Vocational Education
Build Up!
A Classroom Experience
We Have the People and the Tools to Solve Alaska’s Most Difficult Transportation Challenges.

Alaska West Express, one of the Lynden family of companies, is recognized for dependable transportation, even in harsh climates. Utilizing our fleet of flatbeds, vans, stretch, lowboy, single- and double-drop trailers, we serve the oilfield, mining and construction industries. Our drivers safely deliver heavy equipment, mining supplies, oil well drilling materials and production compounds.

You can depend on the Lynden family of companies to meet your transportation needs with truckload, less-than-truckload (LTL) highway connections, scheduled and charter barges, rail barges, intermodal bulk chemical hauls, scheduled and chartered air freighters, domestic and international air forwarding, customs brokerage and international ocean forwarding services.

www.lynden.com

The Lynden Family of Companies
Innovative Multi-Modal Transportation Solutions
been there, dug that . . .
with a reliable rental machine
from N C Machinery Co.
Cat Quality, Cat Reliability, Cat Power!

LARGE EQUIPMENT RENTALS
Wheel Loaders
Off-Highway Trucks • Excavators
Track-Type Tractors
Articulated Dump Trucks
Graders • Other Equipment

Call Us Today • 800-478-7000 in AK

N C MACHINERY CO.
www.ncmachinery.com
## CONTENTS

### July 2001

<table>
<thead>
<tr>
<th>Pages</th>
<th>Departments</th>
<th>Features</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>News Briefs</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>President’s Message</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Executive Director’s Message</td>
<td></td>
</tr>
<tr>
<td>37</td>
<td>Safety Report</td>
<td></td>
</tr>
<tr>
<td>40</td>
<td>Excellence in Construction</td>
<td></td>
</tr>
<tr>
<td>42</td>
<td>Excellence in Construction</td>
<td></td>
</tr>
<tr>
<td>43</td>
<td>Drugs &amp; Alcohol in the Workplace</td>
<td></td>
</tr>
<tr>
<td>44</td>
<td>Contractors and the Law</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Vocational Education</td>
<td>The AGC is recruiting 5th graders for the future work force.</td>
</tr>
<tr>
<td>19</td>
<td>Build Up! A Classroom Experience</td>
<td>Dale Nelson reports on his presentation at an elementary school.</td>
</tr>
<tr>
<td>23</td>
<td>Fairbanks Sand and Gravel</td>
<td>Clark Ricks Member Profile: Making high-quality concrete in the interior.</td>
</tr>
<tr>
<td>27</td>
<td>The Bassett Bid</td>
<td>Another construction season is lost squabbling over the Army hospital.</td>
</tr>
<tr>
<td>31</td>
<td>AGCA Legislative Accomplishments</td>
<td>Summary of events in Juneau that affect our construction industry.</td>
</tr>
<tr>
<td>32</td>
<td>Holaday-Parks</td>
<td>Clark Ricks Member Profile: Heating Alaska since before statehood.</td>
</tr>
<tr>
<td>41</td>
<td>Birkholz Construction</td>
<td>Clark Ricks Member Profile: Fairbanks builders with a reputation for quality.</td>
</tr>
</tbody>
</table>
1. Pilot Station Replacement School; Neeser Construction; $11.2 million.

2. Kotlik Replacement School; SKW Eskimos, Inc.; $13.5 million.

3. Egegik Airport Improvements; SW AK Cont/BC Sand & Gravel JV; $4.9 million.


5. Point Hope Water/Sewer Above Ground Service Connect; Ukpik Mechanical; $2.1 million.

6. Kipnuk Airport Relocation Phase 1; Bering Pacific; $3.8 million.

7. King Cove Bridge Replacement/Access Rd.; West Construction Co.; $3.1 million.

8. King Cove Medical Clinic; SKW Eskimos, Inc.; $2.8 million.


10. Kaktovik Health Clinic Upgrade; Kaktovik Constructors; $2.5 million.

6. Anchorage ARRC AIA Rail Station; Unit Company; $17.6 million.

2. Anchorage Dimond High Replacement School; Alacan General, Inc.; $45.6 million.

3. Kodiak Aviation Hill Housing; Chenega Management LLC; $5.2 million.


5. Kenai Airport ARFF/SREB Facility; G&S Construction; $3.7 million.

6. Cordova High School Rennovations Phase II; Wolverine Supply; $2.9 million.

7. Houston High School Construction Re-bid; Wolverine Supply; $13.7 million.

8. Parks Highway MP 57-67; QAP; $18 million.

9. Kodiak High School Roof Replacement; Clarion Company; $2.3 million.

10. Palmer/Wasilla Highway Extension; Chenega Management LLC; $6.6 million.

11. Anchorage East High Site Upgrade; Janssen Contracting Co., Inc.; $8 million.

11. Wainwright Health Clinic Upgrade; Aglaq/CONAM JV; $2.4 million.
1. Dalton Highway MP 111 to 144 Rehabilitation; Kiewit Pacific Co.; $13.5 million.

2. Richardson Highway MP 115 0 129 Rehabilitation; Quality Asphalt Paving Co.; $4.7 million.

3. UAF Physical Plant Code Correct/Renewal; GBC, Inc.; $2.3 million.

4. Fairbanks Police Station; GBC, Inc.; $6.9 million.

5. Taylor Highway MP 44 to 64; Southeast Road Builders, Inc.; $3.5 million.

6. Fairbanks Block 39 Transportation Center; Kiewit Pacific Co.; $6.5 million.

7. Nikolai Airport Reconstruction; LSH Contractors; $3.1 million.

8. Fairbanks FIA Maintenance Facility; Ghemm Co.; $4 million.

9. UAF Rasmuson Library Renewal; Ghemm Co.; $11 million.

10. UAF Brooks Bldg Deferred Maintenance; Osborne Construction Co.; $3.2 million.

1. UASE Library Classroom Addition Phase 1; Coogan Construction; $3.1 million.

2. Sitka Air Station Hangar Rehab Phase II; Dawson Construction, Inc.; $2.4 million.

3. Douglas Harbor Uplands/Moorage Expansion; Boss Construction; $2.4 million.

4. Juneau Gastineau Ave Reconstruction; Arete Construction Corp.; $2.7 million.
As we enter the 2001 building season and are faced with the rush of bidding, mobilizing, submittals and fast starts, the advantages of AGC membership become even more apparent. Often our time is completely taken by the demands of our businesses. When faced with industry problems such as manpower shortages, wage and benefit negotiations, bureaucratic injustices, PLA’s, safety issues, etc., no single company has the in-house personnel and resources to meet these challenges along with day-to-day operations. The Associated General Contractors’ role becomes that of service, meeting these needs for our Alaskan construction community.

The value of AGC membership is measured by its actions, not by mere words or written promotions. I discussed in the January 2001 Contractor the advantage membership provides with the opportunity to network. I still believe this to be the greatest single benefit of belonging. Another often understated value is sharing the workload of keeping our industry up-to-date, trained, free of injustice and optimally competitive.

The committee structure of the organization deals with the issues of today. Each committee is led by and made up of volunteers interested in pertinent issues facing AGC. There is a continuum of expertise, since many committee members remain involved while others move to committees offering new challenges. AGC is involved on many fronts and is quietly working for all of us.

AGC has a paid lobbyist to keep us informed on matters of government that affect us along with educating our legislators about our needs. The AGC Legislative Committee backs up the lobbyist. This year two focal points included getting laws passed to pay prevailing contractors interest on claims and to absolutely minimize state force-account work.

The payment of interest will net the contracting community hundreds of thousands of dollars and will eliminate an injustice. The force-account issue is still being debated and is expected to be voted on in the next session. The task force that Gov. Tony Knowles has formed includes four AGC members, as well as three state commissioners, demonstrating his sensitivity to our issues.

