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$3,351,675  
Alaska Interstate

ELMENDORF COPE THUNDER OPERATIONS CENTER  
$3,298,000  
Frawner Corp.

PALMER—GLENN HIGHWAY  
$2,142,737  
Wilder Construction

PALMER FISHOOK ROAD  
$1,469,835  
QAP

ANCHORAGE CAMPBELL CREEK WATER  
$1,439,189  
North Star Paving

CORDOVA CGC SYCAMORE  
$1,110,000  
Wolverine Supply, Inc.

VALDEZ BALER FACILITY  
$948,206  
Harris Sand & Gravel

ANCHORAGE SWITCH GEAR/BUS  
$598,100  
Crescent Electric Supply Co.

GLENNALLEN SEWER HUB  
$577,546  
Jim Cline Enterprises

ANCHORAGE INDEPENDENCE DRIVE  
$233,165  
Sonshine Enterprises

SOLDOTNA HOME RUN CIRCLE  
$224,501  
North Star Paving

PORT MACKENZIE  
$181,000  
Manson Construction

ANCHORAGE PORT SECURITY  
$119,601  
ALCAN Electric

**SOUTHEAST**

HOONAH SEAPLANE FLOAT  
$1,733,820  
Trucano construction

KETCHIKAN BERTH 1  
$1,555,760  
Pool Engineering

HAINES HIGHWAY REVETMENT  
$1,502,190  
Southeast Road Builders

JUNEAU KENSINGTON MINE  
$1,383,915  
Alaska Interstate

KETCHIKAN ROCKFISH ROAD  
$529,006  
Ketchikan Ready Mix

SITKA MOUNT EDGECUMBE HIGH SCHOOL  
$140,410  
Homer Roofing

JUNEAU EGAN DRIVE GUARDRAIL  
$208,000  
Miller Construction

JUNEAU GOVERNOR’S ROOM  
$108,213  
North Pacific Erectors

KETCHIKAN SUBSTATION  
$47,911  
P&T Construction

**INTERIOR**

RICHARDSON HIGHWAY EIELSON  
$5,081,250  
H C Contractors

DALTON HIGHWAY CRUSHING  
$2,523,000  
Hamilton

ANAKTUVUK PASS LANDFILL  
$1,476,815  
Northwest Mining

FAIRBANKS ALLRIDGE PARK  
$871,000  
Great Northwest, Inc.

**ARCTIC & WESTERN**

NOME 2005-2007 SHEET PILE  
$7,275,000  
MKB Constructors

KING COVER AIRPORT  
$5,856,960  
Knik Construction

PERRYVILLE AIRPORT  
$4,984,658  
B C Contractors

CHEVAK AIRPORT  
$3,186,828  
Bering Pacific

GRAYLING AIRPORT BRIDGE  
$3,076,379  
West Construction

BARROW SENIOR CENTER  
$2,997,000  
UIC Construction, Inc.

NOME NORTHERN REGION  
$2,165,495  
Knik Construction

MANOKOTAK HEALTH CLINIC  
$1,450,000  
Dowland

CLARK’S POINT HEALTH CLINIC  
$1,423,000  
Pro West

BETHEL AIRPORT SAND  
$1,384,000  
Denali General

Winter 2006
Opportunity

Alaska’s future is bright. Opportunities that are currently just over the horizon will shape the Alaska we live in for many years to come. Not since the gold and copper mining of the early 1900s and the discovery of oil at Prudhoe Bay in 1968 has Alaska seen such opportunity.

Along with these opportunities will come world-class construction projects, among them: the natural gas pipeline, oil exploration in ANWR, the Knik and Gravina bridges, expansion of the Port of Anchorage, the expansion of the military training complex outside of Fairbanks and major mining prospects across the state. All of these projects have the potential to ensure a vibrant economy well into the new century.

What will it take to see these projects through to completion? YOU! Sen. Ted Stevens, Sen. Lisa Murkowski and Rep. Don Young are doing their part; we need to get involved and do ours. Our voices need to be heard above those voices that seem to find reason after reason to oppose any development. We need to reflect on the actions of the pioneers who developed Alaska, who got involved and asked “why not,” not “why.” Exciting times lie ahead, let’s not be left wondering if there was something we could have done when we are reflecting on that missed opportunity.

