

AGC of Alaska NEWSLETTER



August 2019

AGC Sporting Clays Shoot

FRIDAY, August 23, Birchwood Recreation & Shooting Park

Registration: 9:30 am | Shotgun Start: 10:00 am



Current Sponsors Include
Shoreside Petroleum, Inc.

Crowley

Grazzini Brothers & Company

Cornerstone Advisors Inc.

Granite Construction Company

North Star Equipment Services

Northern Air Cargo

Swalling General Contractors, LLC

[Click here for more Information, to SPONSOR or to REGISTER as a Team or Individual!](#)



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Special points of interest

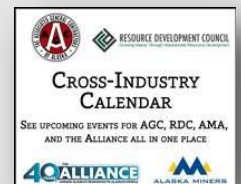
- [Click here](#) to check out the AGC Online Calendar for updated information on Events & Training.



AGC Fairbanks Golf Tournament

A BIG THANKS to all the golfers, sponsors, companies and individuals who donated door prizes, and our volunteers who made this year's tournament such a success!

[Click here](#) to check out the list of winners and photos from the Tournament!



70th Anniversary Cruise



WRITE THE NEXT GREAT CHAPTER IN YOUR LIFE STORY

Explore the world with Holland America Line
Cruise in classic style to more than 400 destinations in the comfort of a well-appointed, mid-sized ship. Encounter fascinating lands and cultures. And make lasting memories on a Holland America Line cruise.
Book now for the best savings.

Date	Port	Arrive	Depart
Oct 13	San Diego		5:00pm
Oct 14	At Sea		
Oct 15	Cabo San Lucas	10:00am	6:00pm
Oct 16	Mazatlan	8:00am	5:00pm
Oct 17	Puerto Vallarta	8:00am	9:00pm
Oct 18	At Sea		
Oct 19	At Sea		
Oct 20	San Diego	7:00am	



7-DAY MEXICAN RIVIERA	
Oct 13, 2019	FARES FROM*
Cabin/Room	
Interior Stateroom	us\$699
Ocean-View Stateroom	us\$799
Verandah Stateroom	us\$999
Suites	us\$1,499

To reserve your space, contact:

Brandi Johnson
450 3RD Ave W, Seattle, WA 98119
phone: 1-800-355-3017 - 29347
email: bjohnson@hollandamerica.com
website: www.hollandamerica.com

Each Guest Receives a Complimentary Dinner in the Pinnacle Grill

This year AGC is celebrating 70 years of Building Alaska. In celebration, this October join AGC of Alaska President Cuauhtémoc "Rod" Rodriguez on a 7-Day Mexican Riviera Cruise.



*Fares are based on Premier/NO, SP, NV, GF, GJ. Featured fares are per person based on double occupancy, cruise or Land/Sea journeys only. Fares may vary by departure date. Fares are in US dollars. All savings amounts are included in the fares shown. Taxes, Fees & Port Expenses are an additional cost and subject to change. Subject to availability. Represented best fares unless prices available on DUTY/FIS. For more information about our stateroom categories and suite descriptions, to view deck plans and for full terms and conditions applicable to your cruise, please refer to hollandamerica.com or the appropriate Holland America brochure. Offers are capacity controlled, and may be modified or withdrawn without prior notice. Other restrictions may apply. Ship: Regatta The Netherlands.



The Safety Committee would like to say a BIG Thank You to all the attendees, volunteers, & committee members who came to last night's AGC Safety Fair at the Davis Constructors & Engineers Parking Lot. We had an amazing crowd, good weather, and some great booths stocked with fun activities and safety information. We very much appreciate your support and look forward to seeing you next year!

Our Sponsors & Supports included.

