and capital budgets for the Board. Per Barber, there were no changes in the operating budget; he reviewed a couple additions to the capital budget.

***Action: It was moved (Lang), seconded (Stephens), and carried to approve the 2019 Operating & Capital Budgets as presented.***

Update on Disclaimer Language to AGC Subcontract Form – Trustee Lindsay Watkins (and Legal Affairs Committee member) stated that she reviewed the AGC disclaimer for our subcontract form and was of the opinion it could be strengthened.

***Action: Watkins to work on updating the current subcontract form disclaimer, which will be reviewed by the Legal Affairs Committee at their Jan. 10 meeting. Watkins will ensure a strengthened version is placed on the AGC's website.***

2019 Legislative Priorities – Chief Lobbyist Jerry VanderWood recommended approval of the following 2019 Legislative Priorities:

#### **AGC Will Work For:**

- Proposals to increase investments in capital construction, including the State Capital Budget, Public Works Trust Fund, Model Toxics Control Act (MTCA) and efforts to increase school construction funding such as reduction in the 60% threshold to approve school bond measures.
- Programs and opportunities that increase and improve the construction-industry workforce including funding for Career and Technical Education (CTE) programs in middle and high school and enhancements to STEM programs.
- Proposals that fairly allocate risk in construction contracts.
- Proposals that support fair and open access to public works construction contracts.
- Achievable efforts to increase the diversity of the industry.
- Reasonable and cost-effective measures to improve the carbon-output of buildings and construction processes.
- Workers' Compensation system improvements.
- Protection of the transportation funding priorities established in the 2015 revenue package and other efforts to enhance and maintain the state's transportation system.

- Rational and reasonable business regulation reforms.
- Rational and reasonable prevailing wage reforms.

**AGC Will Work Against:**

- Project Labor Agreements, Community Workforce Agreements and any similar requirements that are government mandated or government negotiated on public projects.
- Proposals that unreasonably increase taxes, business costs, or regulations.
- Proposals that divert funds from dedicated construction programs to other unrelated purposes.
- Any legislative proposals that seek to divert 18<sup>th</sup> amendment-protected revenues to other government programs.
- Public construction procurement methods which are not well vetted or do not have a consensus of support within the affected AGC contractor membership.
- Environmental proposals that impose unnecessary burdens on contractors which are not practical or are not economically and technically feasible.
- Detrimental land use laws which make development efforts unreasonably difficult or costly.

**Action: It was moved (Gimmestad), seconded and carried to approve the 2019 Legislative Priorities as presented.**

GAC Legislative Update – Chief Lobbyist Jerry VanderWood gave an updated GAC report, that included:

- 2019 session – will be a 90-day session
- 2019 session: House: 57 D, 41 R; Senate: 28 D, 21 R
- Senator Hobbs, Chairman of Senate Transportation Committee, and his draft \$10B transportation package. Sen. Hobbs discussed his idea with GAC; the draft proposal would fund major projects like the Columbia River Crossing Bridge and the Hwy. 2 trestle as well as WSDOT’s court-mandated culvert replacement responsibilities. It would also increase preservation and maintenance funding by \$1B. It would be funded by a 6-cent gas tax, a carbon tax and a variety of other fees. GAC was generally supportive and agreed to work with Sen. Hobbs to get his proposal to a final form prior to GAC taking an official position.
- Big issues next year include: a push for capital gains tax; environment including green building; employment law; rule-making continues; prevailing wage – fixing it as it stands now.

2018 Board Survey – Trustees were encouraged to complete the 2018 Board surveys and return them to Dani Tijan.

Announcements:

- 12/10 Seattle District Holiday Open House, 5-8 PM, Emerald Banquet Room, 2<sup>nd</sup> floor AGC Building
- 12/11 CLC Holiday Celebration, Local Public Eatery, 5 PM
- 12/13/18 Northern District Holiday Reception, Four Points by Sheraton, 5 PM
- 1/8 WSDOT Annual Meeting
- 2/1/19 AGC of Washington Annual Convention, Bellevue Hyatt Regency
- 2/15/19 Board of Trustees, 11 AM – 1:30 PM, AGC Conference Center

Annual Convention – The day’s events will begin with the GAC luncheon at 12 noon, followed at 1 pm by the Annual Membership Meeting (installation of officers and board of trustees). Followed by break-out sessions and dinner.