Our education committee has set up an internship program with the University of Alaska. Aspiring students now have the opportunity to work in a hands-on environment and the employer has the chance to hire the best rookies. Many scholarships have been awarded to Alaskan students headed for college. Construction education curriculum is being established in certain high schools and vocational schools for students interested in our industry. We need future employees and to have them better trained is one of our goals. We are constantly selling construction as a satisfying occupation; a student AGC chapter at the University of Alaska, trade fairs, the Buildup! program, classroom lectures and invitations to tour offices and jobsites are all means currently being used to foster interest in our industry.

The safety committee is currently organizing a partnering program with OSHA that is a win-win-win solution for the enforcers, the contractors and the employees. Safety training and safety documents are available from Safety, Inc., a separate entity formed by AGC to meet the safety needs of the industry.

The external affairs committee, with the help of many vital sub-groups, is taking on the task of all the renewal negotiations for multiple union contracts currently expiring. These include the Laborers’ union, the Operating Engineers’ union, the Northern and Southern Carpenters’ union, the Bricklayers’ union and the Roofers’ union.

The regulatory committee is made up of several subcommittees. Their mission is to deal with issues pertinent to the various bureaucratic entities, such as the Corps of Engineers, Navy, Air Force, State of Alaska DOT/PF and
DEC, the National Guard, and local municipalities and utilities. For every concern there is a committee that will take on the challenge.

AGC has a permanent position on the Denali Commission, which grants millions of dollars to rural communities to better the lives of those who live in the outlying towns and villages. AGC has received a Denali Commission grant to further our educational effort in promoting the construction industry as an occupation to the rural communities of Alaska.

AGC, for as long as it has existed, has made plans rooms and bulletins available to its members. This continues today in association with The Plans Room. The time savings this service provides is an invaluable benefit to contractors, especially in these busy summer months.

In addition to volunteer committees, the AGC staff supports our membership as it takes on the business matters of the association. They disseminate information and track results. They are a sounding board as well as the workhorse behind the organization. AGC becomes the personnel resource that none of us can afford to hire. Our dues pale to the benefits received. For example, the interest received by contractors on DOT claims in one year could exceed the total annual dues paid to AGC.

If this accomplishment is just one benefit, think of the bonus membership provides. Our strength is in numbers and diversification. When the opportunity presents itself, use some of these ideas to explain why you belong to the AGC. When concerns are brought forward by AGC, we have the voice and strength of 600 members behind it. AGC is known at all levels of government for its credibility and effectiveness. AGC takes on real issues, not frivolous matters. Its track record of success is without parallel in the industry.
While undertaking a construction project, imagine that you encounter a condition that you believe is beyond the scope of your contract. You notify the owner and are informed that the owner does not agree with your assessment. Regardless, the terms of the contract require you take whatever steps are necessary to alleviate the problem. You do the necessary work, pay the labor, suppliers and subcontractors affected by the problem and file a claim. At some time in the future you prevail in your claim and are awarded a sum of money as reimbursement for the costs incurred. Is it reasonable that the reimbursement include interest for the period of the claim?

This issue is not hypothetical to many contractors. The facts outlined above occur relatively frequently. Absent a dispute, the contractor would be reimbursed for his costs in a timely matter. However the existence of a dispute delays the payment to the contractor until the disagreement is resolved, perhaps years later. To finance the costs of a claim, contractors frequently have to borrow money. Thus they are burdened with a cost that could have been avoided had the owner acknowledged its responsibility initially and paid the contractor.

AGC has long asserted that as a matter of principle, the owner should reimburse the contractor for interest for the duration of the claim. The Alaska Department of Law maintained that the State cannot pay interest on construction claims and will not do so unless instructed by the Legislature. Fairness argues for the payment of interest but the Department of Law has been intractable. Apparently the only solution available to the construction industry was to seek resolution through the legislative process.

Having been a contractor for many years, Sen. John Cowdery, R-Anchorage, understood the problem described above and needed little encouragement to sponsor legislation to right this wrong. Senate Bill 152 was introduced March 20 and passed the House on May 8 by a vote of 37–0. The vote in the Senate was 17–0. In addition to Cowdery, Reps. Rokeberg, McGuire and Porter were all instrumental in getting this important legislation to the Governor.

How significant is this legislation? Claims are relatively rare in construction because contractors usually attempt to avoid cumbersome judicial remedies. Most issues are resolved prior to the formal claims process. In three recent cases, however, awards of almost $3.2 million were granted to contractors and the interest on these claims would have amounted to almost $600,000 had this legislation been in effect. Put in a different perspective, the interest amount on just these three claims exceeds the annual dues paid to AGC by its members.

Lost in the hue and cry from the Department of Law was the fact that the state would only be responsible for $54,180 of this interest. The remainder would be the responsibility of the federal government. In this instance, the ability of AGC to represent the collective interests of the construction industry resulted in financial gains to the industry far in excess of the dues paid by all member firms. But just as important, this legislation sent a message to the Department of Law that the legislature does not condone the abuse of the industry.

SB 152 represents one example of the industry working together to secure legislation that would have been unattainable if pursued by just one firm. It represents a cooperative effort that is a testament to the combined strength of the industry.
Home Suite Home

WedgeWood Resort offers substantial savings and convenience to the business and relocating traveler. Our newly remodeled suites are thoughtfully furnished with every conceivable comfort.

With an array of amenities that includes full kitchens, maid service, voice mail, overnight dry cleaning, irons, coffeemakers, and hairdryers, and more. You'll feel right at home, so you can get right to work.

- Beautifully Furnished, Spacious 1 & 2 Bedroom Suites
- Meeting and Conference Facilities
- Daily or Weekly Housekeeping
- Fully Appointed Kitchens
- Guest Laundry Facilities
- Free Cable Television
- Free Airport Shuttle
- Free Local Calls
- Excellent Rates
- 24-hour Staff

WedgeWood Resort
212 WedgeWood Drive
Fairbanks, AK 99701
or (907) 452-1442
fountain@mosquitonet.com
www.fountaingheadhotels.com

Make your phone work as hard as you do.

Introducing TeamConnect

TeamConnect combines the best of wireless and the best of two-way radio. It adds advanced calling functions to your wireless phone, so you can talk to your entire team at once, or just the team members who matter most. And since it works with any phone, you don't have to invest in a fleet of new phones. Give us a call and put TeamConnect to work for your company.
The Alaska chapter of Associated General Contractors is taking steps to attract skilled workers to our industry. In recent issues of *The Alaska Contractor* you’ve read the predictions for the escalation of those retiring plus the future shortage.

With Alaska’s healthy construction outlook for the next few years and the potential for a gas line construction project, the task of meeting the hiring needs of contractors is a serious issue. Added to the hiring picture are local hire concerns, more industries competing for the same workers, and construction’s tarnished image. From all these factors, a complex challenge emerges.

Here are several things your state chapter is doing to draw attention to the significant benefits of choosing a career in our industry.

**Build Up!**

*Build Up!* is an AGC of America and Scholastics, Inc. curriculum for elementary students. The 20 to 25 hours of curriculum introduces students to construction careers and the industry through challenging the students’ math, science and reading skills. The students use new construction knowledge for hands-on exercises—real world situations. *(See article on pg. 19)*

The curriculum addresses academic standards the teachers must accomplish during that school year. Here in Alaska, the academic standards are especially important in light of the high school exit examination.

Granted, this particular effort is long term, but there’s a reason. Observation shows (and school counselors agree) that at about the 5th and 6th grade students and parents begin eliminating or “de-selecting” careers. We believe our effort will keep construction on the students’ and parents’ “radar screen” as a career choice.

In the Anchorage School District our members—you—sponsored 60 *Build Up!* toolboxes in 60 classrooms. Sponsors also identified someone in their organization to spend seven to 10 hours in the classroom with the teacher supporting the activities. Here are the sponsors who we should say thanks to for this year’s success in the Anchorage School District:
Currently, *Build Up!* has won two national awards. The first award, the EdPress, was received last year, for distinguished achievement in children’s sponsored publication. More recently, *Build Up!* received the Purple Ribbon Award in recognition of the most outstanding kids marketing campaign for 2000.