- DAVIS CONSTRUCTORS & ENGINEERS, SWALLING GENERAL CONTRACTORS, ALASKA INDUSTRIAL HARDWARE (AIH), ENSTAR NATURAL GAS, AKOSH, CONOCOPHILLIPS ALASKA, GRANITE CONSTRUCTION CO., ASRC CONSTRUCTION HOLDING CO., YUKON EQUIPMENT INC., GRAY SERVICES, LLC, 3M, ALASKA RAILROAD, SOUTHERN REGION EMS COUNCIL, LITTLE GIANT LADDER SYSTEM, FRONTIER SAFETY & SUPPLY, ALASKA SAFETY, LEARN TO RETURN / LTR, BROKEN TOOTH BREWING, BEACH TRIBE BOATWORKS, ALASKA HEARING & TINNITUS CENTER, NATIONAL CRISIS RESPONSE CANINES

Legislative Update

Great news-- the Alaska State Legislature has passed a capital budget! They did so on Monday, July 29th. One large reason that this bill, SB 2002, took so long to get passed was because it is funded by the Constitutional Budget Reserve (CBR) Fund. The CBR is considered a savings account, but it has been accessed to help pay for government for the last few years. In 2015, we had \$10 billion in the CBR, and as of June 30, 2019 we have \$1.83 billion left. Because of this, some legislators were hesitant to continue to spend it down farther. SB2002 also included some items (in addition to the capital budget) that were unpopular with several legislators. That hesitancy created a delay in its passage because in order to withdraw money from the CBR, the bill must receive ¾ votes of the full legislature (30 votes in the House and 15 in the Senate). The Senate passed the capital budget on July 22, however the House had to do a little more work to get their ¾ vote. The House needed 30 votes and failed to get them twice. It came down to their third and final chance to get the bill passed and they finally had the required votes. SB 2002 passed the House 31 – 7 on July 29th. The capital budget is now being transmitted to the Governor's Desk. According to a statement released by the Governor on July 29th, he intends to sign SB 2002.

A huge thank you is owed to all AGC members who contacted their legislators and their friends to help get this bill passed in a timely manner. This was not an easy or ideal situation for a capital budget, but we made it to the finish line.

Thank you for your support and commitment to getting this bill passed. Alaskans, contractors, employees, suppliers, and more, all appreciate the work you put in. ~~ Alicia Siira, Executive Director

Upcoming AGC News & Training

Join the USACE for an upcoming RMS 3.0 Training **Friday, August 9th from 8:00 am to 5:00 pm**



"Working with the U.S Army Corps of Engineers on a construction project requiring RMS 3.0? Having trouble with RMS 3.0 or wanting to shorten the learning curve or simply wanting to maximize the capabilities of RMS 3.0? Come join the USACE subject matter expert in RMS 3.0 training. Each session will provide an opportunity to learn a different module in RMS and allow participants to ask questions to more efficiently use this comprehensive system.

Who Should Attend this Course? Contractor personnel directly involved with daily quality control, reports, submittals, correspondence, pay requests on a USACE construction contract." [Click here to RSVP for this FREE training!](#)

Survey on Building Energy Improvements and Financing



On behalf of the Alaska Energy Authority, McDowell Group is gathering opinions from commercial building owners in Alaska regarding building energy improvements and financing. A new program to assist building owners in financing energy-saving upgrades is currently in development by several of the state's municipalities/boroughs. Known as Commercial Property Assessed Clean Energy or C-PACE, the financing option was authorized by the Alaska State Legislature in 2017.

Your input will inform the state's understanding of energy issues in your region and contribute to C-PACE program development and feasibility analysis. Click [HERE](#) to take the survey!

Member Highlight: Quarterly Volume Dues

AGC would like to publicly thank our Specialty and General Contractor members who have already submitted payment for their Quarterly Volume Dues! Quarterly Volume Dues help AGC provide the essential services and benefits that make membership valuable to our entire member base: Through the payment of QVDs, AGC is able to:

- Advocate on behalf of the industry
- Host networking events where members can foster business-to-business relationships and lasting industry connections
- Provide a cooperative 401k and Healthcare plan that our members can extend to their own employees
- Provide in-house construction educational trainings

...and so much more! If you have not yet seen your Quarterly Volume Dues statement in the mail, please be on the lookout. We appreciate your patience and understanding with our delay in getting the forms out, and your continued support and dedication to the advancement of the industry.