Together with your individual efforts, your membership in AGC goes a long way toward advancing these opportunities through some of the following efforts:

Legislative work
Legislative work, including the Legislative Committee, AGC’s PAC and the AGC 49ers. Become involved in any of these groups, or better yet make the annual trip to Juneau in February to meet face-to-face with our elected officials to discuss issues affecting our industry. Most of the folks who serve in Juneau are not construction experts and look to AGC and its members for input regarding capital projects, labor laws and insurance issues, to name a few. Remember that 2006 is an election year. Another effective way that we have the opportunity to meet and talk to sitting legislators as well as new candidates is to sponsor or co-sponsor events for candidates.

Future workforce development
Development of our future workforce; get involved with a fifth- or sixth-grade “Build-Up” class to introduce kids to the greatest industry in the world. Take an afternoon to discuss the construction industry with a group of students at a “Career Day.” Contact Vicki Schmeibl, Knick Knickerbocker or Ben Northey to find out how you can help out with exciting new projects like the Mat-Su Career Academy or UAA’s Construction Management Program through our Education Committee. By becoming involved with this committee you make the greatest contribution we can make—ensuring that our industry has a qualified workforce for the projects of tomorrow.

Many other areas
There are many other areas within our chapter where you can become involved. Standing committees that meet periodically to address ongoing issues such as insurance issues, labor issues or the convention are always in need of new faces and new ideas. Serve on a task force; task forces are organized to address a specific issue, once that issue is behind us the work is complete. Labor negotiations for members that work under a collective bargaining agreement are always in need of member participation. These are all areas that require your input.

I am excited about the opportunities that lie ahead for our industry, and I look forward to serving as your chapter president over the next year. It’s an honor for someone who literally grew up in the industry in Alaska and spent many days of my childhood on daily adventures in the equipment yards of M.B. Contractors and Lease/Kissee Construction in east Anchorage.

Bottom line
Remember, we all have the opportunity to make a difference, but your involvement is the key to that opportunity.
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The Construction Industry Progress Fund

National and statewide studies consistently find that the construction industry faces a challenge in meeting its labor needs during the next decade. The primary factors contributing to the shortage are growth in the industry, retirement of existing employees, declining vocational opportunities in secondary schools and a negative image of construction.

To address this problem in Alaska, AGC created the Construction Industry Progress Fund. CIPF trustees quickly realized they could do nothing about the growth of the industry, nor could they influence the retirement decisions of the current workforce. Instead, the trustees chose to focus on improving the vocational opportunities for secondary school students and improving the industry’s image.

The strategy implemented for secondary schools has been to support AGC’s partnership with the Matanuska-Susitna Borough School District to develop a career academy. When AGC received a grant from AGC of America for the establishment of a career academy, the CIPF provided the required match. Both AGC and CIPF believe the Mat-Su Career Academy offers a model that can be replicated in school districts across Alaska.

The image problem is probably a more difficult issue. National studies of graduating secondary students show construction is ranked 247th out of 250 career choices. Only exotic dancers, migrant farm workers and lumberjacks rank below construction.

Developing strategies to deal with the image problem raised several issues: Did the national studies indicate perceptions of the industry in Alaska? Then, assuming the image could be improved, could CIPF develop cost-effective strategies to fix it?

While the trustees believed the national statistics did not properly reflect the public perception of the industry, it was conceded that the industry’s image could, and should be improved. Therefore television ads highlighting the contributions of the industry and promoting construction industry employment opportunities were developed.

The initial ads were test-marketed in Fairbanks. The perceptions of 18 to 24 year olds in Fairbanks were determined prior to the advertising campaign and then immediately following the campaign. During the campaign a Web site was created that detailed opportunities in the industry and provided contact addresses for the various craft training programs. The pre- and post-surveys showed that the image of the industry can be positively influenced by advertising.

The second phase was to develop additional ads and support them with editorial endorsements in the print media.

This phase of the program focused primarily on the Anchorage and Fairbanks labor markets. Once again, surveys indicated the campaign did improve the public’s image of the industry.

The third phase of the strategy is currently underway. In addition to the pre- and post-surveys, the trustees will be able to determine if the gains made in the prior phase of the campaign were maintained or if the gains lasted only as long as the ads were run.

Preliminary results from the pre-surveys indicate the ad campaign did have a positive impact on public perception.

<table>
<thead>
<tr>
<th>Industry</th>
<th>Pre-Survey</th>
<th>Pre-Survey</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Phase II 2004</td>
<td>Phase III 2005</td>
<td></td>
</tr>
<tr>
<td>Positive</td>
<td>61.6%</td>
<td>70.7%</td>
<td>9.1%</td>
</tr>
<tr>
<td>Negative</td>
<td>21.2%</td>
<td>10.6%</td>
<td>10.6%</td>
</tr>
</tbody>
</table>

The surveys suggest that in the year that lapsed between the initiations of phase two and phase three, positive attitudes toward the industry have increased significantly. More importantly, negative perceptions were cut in half. It is reasonable to conclude the initial series of advertisements and editorial endorsements had a positive impact on Alaskans.