**ADJOURN**

There being no further business, the meeting adjourned at 4:15 PM.



TAB 3



**Date:** February 15, 2019  
**To:** AGC Board of Trustees  
**From:** Stacy Mullane, Chapter Events & Membership Director  
**Re:** **Membership Report**

---

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

### **NEW MEMBERS**

#### **ASSOCIATES**

##### **Northern District**

Morse Steel Service

Scott McCornack

3006 W. Illinois St., Bellingham, WA 98227

Phone: 360.756.6200

Email: smccornack@morsesteel.com

Specialty: Morse Steel distributes a full range of concrete reinforcing products. Products include: rebar, wire mesh, rebar couplers, terminators, concrete embeds, stud rails and post tension cable.

Reason for Joining: AGC staff referral

Stealth Monitoring

Sudesh Jangalee

2615 W. Casino Rd., Ste. 4i, Everett, WA 98204

Phone: 905.405.9898

Email: sjangalee@stealthmonitoring.com

Specialty: Stealth Monitoring, a privately held company with U.S. headquarters in Dallas, TX, and Canadian headquarters in Toronto, ON, is North America's leading provider of live video monitoring solutions. We specialize in proactive and intelligent video monitoring technology that can significantly improve threat detection and police response. (Construction division formerly known as UCIT Online Security)

Reason for Joining: Member referral

##### **Seattle District**

Aldridge

Chris Harrison

100 W. Harrison St., Ste. N-330, Seattle, WA 98119

Phone: 206.899.5050

Email: charrison@aldrige.com

Specialty: Aldridge is a technology management, consulting, and outsourcing company that specializes in providing best-fit IT and cloud computing solutions to midsize organizations and those small organizations that are growing.

Reason for Joining: Marketing/Networking opportunities

Crisp Imaging

Valerie Laird

3317 – 3<sup>rd</sup> Ave. S, Seattle, WA 98134

Phone: 206.309.9224

Email: vlaird@crispimg.com

Specialty: The largest independent print and imaging provider in the Western United States. 20 Offices (and growing) to serve our customers with traditional black and white documents to full color renderings, marketing collateral, interior graphics and construction site signage. Hyperlinked plans and specs, Onsite equipment services, and document management tools across the AEC Spectrum. Over 100 years of AEC industry experience enables us to better understand your construction business!

Reason for Joining: Vice President - formerly affiliated with AGC

Encore Group Northwest LLC DBA Encore Group

Paul Senecal

12400 SE 38<sup>th</sup> St., #50564, Bellevue, WA 98006

Phone: 800.991.7029

Email: psenecal@encgrp.com

Specialty: Critical Path Method Scheduling, Scheduling platform software training and support, Delay management and Forensic Analysis

Reason for Joining: Networking

Trans Lease

Jason Mitchell

1400 W. 62<sup>nd</sup> Ave., Denver, CO 80221

Phone: 877.600.6423

Email: jmitchell@transleaseinc.com

Specialty: Trans Lease, Inc. is a commercial, transportation finance company specializing in over-the-road and vocational equipment. We do business in all 50 states and Canada with the ability to provide competitive loan and lease options customized to fit our customer's needs.

Reason for Joining: Member referral

### **Southern District**

EXXEL SUPPLY COMPANY

Irene Reyes

2001 – 48<sup>th</sup> Ave. Ct. E, Ste. A, Fife, WA 98424

Phone: 253.896.1195

Email: glovelady@excelsupplycompany.com

Specialty: EXCEL is one of the leading minority and woman- owned suppliers for safety & industrial, medical and office & janitorial supplies in the Northwest since 1993. We offer a wide array of supplies to meet your price while exceeding your expectations.