AGC of Alaska received financial funding through the Training Fund of the Denali Commission. The funding is for placing construction curriculum in rural schools. *Build Up!* was introduced to 27 different schools in 13 rural school districts, for a total count of 37 classrooms. The map of Alaska shows the school districts where we’ve placed *Build Up!* and/or other core curriculum from NCCER.

Our efforts in Alaska’s elementary schools attracted the attention of AGC national. There are two articles about our work in the March 2001 issue.
On Site!

On Site! was just released this February. The new toolbox of learning is the second wave of AGC of America’s Construction Futures campaign. This curriculum is aimed at middle school and complements Build Up! It provides information about different types of construction and career opportunities through curriculum-based lessons and hands-on exploration.

The toolbox contains 15 to 20 hours of curriculum and uses a 30-minute video developed in conjunction with The History Channel called “The Most Astounding Structures.” The video leads the viewer through significant construction projects throughout history, and includes current and recent projects. It also discusses structures that are the tallest, the biggest, the strangest, etc.

The final activity of the curriculum is to design a community. Students must consider many factors while designing their community, such as the environmental, economic and social impact of their design.

Other activities in the curriculum are: building a bridge—more complex than the bridge building activity in Dale Nelson demonstrates building bridges with students (l-r)
Mary Graham, Tyler Stearns, Sarah Baug, Liam McMahon ad Michael McMahon.

“They handled it... we’re back on schedule”

Construction Experience To Count On

If your company is faced with complex construction issues, Parker Smith & Feek has the experience to provide solutions. Whether working through difficult insurance claims, overcoming project safety obstacles, or effectively managing project financial risks, see how our experience can make a difference. Call us at 907.562.2225.

Anchorage
Bellevue
Portland

© 2000 Olivia Tucker John

PARKER | SMITH | FECK
Build Up!—a discussion that identifies the many careers involved in construction, and floating concrete.

Students gain more knowledge about social studies and math as well because there are links to language arts and science. As with Build Up!, students are learning part of what is specified in the academic standards for that year.

For the Anchorage area, the Young Contractors Committee of AGC of Alaska is taking the lead in sponsoring and providing classroom support for the fall of 2001.

We're working with Alyeska Pipeline Service Company on an addition to the toolbox. We invited them to participate by publishing a piece about their 1,300 foot suspension bridge over the Tanana River. The toolbox describes history and projects in other parts of the world, but there are remarkable construction projects in Alaska that students can learn about. We feel it is important to have something in the toolbox about construction projects in Alaska.

NCCER Core Curriculum
For rural high school students, we offer school districts the National Center for Construction Education and Research Core Curriculum. NCCER is the recognized leader in construction education across the country.

The Mat-Su Borough School District has adopted this curriculum for their construction career pathway.

Core Curriculum is also in 10 rural high schools this year. It functions as an overview to trades, maintenance, and careers in construction. All modules are applicable and helpful to any chosen career trade in the industry, and we've heard positive comments from the teachers especially about the construction math module.

The NCCER Curriculum contains six modules and is 72.5 hours of instruction.

- Basic Safety
- Introduction to Construction Math
- Introduction to Hand Tools
- Introduction to Power Tools
- Introduction to Blueprints
- Basic Rigging

Supervisory Training Program
AGC’s Education Committee began the Supervisory Training Program in conjunction with the University of Alaska Anchorage this March. The module offered was Construction Supervisor, An Overview.

The series, created by AGC of America, is made up of 11 modules and is widely used nationally. The modules are:

- Construction Supervisor, Overview
The modules are designed for current or potential superintendents. Successful completion of these classes can be applied for credit. Grading criteria is Pass/No pass. More classes are scheduled for this fall. Information is being gathered to determine which module should be offered next. If there is enough demand, multiple modules will be offered.

The Big Picture
This is only the beginning of what we think will positively affect the needs of our members. The education products from AGC of America have impressive quality, are visually attractive, and are well-received by Alaska’s educators. Most importantly, they are written and ready for the classroom now. Many people from other industries, in the process of dedicating resources to capture their future workforce, have to write and design what they want—even the oil patch.

Our toolboxes have attracted more attention than we anticipated. Even the Department of Education and Early Development has shown interest and support in our effort.

One of the comments we hear in asking schools/teachers to take on an industry-designed curriculum is, “I can’t possibly add anything more to the
schedule.” We respond by reminding them that our curriculum helps meet national and Alaska academic standards for that grade. By explaining that it isn’t an addition, but simply another way of teaching what needs to be taught, most teachers will consider it.

The teachers who have welcomed our toolboxes or the NCCER core curriculum speak very highly about their experiences and plan to continue using it.

In February, we brought the high school teachers using the NCCER curriculum to Anchorage. We designed a day-and-a-half agenda covering all the ways we could support them as they use the curriculum. We not only want to provide materials to the schools, but want to support it, to be there when they need us.

AGC of Alaska has many supporters. A neighboring school district, the Matanuska-Susitna Borough School District is pleased to have us involved and participating in their many ultra-modern vocational programs.

There are young people who would find a construction career rewarding, but were not exposed to the industry nor the potential income and benefits.

Thanks to AGC of America’s foresight, we’re able to launch recruitment efforts immediately and step into the competition prepared. We take a very proactive position with the schools. Before the end of the 2000-2001 school year, I conducted several site visits. I met with the principals and teachers using any of our materials. The teachers and principals seemed surprised that we play such an active role.

Every school has its unique challenges, and the more we know about their situations, the more we can help them to eventually help us and ultimately help our young people make knowledgeable career choices.
The Most Powerful reach ever in Alaska business advertising...

Introducing the...

Super

List

Put your message on the desk of Alaska's business decision makers every month.

Combining the mailing lists of Alaska's three best-known professional associations yields the most effective business mailing list in the state. Every member of these organizations gets a free copy of all three magazines as they are published—sent by name to his or her office. So do legislators, government officials and others critical to Alaskan business. And each organization hands out thousands more.

It doesn't get any better than this. Meet or exceed your advertising goals with the

Super

List

Alaska Quality Publishing, Inc.
401 W. International Airport Road, Suite 13
Anchorage, Alaska 99518
(907) 562-9300
Fax: (907) 562-9311
E-mail: aqp@alaskapub.com

Check out these and our other publications on-line at:
www.alaskapub.com

Not a member of one of these organizations but want to be on the Super List? If you own or work for an Alaska-oriented business, fax us your name, business name, office address and phone number. We'll add you to this valuable list. If you want to remove your name, call us.
How do you describe enthusiasm and creativity? In my case, it was not described, but experienced. It occurred when I took the Associated General Contractor’s Build Up! program to the 4th and 5th grade classrooms of Inlet View Elementary School.

The teachers, Tim Stevens and Cherri Odens, combined their classrooms for a total of 51 students participating in Build Up! This might seem like a lot of young folks to contend with, but with good teachers, good students and interesting subject matter, any concerns the presenter might have had cease to exist.

Dale Nelson demonstrates building structure with teacher Cherri Odens, students Chelsea Janssen, Mary Graham and Tyler Sterns looking on.
It was easy to lose track of time and the class was over before you know it. On several occasions—as the class period was ending for lunch or the school day—comments were heard such as, “do we have to stop?” “do we have to leave?” or “can we work on this later?” Now, that is having fun. It was great to be part of the experience.

Build Up!, a tool kit for learning, was presented in a team perspective. The “team” is composed of the owner, the designer, and the contractor. It takes all three to obtain a completed and usable facility. The thought process was that if it weren’t for the owner, there wouldn’t be a project to design. And, after the design, there needs to be a contractor to make it become a reality for the owner.

Through all of this there is the need for science, math and communications skills. The student’s projects were a quiet statement to that fact. Science was needed for the process of planning, deciding the “how to.” Math was used to determine if it would fit, and communications were needed both to describe their projects—what they wanted to obtain—and in working with others.