New Buy American Act Executive Order Ups the Ante on Domestic Preferences – What Construction Contractors Should Know

As anticipated, the Trump Administration has continued to build on its emphasis for domestic preference requirements on projects that are subject to the Buy American Act – both for projects that are directly funded by the federal government, or pursuant to the Administration’s January 31, 2019 Executive Order, “Strengthening Buy American Preferences for Infrastructure Projects,” potentially also to projects that are indirectly funded by the government. The Administration’s latest efforts in this area have come in the form of a July 15, 2019 Executive Order, “Maximizing Use of American-Made, Goods, Products, and Materials.” While this most recent Executive Order on this subject contains a number of proposed changes, which will need to be implemented through regulations, it proposes two changes that may have significant ramifications for the construction industry. This alert summarizes the key considerations for construction contractors.

First, in order for steel and iron manufactured products to be considered domestic end products, the Executive Order proposes to increase domestic content from 51% to 95% for such a product to qualify. The Executive Order is unclear as to whether the proposed change would apply to domestic construction materials, but should it, the change could have a material impact on supply chain and other business issues for construction contractors involved in civilian agency construction projects. However, if the product in question meets the definition of a commercially available off the shelf (“COTS”) item, the Executive Order will not affect those products as COTS items are exempted by the Federal Acquisition Regulation (“FAR”) from domestic content requirements.

Second, the Executive Order proposes to increase the price penalty levied against foreign end products from 6% to 20% in unrestricted procurements and from 12% to 30% in small business competitions. The price penalty is used by civilian agencies to determine whether sourcing a domestic end product would pose an “unreasonable cost” as compared to a foreign end product. If the price of a domestic end product is higher than its foreign end product counterpart, the agency can implement an exception to the Buy American Act’s general mandate that domestic materials shall be used unless their cost is determined to be unreasonable. For example, if a domestic end product costs \$10,000, but a foreign end product costs \$9,000, a civilian agency in connection with an unrestricted competition would currently apply a 6% price penalty to the foreign end product for evaluation purposes to arrive at an evaluated price of \$9,540. As the evaluated price of the foreign end product, even as penalized, would still be less than the price for a domestic end product, the agency could seek an exception to the statute under the unreasonable cost exception. However, under the changes proposed by the Executive Order, the application of a 20% price penalty would result in an evaluated price of the foreign end product of \$10,800, which would be higher than the \$10,000 price for the domestic end product, thus changing the foregoing calculus by now demonstrating that the domestic end product no longer poses an unreasonable cost. Accordingly, should the proposed penalty percentage increases go through, the changes are expected to erode civilian agencies’ ability to use the unreasonable cost exception to the Buy American Act – a change that could also impact supply chain, pricing and other strategic or even tactical decisions by contractors. The Executive Order’s proposed increases on price penalties, however, do not affect DoD procurements because DoD already implements a much higher 50% price penalty.

As noted, the Executive Order only proposes changes, and it will be up to the FAR Council to determine what and how to implement any of these proposals. The FAR Council has up to 180 days to consider these issues, so we will be watching for activity on that front for further and more concrete developments on this important area.

~~ By David Y. Yang, Oles Morrison Rinker & Baker LLP

Member News

McDonald Freight Terminal



Saltchuk recently recognized Harry & John McDonald, by renaming the Anchorage Carlile Freight Terminal to the McDonald Freight Terminal. The two brothers, now retiring, started the company 39 years ago with two tractors and years of experience. Carlile joined the Salkchuk family in 2013.