With safety, efficiency and cost saving values, our team and our highly vetted suppliers are dedicated to the success of your project and business. We assure you of great quality and consistency of products within a wide selection

Reason for Joining: Small business opportunity to network with members

### **GENERAL CONTRACTORS**

#### **Northern District**

Redtail LLC

Diana Hutchings

8812 – 36<sup>th</sup> St. SE, Snohomish, WA 98290

Phone: 360.208.0234

Email: dhutchings@redtailco.com

Specialty: Excavation, demolition, underground utility Contractor.

Reason for Joining: AGC Health Plan

### **SPECIALTY CONTRACTORS**

#### **Northern District**

D&D Boring

Harmony Jelinek

7920 Thomle Rd., Stanwood, WA 98292

Phone: 360.830.5191

Email: danddboring@gmail.com

Specialty: Horizontal auger boring -12" -36" diameter (specialty sizes available upon request)

Reason for Joining: Safety services

#### **Southern District**

Palacios Painting Co

Evelia Guizar

4227 S. Meridian, Ste. C468, Puyallup, WA 98373

Phone: 253.241.0656

Email: palaciospaintingco@palpaint.com

Specialty: Painting – interior/exterior, residential and commercial.

Reason for Joining: Small business opportunity to network with members

### **COMPANIES MOVING DISTRICTS**

*The following companies have moved their offices:*

Andersen Structures – Southern to Seattle

Servco Pacific Insurance – Southern to Seattle

Signature Financial – Seattle to Northern

**COMPANIES NOT RENEWING MEMBERSHIP**

**Associate**

KPFF – Seattle – Sees no benefit in membership

TransWest – Seattle – Not in budget

**General Contractor**

Kiewit/General/Manson AJV – Seattle – Business closing

**Specialty Contractor**

Omega Riggers & Erectors INC. – Seattle – Business closing

## 2019 Net Member Comparison Report

	Dec-18	January	February*	March	April	May	June	July	August	September	October	November	December	Gain/Loss YTD	% from Dec #'s
<b>Northern District</b>															
Net Generals	30	30	31											1	103.3%
Net Specialty	47	47	48											1	102.1%
Net Assoc	23	23	26											3	113.0%
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>105</b>											<b>5</b>	<b>105.0%</b>
<b>Southern District</b>															
Net Generals	40	40	41											1	102.5%
Net Specialty	63	63	62											-1	98.4%
Net Assoc	58	58	58											0	100.0%
<b>TOTAL</b>	<b>161</b>	<b>161</b>	<b>161</b>											<b>0</b>	<b>100.0%</b>
<b>Central District</b>															
Net Generals	22	22	22											0	100.0%
Net Specialty	24	24	24											0	100.0%
Net Assoc	7	7	7											0	100.0%
<b>TOTAL</b>	<b>53</b>	<b>53</b>	<b>53</b>											<b>0</b>	<b>100.0%</b>
<b>Seattle District</b>															
Net Generals	85	85	84											-1	98.8%
Net Specialty	68	68	68											0	100.0%
Net Assoc	129	129	131											2	101.6%
<b>TOTAL</b>	<b>282</b>	<b>282</b>	<b>283</b>											<b>1</b>	<b>100.4%</b>
<b>All Districts</b>															
Net Generals	177	177	178											1	100.6%
Net Specialty	202	202	202											0	100.0%
Net Assoc	217	217	222											5	102.3%
<b>TOTAL</b>	<b>596</b>	<b>596</b>	<b>602</b>											<b>6</b>	<b>101.0%</b>
Net Educational Assoc.	0	0	0											0	100.0%
Net Young Constructor	9	9	9											0	100.0%
<b>TOTAL MEMBERS</b>	<b>605</b>	<b>605</b>	<b>611</b>											<b>6</b>	<b>101.0%</b>

\*February's numbers are dependant on approval of the membership report on February 15th by the AGC Board of Trustees.