Like the old question, “where does milk come from?”—the store—similar responses were given when asked, “where does the water you drink come from?” The tap. This provided the opportunity to discuss how water gets from the source to the tap and how the system was constructed.

How observant are we of constructed features and those under construction around us, such as buildings, roads and bridges? What are the different types of contractors? What are the basic shapes of those structures? Do they include circles, triangles or rectangles? Can a building be built anywhere, and on any type of ground?

Wow! The answers were many and great. As a class, we discussed different types of materials and how the designer
and contractor would use them. Is a cable—represented by a string—used to push an object or to pull it? Obviously, a cable is used to pull objects, showing cables are good for tension but not compression.

Which shape—circle, triangle or rectangle—provides the greatest strength? Look around. Have you ever seen a triangular culvert under a road or a triangular or rectangular tunnel? Exercises like these provided the opportunity to experiment and to determine which shape has the greatest strength.

In some cases, the construction of the shape for the weight test was doomed from the beginning. We had to use our imaginations to determine what shape some creations were supposed to be. Overall, though, the circle was the victor.

Part of the excitement of working with these students was watching their thinking process. Towards the end of the Build Up! session, when the students were asked what they could see when looking at a building or bridge, their responses would be rectangles with triangles, arcs (part of a circle), columns, and cables. They were seeing shapes and materials put together to develop a facility.

Soon it was time to make it all happen. The students acted as a contractor asked to build a bridge. The bridge is to have a span of 20 inches and to be nine inches above the clear span. Building materials consist of 10 pipe cleaners, 15 craft (popsicle) sticks, three 11 by 18 inch sheets of construction paper, tape, scissors, glue and string.

How would they approach the task? Once they started thinking as to shapes and how materials worked—for example, string and pipe cleaners work good in tension—creativity was off and running. There were flat, arched, and cable bridges, some better than others, but overall, the process was good.
Another project involved constructing the tallest building possible. The building materials this time were a box of flat toothpicks, glue and a sheet of construction paper for the foundation. The building also had to resist an earthquake. Again, this project brought out the students’ creativity and the use of shapes — as well as their patience. (Have you ever tried to glue toothpicks together?) What fun and excitement. The results were wonderful.

Learning was a two-way street. What we may take for granted may need explaining to another.

The experience was rewarding and I recommend it to those looking for a bright spot in their day. Learning was a two-way street. What we may take for granted may need explaining to another. Some of their questions made me dig and think. It was a learning experience for me, and an opportunity to understand students’ needs. Without doubt, these students will view what is being constructed around them a little differently now. 😊.
Contrary to what the average man on the street may suppose, Fairbanks Sand and Gravel’s primary product is neither sand nor gravel. Mostly, they sell concrete. Not just any concrete, but a special kind of concrete made exclusively with Lafarge brand Portland cement shipped from Seattle. They are the only redi-mix dealer in the Interior that uses Lafarge cement, and while they sell some of the cement to Raven Building Products for bagging and cement block manufacture, most of it is used to make Fairbanks Sand and Gravel’s high-grade concrete.

Mary Silvey, president of Fairbanks Sand and Gravel, says that the cement distinguishes her company in the redi-mix market. “We get really good feedback about it,” Silvey says. “It finishes well and has great strength, which provides contractors with an extra margin even when conditions aren’t optional.” She says that despite the rigorous environment in which they work, concrete strengths have never been an issue.

Silvey estimates that 60 percent or more of the work they do is government contracts, either federal, state or borough. “We place curbs, gutters and sidewalks. We do foundations, footings, basement walls, just about anything structural,” she says.

As one might suspect, delivering concrete in Interior Alaska is a little different from Outside operations. The company does not stay open all winter, but they came pretty close this year. They normally begin work April 1 and close production by mid-November, but this year they started in January for a job with the Fort Knox-True North Mine. Getting the diesel engines on the mixer trucks started—and keeping them running—in the Fairbanks cold was only the beginning of the challenge. Hydraulic lines in the batch plant had to be thawed. Water—water to batch, water to wash down, and water to clean up—had to be heated. Most importantly, the product had arrive at the site at the proper temperature “We don’t use insulated [mixing] drums like they do on the North Slope,” she said, “but when we operate under certain temperatures we heat the water and sometimes even the aggregate” to ensure the mix is warm enough to cure properly.

Despite the obstacles, Silvey said her company has occasionally batched and placed concrete when the temperature pushes 20 or 30 degrees below zero.

The January project, incidentally, was successful. The job, building an underpass to allow the road connecting the True North and Fort Knox gold mines to go under the Steese Highway, faced a host of obstacles. In addition to the risks that are associated with placing concrete in the cold, they also had to deal with transporting the mix to a site almost an hour from the batch plant. “We worked with them to custom design a mix which met the state’s specifications and allowed them to strip the forms in three days,” Silvey said. Thanks in part to Fairbanks Sand and Gravel, the entire bridge project was completed in half of the time allotted.

Custom mixes are becoming more and more common,
she said. By adding additional ingredients to the standard sand, gravel, cement and water mix, certain characteristics can be altered. “Tweaking the mixes,” as Silvey calls it, makes the substance much more versatile. For example, additives can be used to change the set time or to reduce the amount of vibration needed to eliminate air pockets, useful when pouring foundations or walls or on steel-reinforced structures. Others, such as Pozzutech 20 from Master Builders, can be used to reduce the hydration point—for cold weather pours—or to speed up the set time and add strength to the mixture. Sometimes fibers are added to reduce thermal cracking, and colored concrete is becoming increasingly popular.

Fairbanks Sand and Gravel works closely with tech reps and engineering staffs to make sure the best products are available to customers. They host seminars for both employees and customers to learn about the latest advances, using trainers from Lafarge and the additive companies.

Besides simplifying cold weather pours, additives help solve another challenge Fairbanks Sand and Gravel is faced with. Once the concrete is in the truck, the mix has to be delivered within about 90 minutes, which can create a real time crunch if the job 60 miles away in the hills. Fairbanks Sand and Gravel will add retarders in a situation like this to ensure the concrete is still workable when it arrives at the job site. They have been able to do work as far away as Denali National Park using this technique. To get to one site a few years ago, they drove the trucks to Nenana and put them on the train, where they road a rail car to the final destination. For sites still further away, loads can be “dry-batched,” adding the water on site, or the cement can be added to the mix on site.

Most jobs are not so inaccessible. In
addition to the Steese Highway underpass, other recent, well-known pours include the Radome at Clear Air Force Base, built in 1998 and 1999, and the barracks upgrade at Fort Wainwright, finished this summer.

Fairbanks Sand and Gravel is optimistic about the future. They’ve recently completed several upgrades and expansion projects. They have set up their own aggregate production facilities to ensure a consistent, high-quality supply. They will also offer sand and gravel for sale. A new batch plant has been set up at Moose Creek near Eielson Air Force Base, and plans call for eventually getting a crusher.

Another big step was completed in May when the Fairbanks batch plant was overhauled and automated. Now, all weighing will be controlled by computer, as well the loading of the trucks. The system will also track inventory and provide documentation.

Will customers notice the change? Not likely, said Silvey. “We had a long-term batchman that was very consistent and precise and the mixes were always extremely accurate.”

As with most others in the industry, she describes the labor market as “pretty tight,” although by working with the Teamsters union, the company is able to meet its hiring needs. Silvey said that they are taking part in a new nationwide Teamster apprenticeship program this year tailored to the construction industry.

The growth of Fairbanks Sand and Gravel is something Silvey planned with her husband before they bought the company in 1996. Mary became president when her husband passed away in 1999. Determined to continue with the company, she hired a new partner in January of this year. A friend of her late husband, Jim Perrizo has helped Fairbanks Sand and Gravel pursue its growth plans. Formerly with
Wilder Construction in Anchorage, he is familiar with the construction industry and the importance of high quality redi-mix. Yes, they plan on helping the company to expand, but not to the point they lose the ability to provide “more personal service to the contractors.”