STAN SMITH MEMORIAL FISHING TOURNAMENT

This annual event serves as a fundraiser for the non-profit Smith Memorial Foundation to continue promoting Stan's values and vision for the construction industry in Alaska. The foundation is operated by volunteers. The net donations (after covering event expenses) are used to support aspects of the AGC Apprenticeship Training Program. Silent Auction donations are welcome, as well as bottles of alcohol for the Mystery Wall Game. [Click here for full details and registration information.](#) If you have questions, please email Galena Fechik at galenafechik@aksupply.net.



ChemTrack Alaska Honored!

ChemTrack Alaska has been honored as the U.S. Senate Small Business of the Week! Congratulations to AGC Board Member Carrie Jokiell and the entire ChemTrack team for the great work they do finding creative environmental engineering solutions to our state's many varied projects. See a message from Senator Sullivan here: <https://twitter.com/SenDanSullivan/status/1154835815756963841?s=20>

ANNIVERSARIES

GENERALS

UNIT COMPANY - 42
COLASKA, INC. - 36
HARMON CONSTRUCTION, INC. - 19
OREGON CASCADE BUILDING MATERIALS - 17
ALASKA FRONTIER CONSTRUCTORS, INC. - 14
AK CONSTRUCTORS LLC - 13
STG, INC. - 11
VALLEY GENERAL ENERGY SERVICES, LLC - 1

SPECIALTY

COMMERCIAL CONTRACTORS, INC. - 55
DENALI FENCEWORKS, LLC - 35
GUNDERSEN PAINTING, INC. - 33
J G C, INC. - 23
O. I. T., INC. - 18
GRAZZINI BROTHERS & COMPANY - 13
ACCESSIBLE HOMES, INC. - 5
DENALI CONCRETE, INC. - 4
CARPENTER CONTRACTING, INC. - 4
NORTHERN DAME CONSTRUCTION, INC. - 2
PIONEER PEAK ASPHALT SERVICES, LLC - 2
BOLINDER EXCAVATING, LLC - 1
CIS ALASKA - 1

ASSOCIATES

ANCHORAGE SAND & GRAVEL CO., INC. - 70
WALSH, KELLIHER & SHARP, A.P.C. - 28
CLIFTONLARSONALLEN, LLP. - 19
ALASKA USA FEDERAL CREDIT UNION - 15
BUSINESS INSURANCE ASSOCIATES, INC. - 12
LEMAY ENGINEERING & CONSULTING, INC. - 10
NORTHERN CONSTRUCTION AND
MAINTENANCE, LLC - 10
SERVICE BUSINESS PRINTING - 10
HUTCHINGS AUTO GROUP, LLC - 5
DELTA INDUSTRIAL SERVICES, INC. - 5
SITNASUAK CONSTRUCTION SERVICES - 5
SPECIALIZED TRANSPORT & RIGGING, LLC
DBA STR ALASKA, LLC - 4
KELLER SUPPLY COMPANY - 3
GREATLAND CONCRETE PUMPING - 2
KINNEY ENGINEERING, LLC - 2

NEW MEMBERS

ASSOCIATE

PeopleReady Skilled Trades

Creighton Carrow, Business Manager
5140 Business Center Drive
Fairfield, CA 94534
(907) 308-3270
ccarrow@peopleready.com
<https://www.peopleready.com>
Skilled Trades

McCool Carlson Green

421 W First Ave., Ste. 300
(907) 563-8474
John Weir, President/CEO + Principal
Architect, jweir@mcgalaska.com
Scott Brodt, VP + Principal Architect,
sbrodt@mcgalaska.com
<https://mcgalaska.com>
*Professional design services supporting
construction (Architect)*



New AGC Member Orientation

Have you recently joined AGC of Alaska? Have you experienced employee turnover and want to get your new hires involved with AGC? Are you a long-standing member who needs a refresher on all the ways AGC of Alaska has been working for your business? Join us on August 8th at the AGC Anchorage office to learn about what AGC has to offer and how to make the most of your membership. Click here to [RSVP](#).