TAB 4



**DATE:** February 15, 2019

**TO:** AGC Board of Trustees

**FROM:** David Kearby, Central District Manager

**SUBJECT:** CENTRAL DISTRICT REPORT

**Introduction / Summary:**

The Central District finished 2018 with two Holiday Socials in Yakima and Wenatchee. The Yakima social was well attended including by our elected officials in the 14<sup>th</sup> and 15<sup>th</sup> districts. The Wenatchee social was also very well attended including Sen. Hawkins from the 12<sup>th</sup> district.

For 2019 the Central District Representatives are as follows: Tanya Davis of Western Ranch Building in Wenatchee has been named District Representative to the Board. Hank Stamschor, Mountain States Construction, will continue as the Government Affairs Representative in the Yakima area and Brian Parsons, Pipkin Construction, in the Wenatchee area. Matt Poppoff, Poppoff Inc, will serve as our District Safety Representative. Again, a big thank-you from the Central District to Sharon Young, Concord Construction, for her service as Central District Rep. for the last four years.

In February we are scheduled to hold several safety and certification classes in Yakima and Wenatchee, including rolling out the Foreman Training Program for Feb./March. In March we will look to hold a quarterly Contractor social event. In the past these have been used to encourage more participation among members as well as a recruitment tool. While we have held these as dinners with a speaker topic, we may look to make it more of a casual networking social event.

Membership endeavors include active conversations with several prospects with the help of some key AGC members. We will also begin our RETRO marketing push. We continue to keep an eye on member renewals as they continue arriving.

**Upcoming District Events:**

- Wenatchee & Yakima Safety Forum – February 19 & 20
- Rigging & Signaling – February 28
- Quarterly Contractor Dinner – March 19
- Foreman Training Program – Feb/March TBD

**Prospective Contacts:**

- Scout Lake Construction
- Pendleton Excavating
- Kinter Electric
- F&M Construction
- Kolmar
- Stephens & Sons

**Date:** January 31, 2019  
**To:** AGC Board of Trustees  
**From:** Lance Calloway, AGC Northern District Manager  
**Re:** February Northern District Board Report

---

My first couple of months with AGC of Washington has been a great experience all the way around, from the AGC staff sharing their experience and knowledge with me to our members opening their schedules to sit down and discuss with me their firms and what benefits AGC of WA provides them. I have quickly learned in short order, how well respected AGC of WA is, not only by their member firms, but throughout the business community, as I have often heard AGC of Washington is about working to create a fair and positive business and political climate.

***Membership:***

- The Northern District has been revamped as the Snohomish County member firms have been transferred from the Seattle District, which has resulted in taking the Northern District from 54 firms to 105-member firms. I have been able to get out and meet individually with 56-member firms by the end of January. It has been great, as I have been able to learn about each firm, hear what benefits are most important to them and discuss what they would like to see from AGC going forward.
- There have been seven new firms who have joined AGC of WA Northern District:

Bellingham Marine Inc. (Specialty)	Full Service Electric (Specialty)
Redtail Construction (Specialty)	D & D Boring (Specialty)
Stealth Monitoring (Associate)	Morse Steel Service (Associate)
GeoTest Services Inc. (Associate)	

One firm has declined in renewing its membership: Mietzner Home Builders, LLC

***Advocacy:***

- Frank Imhof and I had a productive meeting with Whatcom County Council Chair, Rud Browne, regarding apprenticeship requirements related to Whatcom County projects potentially being implemented. We were able to shed insight with Councilman Browne that there are open shop options to apprenticeship as well as discussed AGC's position in supporting apprenticeship in creating the opportunities to get more people into construction trades.
- Participated in meetings with Sonja Forster and Snohomish Councilman Nate Nehring regarding legislative support and clarification from AGC for a HB 1418, sponsored by Rep. Sells for Regional Apprenticeship Pathways (RAP) Program. This is to establish funding for a pre-apprenticeship program at Marysville-Pilchuck HS for both high school age and young adults as pathways for apprenticeship.