After all, along with quality, service is part of their concrete reputation.

below: Completed Steese Highway True North Mining Road underpass built by Alaska Interstate Construction, LLC.
It should have been pretty simple. Congress approves the funds for a new Bassett Army Hospital at Fort Wainwright near Fairbanks, the Corps of Engineers estimates the cost of the project, and a Request for Proposals is issued inviting interested general contractors to bid on the job.

However, if, as is apparently the case, the estimate is flawed to begin with, it’s no longer simple.

Last spring two Alaska-based general contractors bid to construct the new hospital. Both bids were considered excessive by the Corps, and without further discussion, the Corps pulled the project from active consideration. Nobody was happy at this point, and apparently some quiet name-calling ensued. The final result is that the Corps is redoing the estimate and now expects to release another RFP in September. In the meantime, a season’s worth of construction remains undone and feelings aren’t real positive on either side of the issue.

John Killoran, who handles public affairs for the U.S. Army Corps of Engineers in Alaska, started off by saying, “There’s more money in the bids that there is in the bank,” meaning the bids came in much higher than was estimated for the project.

Now comes the hard part. This bid was set up as a best-value contract, which means the Corps of Engineers refused to release the amount of the estimate or the amount of the bids received. The best information available so far on this score comes from Mike Barta at Kiewit Construction who notes that their bid was “quite aways” from the estimate.

“They had a low government estimate,” Barta said. “We ended up spending a lot of money and time creating a damn expensive proposal.

“The Corps of Engineers said that they based estimate prices on costs for the Elmendorf and Native hospitals [recently constructed in the Anchorage area]. I don’t think they considered costs in the Interior.”

Besides Kiewit, the only other bidder on the project was Dick Pacific. Tom Ojala, Dick Pacific’s Alaska Manager, noted that the bids were “more than what they anticipated,” referring to the Corps of Engineers.

He also noted, “We’re very competitive and turned in a competitive bid.” Ojala, too, feels there were problems with the estimate.
Without actually saying that the estimate was flawed, Killoran from the Corps of Engineers conceded that they are re-evaluating the estimate. “We’re going to re-do the estimate and the plans if necessary. It will be September at least before we have that back out on the street.” He also noted that they may have to scale back on some features and quality of the facility to bring it in line with the money available for the project.

Pat Richardson, also from the Corps of Engineers, expounded further on this. “The District,” she said, “plans to re-advertise the bid in September and expects to make an award in January. We expect construction to start next summer.”

Killoran did concede that costs are higher for construction in Fairbanks. He also added, “In our opinion, it’s a tight market right now.”

Others suggest that this was something less than the Corps of Engineers’ first assessment of the situation when the bids came in higher than expected. Stories were flying around at the time that the Corps was blaming contractors for inflating their bids, although a couple of months after the fact no one out there is willing to address this particular rumor. Both Kiewit and Dick Pacific stressed that their bids were as fair as it was possible to make them and were upset about the rumors flying around suggesting they deliberately inflated their bids.

Killoran explained that the Corps put the estimate together with help from the organization’s hospital group, which is not located in Alaska. And he admitted that this latter group probably took into consideration the recent costs of building the two hospitals in Anchorage. He won’t, however, go so
far as to say this may have resulted in an estimate that was lower than it should have been.

He also noted that when the RFP is posted again, the Corps will be more active in seeking bids from general contractors outside of Alaska in hopes a bringing a little more competition to bids on the project. He noted that little effort was made the first time to solicit bidders from outside the state.

It’s also known that the new Bassett Army Hospital is a pet project of Senator Ted Stevens (R-Alaska) for a number of reasons. Key among them is a belief that this new multi-million dollar facility will provide extra ammunition for helping to keep Fort Wainwright an active base when the next round of military base closures is considered. So far the only Alaska bases affected by the closures have been the naval base at Adak and Fort Greely outside of Delta Junction. But, in past years, both Forts Richardson (near Anchorage) and Wainwright have been discussed by the committee that recommends base closures as a means of reducing costs in the Department of Defense.

The end result of this mix-up is a one-year delay in the start of construction (the site preparation work has already been done under a separate contract), the loss of 100 or more good construction jobs in 2001, and the enhanced possibility that outside firms will be recruited to bid against qualified Alaskan contractors. In short, if the original estimate had matched the realities of doing business in interior Alaska, everybody concerned would have been better off at this point and we would be reporting on the progress of the new hospital instead of lamenting on the confusion surrounding it.
Associated General Contractors of Alaska
Legislative Accomplishments 2001

Long Term Fiscal Plan
It is in the best interests of the State that the legislature and administration adopt a long-term fiscal plan that deals with the issue of falling petroleum revenues, the permanent fund and new economic incentives. Part of this plan should include an increase in the gasoline tax and a dedication of those funds to underwrite the costs of highway maintenance.

Accomplishment: Nothing happened during the legislative session on this issue. AGC is working with Alaskans United to develop strategies to deal with this problem.

Matching funds for transportation projects
The transportation infrastructure of Alaska is currently inadequate and requires continued planning, upgrades and expenditures to assure the citizens of Alaska are provided with essential services. The economic benefit derived from this investment far exceeds the funds required to secure federal matching funds. Accordingly, the legislature is encouraged to continue providing full funding of the federal highway matching funds.

Accomplishment: The legislature fully provided all the matching funds for all federal highway projects.

Funding for vocational/technical education
A majority of Alaska’s high school graduates do not go to college, yet the state’s high school curriculum is oriented to college preparation. The legislature should adopt a more balanced funding approach to better prepare those students not pursuing post-secondary education for the world of work.

Accomplishment: No improvements in funding vocational education occurred during the legislative session. This goal will be carried forward in the next session.

Pre-judgment interest on claims
Construction claims frequently represent differing opinions between the owner and the contractor regarding whether or not particular work was included in the bid documents at bid time. Since resolving these differences takes time and since the contractor incurred costs to complete the work, the contractor should be entitled to interest on the claim settlement from the time the claim was filed until payment.

Accomplishment: Due to the cooperation of legislators, AGC was successful in having a bill passed dealing directly with this issue. All future claims filed with the Department of Transportation will accrue interest at the legal rate of interest for the State of Alaska.

Definition of design build
Design/build is a project delivery system that is widely used in private construction and is starting to gain acceptance in public construction. The Alaska procurement code does not contemplate or define design/build construction and therefore all such use by public entities is performed under the term “alternative procurement procedures.” Due to the uncertainty as to the use and applicability of the design/build delivery system in the public sector, it is in the best interests of all parties that its use and definition be clearly set forth by the legislature.

Accomplishment: AGC is part of a task force that is working to address this problem. It is possible that the issue can be resolved through regulation instead of statute. A decision as to the best method of dealing with this issue will be made in the fall.

Privatization of work done by State employees and limiting use of force accounting.
A significant amount of work is undertaken each year by state workers that could be done more efficiently by the private sector. Government employees involved in these activities should be transferred to more traditional governmental roles.

In addition, the utilization of force accounting should be significantly restricted. Force accounting is a project delivery system that trades accountability for convenience. Primarily used in rural Alaska, it is normally restricted to small projects. However recent attempts to increase its applicability to larger projects suggest that guidelines and procedures regarding its use are needed.

Accomplishment: Due to the concerns raised by AGC members, a bill was introduced during the session. Based on efforts of AGC, the governor’s office and concerned Native leaders, the bill was held pending the recommendations of a task force currently studying the growth and development of force accounting in rural Alaska. It is anticipated that the results of the task force will be released in the fall and AGC will develop a strategy for dealing with the problem in the future.

July 2001 / THE ALASKA CONTRACTOR 31
Holaday-Parks has been providing for Alaska’s heating needs for a long time.

The first Holaday-Parks products came to the state in the 1890s on the backs and in the sleds of miners. The airtight sheet iron heaters made by J&B Hunt of Tacoma, Wash. were popular because they not only warmed toes but also baked bread and biscuits, thanks to an ingenious oven in the stovepipe.