### **Events and Programs:**

- As we look forward to best serving our members in the district, we will be hosting events and classes in both Bellingham and Everett, similar to what is done in the Central District with Yakima and Wenatchee. In talking with the AGC Education Foundation, we also are looking to host more classes in the Marysville area at CITC as it is available to use. Many of the member firms we've spoken with have suggested they would have more staff register for AGC educational programs with reduced travel required.
- The Northern District December safety lunch had a good turnout with over 25 in attendance. This was a great opportunity for me to meet and introduce myself to the safety community.
- The Holiday Reception was in mid-December, and we had a respectful turnout. It was great that Jake Jacobson, Frank Imhof and David D'Hondt were there to celebrate the holidays.
- I have already begun the planning of the AIA/AGC Golf Tournament with Jason Williard, from RMC Architects. The District will partner with the AIA again this year on August 29<sup>th</sup> at Avalon Golf Links in Skagit County. The proceeds from the tournament are split with the AIA and go to support student scholarships.
- In January we held the first Power Breakfast, a presentation on the *Washington Paid Family Medical Leave Act* from Richard Davis with Chmelik, Sitken, & Davis PLLC. In February our second Bellingham Power Breakfast will be *Retirement Planning for Your Employees* seminar hosted by Waddell & Reed.
- We have scheduled the Bellingham Northern District Membership meetings for February, May, Sept and November.
- Hosting a Snohomish Membership social event Wednesday, February 20<sup>th</sup>, at the Everett Shawn O'Donnell's from 5-7pm. We will present the direction in which AGC looks to maximize the benefits of the Snohomish Members AGC of Washington membership. We will be seeking input and discussing what structure best serves the Snohomish members and what they look to get out of the Quarterly Membership meetings and events. Following this we will look to establish the Quarterly Membership meetings for the remainder of 2019.
- There were STP/FTP and CPR classes held.

**Date:** February 2019  
**To:** AGC Board of Trustees  
**From:** Ross Pouley, RAP Consulting; District Representative to the Board  
**Subject:** **SEATTLE DISTRICT REPORT**

## **ACTIVITIES AND EVENTS**

### **January Seattle District Breakfast - Seattle Schools BEX V Levy and Projects**

We were pleased to have Richard Best from Seattle Public Schools attend to talk with our members about the upcoming BEX V Capital Levy and related projects. This was the first meeting back in the AGC building after a year hiatus, and first opportunity to use the newly remodeled banquet room on the building's second floor. The turnout was almost at room capacity and post event survey gave us these suggestions:

- Make adjustments to allow for more networking space prior to the breakfast
- Adjust blinds and position of podium to avoid sun glare
- Future topics: higher-ed or healthcare

### **Programs & Events Committee and Seattle District Quarterly Social: February 5**

The Programs and Events committee has successfully scheduled programs for five of the seven monthly breakfasts in 2019. Still to be finalized are the April Program slated to cover workforce inclusion and diversity, and what role the Port of Seattle will play in programming in October.

Due to weather, our first quarter social is TBD.

## **LOCAL GOVERNMENT AFFAIRS**

**City of Seattle SDOT Monthly Meetings:** We have completed our first 3 monthly SDOT meetings. The areas we see the greatest number of mutually beneficial changes which can be made are:

- Improving execution of contract and notice to proceed timelines
- The use of alternate delivery and on-site design to improve coordination delays on some projects.
- Considerations for the complexity added by Community Workforce Agreements.

### **Priority Hire Update:**

The newly appointed City of Seattle Priority Hire Advisory Committee has had one meeting, and plans another for this month. Due to infrequent meetings, there are no substantial changes being considered at this time. Over the last two months, the City has commissioned a focus group study on CWA impacts on WMBE firms. Women owned businesses, Minority owned businesses, and General Contractors were all part of the survey project, and AGC assisted by providing GC contacts and meeting space for the GC focus group. The City has agreed to provide AGC with transcripts of the meeting and will likely release their report on CWA impacts later this month. We are hopeful the feedback gathered from this project will be helpful in advocating for contractors on the advisory committees in Seattle and King County.

The King County Priority Hire Advisory Committee has met twice and has an accelerated timeline to deliver CWA recommendations to King County Council by April. We are advocating for CWA provisions which will create less risk for contractors, and more effectiveness in providing traditionally under-represented workers access to King County projects.