Today the company continues to design and build ingenious heating, ventilation and air-conditioning systems that improve Alaska’s quality of life, specializing in commercial and industrial HVAC work and custom metal fabrication. These complex projects are a far cry from the crude heaters that prospectors brought to Fairbanks a hundred years ago, but the intent is the same: achieving comfort and satisfaction while meeting budget, safety and energy consumption concerns.

Holaday-Parks became involved in commercial ventilation systems during World War II, when it applied its expertise making copper roofs, stove hoods and other sheet metal products to building and installing ventilation systems in military barracks.

“Today,” says Mike Nelson, vice president of Alaska operations, “65 percent of our work is commercial ventilation systems.”

The Seattle-based firm set up an office in Fairbanks in 1970, when the company won the bid for the HVAC work on the then-new Woods Center student union building on the University of Alaska Fairbanks campus. The company manager, Ernie Knox, was born and raised in Fairbanks and saw the advantages of having a permanent office in the state. When the opportunity arose to buy Reed’s Sheet Metal, an established Fairbanks business, they jumped at the chance. Thirty years of stable operation has given them an outstanding reputation.

They have traditionally worked on jobs stretching from Shemya to Barrow, although in the last several years, they’ve tended to focus on local jobs around Fairbanks.
According to Nelson, Fairbanks is one of the most demanding environments in the world for commercial HVAC work. Maintaining a large building at room temperature when the outside environment varies from 100 degrees Fahrenheit to minus 50 and sometimes even 60 below zero requires world-class engineering.

Holaday-Parks is up to the challenge. Their website (www.holaday-parks.com) mentions that, “Their experience in both design/build and plan/spec project management allows them to design, estimate and manage high quality mechanical systems at competitive prices on fast-track time schedules.” They are also the first mechanical contractors in the United States to become ISO 9001 certified, a certification that requires a commitment to the highest level of quality.

Most of their commercial ventilation projects are new construction, but they do some remodeling, such as the HVAC system they are currently installing at the University of Alaska Fairbanks’ Rasmussen Library. Because of this, their busiest time tends to be between August and December.

They also do a lesser number of industrial ventilation jobs each year as well. These include vehicle exhaust systems in mechanical shops and stove ventilation systems in commercial kitchens. One of the more challenging industrial projects, according to Nelson, is a dust collection system they are currently building for the Ft. Wainwright Power Plant to minimize coal dust in the environment.

But the projects he categorizes as “most enjoyable” are custom fabrica-
A small percentage of total sales—no more than 15 percent—this type of project tests the ingenuity of both the designer and the craftsman. These jobs run the gamut from residential homeowners to large commercial customers, and have included some unusual requests. Holaday-Parks has supplied Native knife-making cooperatives with cases of ulu blades and made custom copper kitchen hoods for discriminating homebuilders. They even used their expertise in metal fabrication, welding and bending to make small waterproof stainless steel containers for radio transponders. Researchers attached them to the necks of walruses to track their movements. “I don’t know where they are now,” Nelson said with a chuckle, “probably under the Arctic Ocean somewhere.”

Just because Holaday-Parks can successfully tackle the most difficult construction jobs doesn’t mean they don’t face daunting obstacles. Nelson says that one of the most worrisome challenges they face is the nationwide shortage of sheetmetal workers. “Even with the economic downturn, there is a shortage of qualified labor nationwide. It will become a serious concern for us in the next three or four years.

The average age of the company workforce is about 47 years old, according to Nelson. As construction workers retire—typically at about age 55—replacing people will become increasingly difficult in the coming years. “It will be a real challenge attracting qualified people,” he says, “and be able to train them at a fast enough rate.”

As a union contractor, he is currently able to meet his short-term labor
needs through the union apprenticeship program, but still expects difficulties in the coming years, especially if a major construction project, such as the natural gas pipeline, gets underway.

The proposed gas pipeline, if built, would require a light-gauge sheet metal jacket to secure a layer of insulation around the 48-inch pipe. Even if Holaday-Parks works on only a small fraction of the 1,900-mile route, the workload could be overwhelming.

Such a project could significantly alter the company’s plans for the future. While Nelson admits that the course his business takes “depends on the construction in Alaska,” he sees a promising future for Holaday-Parks. “One area we’re pretty excited about is the trend toward design/build.” Holaday-Parks is a major player in design/build already, with one full-time engineer and plans to hire another. “It’s a great way to get work and build a solid reputation,” he says. Another indication of a bright future, he said, is that building code upgrades make HVAC work a “more prominent part of commercial buildings.” He noted that air conditioning, especially, is becoming more popular.

As Fairbanks has changed from a mining camp to bustling international city, Holaday-Parks has changed with it, always seeking to meet the customer’s need for comfort. And they remain committed on every project to ensure that need is met, whether it involves budgetary concerns, design changes, job schedule, or follow-up with the client after the job is complete.
Dick Pacific Opens Alaska Office

HONOLULU—Dick Pacific Construction Co. announced in March the expansion of its operations to the North American mainland and the opening of an office in Anchorage. With the company’s strategy of establishing alliances to pursue opportunities, Dick Pacific has already established joint ventures with local contractors in both Anchorage and Fairbanks.

Dick Pacific is experiencing tremendous growth across the Pacific, and opening an Alaska office to support our work there makes good sense,” said Denny Watts, president and CEO of Dick Pacific. “We are committed to Alaska and to becoming part of the community.”

In a companion announcement, Dick Pacific stated that Thomas Ojala has been named project manager for its recently opened Alaska office. Ojala was formerly a project manager for Cornerstone Construction.

“This is a fantastic opportunity for me, and I am very pleased to join Dick Pacific,” Ojala said. “Dick Pacific has a tremendous reputation in our industry, and their expertise in public-sector work; energy construction; and heavy, power and industrial projects makes them a great fit for Alaska.”

Dick Pacific is the largest and most-experienced contractor in Hawaii, Guam and the Pacific Rim. It employs more than 800 people and is headquartered in Honolulu.
Why don’t we start this article with a few examples of comments we hear about safety incentive programs: “Why develop a safety incentive program when it’s just away for workers to hide injuries?” “We’ve tried this before and it was just a way for a few departments to look good while we look bad no matter how hard we try.” “It seems no matter what we try for our employees, we seem to continue with accidents on the job.”

Sound familiar? It should, because these comments are very common and have a way of stopping any program before it has a chance to get started. These very typical and often open verbalizations come from workers and management alike and all can do damage.

There will always be debates over this issue. However, be advised that no incentive program will ever be a substitute for sound, effective safety management. It takes a strong commitment from upper management and all employees to develop, operate and monitor a good safety incentive program. Changes will need to be made periodically for an effective safety incentive program to be successful in the workplace. It just doesn’t happen overnight.

Many well-intentioned safety incentive programs increase their chances of failure because the safety committees or safety managers put the cart before the horse. Often, the incentive program and the rulemaking are conceived and implemented far before a solid safety program is in place. The thinking is that a safety incentive program will be the “do-all, end-all” for safety-related problems. It won’t be. Having a well-founded safety incentive program, however, will transform good safety policies into a great overall safety program and reduce the accident rate.

How to do this? First of all, determine the long-term safety goals of your organization. They must be clearly defined, consistent with the behavior you want to reward and have specific performance objectives in mind. One may also want to include paying special attention to the “upstream safety problems” encountered in your workplace on an everyday basis. Bringing preventative measures to light will cause everyone to be thinking about things that affect their safety daily. Additionally, promoting initial safety awareness, coupled with a safety suggestion mechanism—and recognition for these outstanding suggestions—is a great way to get started.

Once the program is underway, the emphasis should shift to the program’s overall rules and how they will motivate people to want to be safe. There is no doubt that rewards are the program catalyst but the real issue here is to get people to work together as a team.

“OK, that’s great, and easy for you to say,” you’re probably thinking, “but we—those of us out here in the trenches—want to know what will motivate people in a safety incentive program.” Well, after years of conducting studies, here’s what the top professionals in the health and safety arena, as those professionals in the incentive awards professions, recommend. Not necessarily in order, the best rewards are: 1) money 2) recognition 3) time off 4) stock ownership 5) special assignments 6) career advancement 7) increased autonomy 8) training and education 9) parties and
other fun activities 10) prizes with company logos 11) prizes of value (no logo) and 12) seeing that something is done about a problem in the workplace.

A word of caution: There are many pre-planned and set-up programs out there for one to choose from but what works well for one organization may not work for another. Develop your own and get input from top to bottom. Also, don’t forget to send out an anonymous survey to see what everyone thinks after the program has been in existence for a while. The results could be surprising.

Lastly, you can’t expect a safety incentive program to run itself. You’re going to have to conduct safety meetings, toolbox talks, special training programs and more. You will also have to “freshen the pot” every month or every quarter by introducing new awards. Once the program begins, you simply can’t afford to let it get stale or die without running the risk that those who believed in it and have bought into the goals of the program will place it in the category of “another broken promise by management.”

Don’t even begin if you have thoughts of “trying it out” for a year or two just to improve the company’s safety record or to get lower insurance rates. Even though this is seen quite a bit in the workplace, it’s strictly short-term thinking! What’s more, it doesn’t consider safety issues beyond work, such as recreational or home-based safety.

The truly successful safety incentive programs take a lot of planning and a long-term commitment by the employer and the employees. Everyone involved must see the support and dedication of their peers and management. Without this approach, you may as well have a hat full of tickets and give away a prize every month for those that show up for work that day.
Experience the Bobcat Advantage

Total Value That Can’t Be Matched

Featuring a full line of Bobcat products for a wide variety of jobs! Ride smoother. Lift more. Reach Farther. Carry faster. Load higher. Bobcat® skid-steer loaders and compact excavators give you all this - and pride of ownership, too. That’s the Bobcat Advantage.

Low Interest Financing: Special Limited Time Factory Offer! 3 Year/3,000 Hours Engine & Driveline warranty.

0.0% - 12 months  4.9% - 24 months
5.9% - 36 months  6.9% - 48 months
7.9% - 60 months (New Equip. Only) (O.A.C.)


Bobcat Financial Services

ANCHORAGE
907-276-5050
1-800-279-5051

SOLDOTNA
907-262-5977
1-800-254-5977

FAIRBANKS
907-452-1192
1-800-452-1192

WASILLA
907-376-3838
1-800-973-2607

Our conservation work with game officials worldwide boosts animal populations and preserves habitats. Help us brighten the future for wildlife.

Smile

Safari Club International Foundation
800-377-5399 • www.SafariClubFoundation.org
AGC President Bert Bell accepts a sponsorship check from Ribelin Lowell & Company Insurance Brokers Inc. as new sponsors of the “Excellence in Construction” Awards for the next ten years. John Gates, (left), executive Vice President sales and Pat Salvucci (center) head of Ribelin Lowell’s bond department present the sponsorship check to Bell in Fairbanks.
The new construction company faced a monumental task, one that the company president would later call the “funnest and most stressful” project he’s ever worked on. As project manager and coordinator, he was responsible for overseeing the construction of two hotel buildings, a lodge and one other structure—more that $15 million of work—in 60 days. The original hotel complex, located at the entrance of Denali National Park, had burned down, and now Princess Tours needed it rebuilt as soon as possible. Working closely with the client, design professionals and subcontractors, Birkholz Construction went to work.

As Day 59 came to a close, the hotel lobby was occupied not by construction workers, but by guests from around the world who, coming to see the marvels of Alaska, probably didn’t realize they were about to check into one.

“I was one of a team,” says Tyler Birkholz, president of Birkholz Construction, “but the short time frame and the amount of work we accomplished make that project stand out as one of the highlights of my career.”

Birkholz Construction has since completed several other notable projects to cement its reputation as a dependable, quality builder in the Fairbanks area.

Established in 1995, the company focuses primarily on commercial buildings and remodels, an increasingly complex sector of the construction industry. Medical buildings, for example, require air filtering, heating and ventilation systems built to exacting standards. Gas stations require double-lined, leakproof underground storage tanks, installed to government specifications that ensure they will not contaminate the soil or drinking supplies. All buildings must meet safety codes that specify standards for every aspect of the project, from the type of foundation to the slope of the roof.

This is the type of work Birkholz excels at. In 1997 the company built a gas station, convenience store and car wash for Gas Line, an independent gasoline retailer, and in 1999, a similar station for Tesoro Alaska. This summer’s line-up involves more of the same type of work: a second station for Gas Line, a Pizza Hut restaurant and another Tesoro station on South Cushman Street.

“Most of our work is in the private sector,” Birkholz notes. That’s not to say that they limit themselves exclusively to the commercial sector. The company builds some custom homes and has occasionally done residential remodeling. But Birkholz says the company will continue to deal primarily in the commercial segment of the industry, building offices, medical facilities, restaurants, stores and gas stations.

The ability to take on a wide variety of projects is one of Birkholz Construction’s key strengths. Their ability to tackle diverse construction jobs allows them to maintain a year-round construction company—not an easy task when you operate in one of the world’s harshest climates. In summer months, when construction is booming, Birkholz is selective with the projects he works on, choosing commer-
cial design/build contracts that are his company’s specialty. As fall approaches, he takes on projects—usually indoor remodeling—that will carry him through the winter months. This enables the company to attract and keep what Birkholz characterizes as “a good, stable workforce.” It is, he noted, “not only good for the company, but it keeps skilled carpenters employed.”

Careful planning and scheduling is not the only reason for the company’s success. Before starting Birkholz Construction, Tyler Birkholz spent 18 years in the industry, giving him a wealth of knowledge that only comes from experience. Those years of experience in custom commercial design/build work has given him an advantage. “Our success,” he said, “is due to a superior knowledge of supplies, suppliers, subcontractors and, most of all, a reputation as a quality builder.”

Of the advantages, Birkholz admits that the last might be the most significant. Half of the company’s jobs are design/build projects based directly, he says, “on our reputation as a quality builder with long-term ties to Fairbanks.”

Still, Birkholz Construction faces challenges. “You’ve probably heard it before,” he said, “but the greatest challenge we’re facing is finding quality labor.” There’s lots of work in Fairbanks, he claims, but “gearing up for labor in the short season” is a problem. He overcomes the labor shortage problem by relying on subcontractors and soliciting for trades well in advance. So far he’s been able to stay away from the other labor-related challenge that worries state contractors: an aging workforce. “Maybe it’s because I’m a small company,” he says, “but I haven’t noticed that trend.”

What does the future hold? “It’s all a matter of timing,” Birkholz says. The Fairbanks area will be the center of a multi-billion dollar construction boom if either the National Missile Defense system or a trans-continental natural gas pipeline is built. “Pushed forward quickly, local content wouldn’t be able to handle it,” he said. It would inevitably lead to an influx of out-of-state labor, which he calls negative. “Negative because of the variety in the quality of construction.”

Boom or not, Birkholz Construction plans on continuing its reputation as a quality builder in the Fairbanks area for years to come. And if a construction boom does hand them a major contract with tight deadlines... Well, the Denali Park hotel project might have to share the limelight with an equally impressive accomplishment.
The Associated General Contractors and WorkSafe, Inc. have joined together to create a formal drug and alcohol testing program for member companies. Each AGC member can choose to adopt the program as is or modify it to meet their company’s specific needs. The program includes policy development, drug-testing services, federal anti-drug compliance, drug and alcohol awareness training and roaming collection sites.

**Policy Development** - WorkSafe has designed a drug and alcohol testing policy template for members to use and customize as their own. The policy template can be modified to meet your specific testing program requirements.

**Drug testing services** - WorkSafe provides a complete line of drug and alcohol testing services including rapid-result test kits and traditional laboratory-based testing.