## **Seattle Public Schools**

Over the last 12 months, Seattle Public Schools has been seeking feedback from AGC as it considers implementing community workforce agreements on Seattle School capital projects. AGC advocated strongly against the use of CWA's in school construction through conversations with school board members, BEX citizen oversight committee members, and public school staff. Shortly after informing Seattle Schools of our NLRB action on the WSDOT 520 Montlake project, we received word Seattle Schools will not be considering CWA's presently.

## **University of Washington**

The UW has also been under a lot of pressure to begin imposing CWA's on their projects, and AGC has been advocating for effective alternative methods of reaching community workforce goals. We have not received word there has been further movement towards CWA's at this time.

## **2019 Elections**

The Local Government Affairs Committee will be meeting the last week of February to discuss local issues, candidates and candidate endorsement process. An update will be provided in the next board report.

## **MEMBERSHIP:**

### **New Member Orientation, now available**

Thanks to Programs and Events Committee volunteers, we now are providing another opportunity for new members. Orientations will take place at the AGC Seattle offices and include peer-to-peer delivery of AGC membership best practices (how to get the most out of your membership) and a tour of the AGC office, building, and conference center. Orientations are open to new and existing members and will be held at 9 am directly after each Seattle District Breakfast. Special thanks to member Brian Kunkel who has stepped up to cover these meetings as our 2019 New Member Outreach Chair. Special thanks also to the Diversity Committee who will outreach to our DBE firms and encourage them to attend.

New members: Blaklader LLC, Clise Properties, Aldridge, Acrow Bridge, Crisp Imaging, Wallick & Volk, ACCO Engineered Systems, Inc., Mallet Incorporated, AppSheet, Smith Monroe Gray Engineers, Inc., Lockton Company, Inc., Encore Group Northwest LLC DBA Encore Group, Aries Building Systems, Full Service Electric, LLC, Hermanson Company, LLP.

**Date:** January 31, 2019  
**To:** AGC Board of Trustees  
**From:** Tim Attebery, Southern District Manager  
**Re:** Southern District Board Report

-The Tacoma, Puyallup, Auburn and Federal Way School Districts were represented at our February dinner meeting to provide insights on projects they have bidding in the near future. Members learned more about what these school districts are planning in the way of construction. We also gave a special thanks to Jeff Tiegs from Lincoln Construction for his two years of service as Southern District "Prez."

-Korsmo Construction's Greg Primm has agreed to serve as Southern District "Prez" in 2019 and 2020. Greg is a graduate of Washington State University and currently serves as President at Korsmo.

-The City of Tacoma has decided to put together an 18-person stakeholder task force that is charged with sending recommendations on a Community Workforce Agreement (CWA) to the City Council. The panel will finish its work in late March. For those who don't know, a CWA is often very similar to a Project Labor Agreement (PLA). The AGC Board has taken a position of being against government-mandated PLAs. So far, the task force has received presentations from the City of Seattle, a company that provides disparity studies and City of Tacoma staff. Debate from the 18-member task force has been intense. The AGC has taken a minority contractor to meet with the Mayor of Tacoma on this topic and will again as the issue matures.

-The Southern District Christmas Party in December was well attended and members enjoyed themselves. This was the 73<sup>rd</sup> annual Southern District Christmas Party.

-The Pierce County Construction Career Day was held in late 2018. The event had 90 exhibitors, over 2,000 local high school students from 6 counties, 58 volunteers, sponsorships of over 40k; the AGC serves on the organizing committee for the event. It was the 10<sup>th</sup> annual event.

-In January "Fast Eddie" Zawislak passed away. "Fast Eddie" had been a longtime member of AGC, served on the Southern District Golf Committee for many years and regularly attended our dinner meetings. "Fast" will be missed and a celebration of life event occurred on February 9<sup>th</sup>. The event was well attended by AGC members.

-Coalition meetings with the Pierce County Executive and his department heads continue. The Coalition contains AGC, the Master Builders and the Realtors.