**Federal Anti-Drug compliance** - For companies regulated by the Department of Transportation, WorkSafe will supply you with a written anti-drug plan that is in compliance with the Federal regulations.

**Drug and Alcohol Awareness Training** - WorkSafe offers classroom and video training classes for supervisors. These training courses satisfy the DOT and state statute requirements for supervisors.

**Collection sites** - To provide services for companies with remote work-sites, WorkSafe contracts with a network of providers to offer collection services throughout the state.

The benefits of drug testing are proven and include increased productivity, fewer injuries and accidents, less work absences, reduced liability, insurance cost savings and on the job safety. Studies show that drug and/or alcohol dependent employees have two to four times more accidents on the job and are absent more than twice as much as non-dependent employees. Additionally, the typical employee with a substance abuse problem works at only a 65 percent productivity level when compared to workers who are drug free.

WorkSafe, Inc. is the state’s largest provider of drug and alcohol testing services and is a nationally recognized leader in the industry’s Substance Abuse Program Administration Association. Located in Anchorage, WorkSafe understands the unique needs of Alaskan companies and has established drug and alcohol collection, testing and program management services that meet the individual needs of its customers.

If you are interested in promoting a drug-free workplace and establishing your own drug and alcohol testing program, please contact Stephen Mihalik with WorkSafe at 907-729-5502. AGC members receive reduced rates. Please mention that your company is a member of the AGC to qualify for the discount.
The Alaska legislature has passed a comprehensive statute covering drug and alcohol testing by employers, known as AS 23.10.600-.699. The statute provides a “safe harbor,” meaning that if an employer adopts a drug and alcohol testing program that complies with the statute, the employer is assured of immunity from lawsuits from predictable sources. Nevertheless, compliance with the statutory provisions is voluntary, and the statute specifically provides that an employer is not liable for choosing not to establish a drug testing program or policy.

If the drug testing program complies with the statutory requirements, no claims can be made against the employer for reasonable and good faith actions taken as a result of positive drug tests. Even if the positive drug test turns out to be a “false positive,” an employer is still immune from liability unless the employer “knew or clearly should have known that the result was an error and ignored the true test result because of reckless or malicious disregard for the truth or the willful intent to deceive or be deceived.”

In a situation involving a “false positive,” even if the employee files an action, there is a rebuttable presumption that the positive test result was valid if the employer complied with the provisions of the statute; and in any event, the employer is not liable for monetary damages if the employer’s reliance on the positive test result was “reasonable and in good faith.” The legislature also immunized employers from claims based upon the failure to test for drugs or to detect a specific drug or substance, provided the employer has a program in place to comply with the statute.

Test results are required to be kept confidential, and can be disclosed only to 1) the tested employee or prospective employee; 2) another person designated by the employee or prospective employee; 3) individuals employed to receive and evaluate the test results; or 4) those as ordered by a court or government agency. If the test results are disclosed to others, there is still no liability unless 1) the test result was a “false positive,” 2) the result was disclosed to unauthorized people “negligently,” and 3) all other elements of a defamation lawsuit are met.

Any employer with one or more employees can adopt such a policy “for any job-related purpose consistent with business and necessity.” Thus, while safety of the public, other employees, customers, and other contractors’ employees are all common grounds for justifying drug tests, the statute permits drug testing beyond those situations.

The statute expressly permits drug testing for the purpose of “maintenance of productivity, the quality of products or services, or security of property or informa-
tion,” or when there is reasonable suspicion of use, and the drug use “may adversely affect the job performance or the work environment.” The employer may require all employees or groups of employees to undergo random drug testing.

The statute requires the employer to adopt a written policy that covers a minimum of 10 subjects. The written policy must be made available to the employees at least 30 days before it is implemented and to prospective employees at the time they apply. The written policy must set out the employer’s policy regarding drug and alcohol use, and must state any adverse personal action that may be taken based on test results, or based on a refusal to test. The policy must also describe the employees or group of employees who are subject to testing, the circumstances under which the testing will be required, and the substances for which the test will be conducted. A description of the testing methods and collection procedures is also to be included.

The employee is entitled to obtain the written test result within five working days after requesting it in writing so long as that request is made within six months after the testing. The employee also must have the right to explain, in a “confidential setting,” a positive test result as long as a request for such a session comes within 10 working days after the employee is notified of the test result. If such a request is made, the employer must provide the opportunity for an explanation within 72 hours after receiving
the employee’s written request for such an opportunity. This must all take place before any adverse action can be taken.

The statute makes it clear that an employer can fire or suspend an employee for a positive test result as well as require the employee to enroll in an employer-provided rehabilitation treatment or counseling program.

The statute also sets out in substantial detail the technical requirements for the collection of samples and the testing procedures. In short, the testing should be done by professionals who have the necessary expertise and credentials to prove it. However, the statute also permits on-site testing by other employees who have been trained and have been so certified. However, no “permanent employment action” can be taken based solely on a positive on-site test result. Only temporary adverse employment action can be taken,—e.g. suspension—until there has been a confirmatory test conforming to the more professional testing procedures.

A variety of companies now offer testing services that presumably comply with the statutory requirements. When dealing with these companies, their adherence to the statute should be directly addressed and assured before engaging them. These same companies will likely possess or have access to form employer policies that are intended to comply with the statute, thus enabling employers to secure the “safe harbor” provided by the statute.
Our new nonstop service between Anchorage and Chicago will save you time and money. When every minute counts for your urgent, time sensitive packages, the best choice is Alaska Airlines Goldstreak. Simply drop your package off 30 minutes before departure. No stress, nothing's faster!

Goldstreak

1.800.2ALASKA  www.alaskacargo.com
YOUR HITACHI DEALER

ALASKA
Construction Machinery, Inc.
Anchorage • 907-563-3822

Construction Machinery, Inc.
Fairbanks • 907-455-9600

Construction Machinery, Inc.
Juneau • 907-780-4030

If your excavator is the cornerstone of your operation, you owe it to yourself to buy the most reliable and most productive excavator on the market today - Hitachi. Did you know that Hitachi makes the broadest, most complete line of excavators in the entire world?

From arid deserts to tropical jungles and from urban landscapes to remote mining fields, day in and day out Hitachi excavators prove their worth with high uptime, low maintenance costs and an extremely long life.

Don’t shortchange yourself. Call CMI today.

EX450LC Specifications Summary

<table>
<thead>
<tr>
<th>Operating Weight</th>
<th>Horsepower</th>
<th>Swinging Speed</th>
<th>Travel Speeds</th>
<th>Max. Lift Capacity/ Breakout Force</th>
<th>Bucket Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Backhoe</td>
<td>110,000 lb</td>
<td>361 hp</td>
<td>9.0 spm</td>
<td>3,421.1 mph</td>
<td>42,400 lb</td>
</tr>
<tr>
<td></td>
<td>(49,700 kg)</td>
<td>(270 kW)</td>
<td>(9.0 km/h)</td>
<td>(3.42 m/s)</td>
<td>(19,000 kg)</td>
</tr>
<tr>
<td>Front Shovel</td>
<td>65,100 lb</td>
<td>261 hp</td>
<td>9.0 spm</td>
<td>3,072.1 mph</td>
<td>30,000 lb</td>
</tr>
<tr>
<td></td>
<td>(29,500 kg)</td>
<td>(194 kW)</td>
<td>(9.0 km/h)</td>
<td>(3.07 m/s)</td>
<td>(13,600 kg)</td>
</tr>
<tr>
<td>(43,900 lb)</td>
<td>(224 kW)</td>
<td>(9.0 km/h)</td>
<td>(3.07 m/s)</td>
<td>(13,600 kg)</td>
<td>(0.35-0.68 m²)</td>
</tr>
<tr>
<td>(27,400 kg)</td>
<td>(224 km/h)</td>
<td>(9.0 km/h)</td>
<td>(3.07 m/s)</td>
<td>(13,600 kg)</td>
<td>(0.35-0.68 m²)</td>
</tr>
</tbody>
</table>