When compared to perceptions of other industries, construction came out well. (Respondents were asked to rate the industries on a scale of 0 to 10, with 10 being very positive.)

<table>
<thead>
<tr>
<th>Industry</th>
<th>Pre-Survey</th>
<th>Pre-Survey</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Phase II 2004</td>
<td>Phase III 2005</td>
<td></td>
</tr>
<tr>
<td>Oil Industry</td>
<td>6.74</td>
<td>6.64</td>
<td>-.10</td>
</tr>
<tr>
<td>Construction</td>
<td>6.20</td>
<td>6.52</td>
<td>.32</td>
</tr>
<tr>
<td>Government</td>
<td>6.06</td>
<td>5.69</td>
<td>-.37</td>
</tr>
<tr>
<td>Commercial Fishing</td>
<td>3.99</td>
<td>4.10</td>
<td>.11</td>
</tr>
</tbody>
</table>

Finally, when questioned specifically about contributions of the industry, the survey revealed some interesting facts. (Respondents were asked to rate the industries on a scale of 0 to 4, with 4 being very positive.)

<table>
<thead>
<tr>
<th>Industry</th>
<th>Phase II 2004</th>
<th>Phase III 2005</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Providing good jobs</td>
<td>2.78</td>
<td>2.91</td>
<td>.13</td>
</tr>
<tr>
<td>Stimulating the economy</td>
<td>2.96</td>
<td>2.90</td>
<td>-.06</td>
</tr>
<tr>
<td>Providing good entry level jobs</td>
<td>2.63</td>
<td>2.73</td>
<td>.10</td>
</tr>
<tr>
<td>Creating a skilled labor base</td>
<td>2.58</td>
<td>2.67</td>
<td>.09</td>
</tr>
</tbody>
</table>

The results of the campaign CIPF has undertaken to improve the image of the construction industry suggest the campaign succeeded. Phase three is currently underway, and the results will be analyzed when it concludes. Jim Fergusson, chairman of the trust, and all the CIPF trustees are to be commended for developing a campaign that is yielding positive results.
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Companies now find it increasingly important to test for less traditional forms of drug abuse. In 2004, WorkSafe found that positive tests for opiates jumped 75 percent from 2003. Half of these positives came from synthetic opiates. Physicians prescribe synthetic opiates for pain relief, but unfortunately these drugs have a high potential for abuse.

The standard opiate test panel only tests for heroin, morphine and codeine – it does not include the synthetic opiates. Employers need to order this suite of testing separately.

Drug companies market the synthetic opiates under a variety of names, including Oxycodone, OxyContin, Percocet, Percodan and Tylox. Hydromorphone is another common pain reliever and is found in drugs such as Dilaudid.

These opiates create a high tolerance of physical and psychological dependence that includes euphoria, drowsiness, respiratory depression, nausea and constricted pupils.

OxyContin abusers either crush the tablet and ingest or snort it, or dilute it in water and inject it. Crushing or diluting the tablet disarms the time-release action of the medication and causes a quick, powerful high. Abusers have compared this feeling to the euphoria they experience when taking heroin. In some areas, the use of heroin is overshadowed by the abuse of OxyContin.

Oxycodone abusers simply chew the tablet, breaking the wax-matrix, so all of the oxycodone is released at once. For a 40-milligram tablet, that means a dosage equivalent of two-and-a-half Percocets every four hours. The indicated dosage for most individuals is one to two Percocets at a time. Taking four times the recommended dose can lead to fatal respiratory depression, although the typical adult would likely experience nausea and a period of immobility.

Of even greater interest to addicts and abusers is the possibility of nasal administration of the drug, which leads to an onset of peak effect in 25 minutes, compared to 60 minutes to 90 minutes from oral administration.

Employers may put themselves at risk if they do not have personnel policies to advise employees that they must notify their direct supervisor if they receive a prescription from a physician that will affect their ability to do their job. Prescription use is legal use and without this type of statement employees are not obligated to advise an employer when using prescription medication.

At WorkSafe, we have developed language to address this problem: “Employees are required to notify their direct supervisor if given a prescription medication that affects their ability to do their job (function).” This policy language should not be part of a drug testing policy, but part of an overall policy statement within the health and safety section of an employee manual.

If an employee self-discloses that he/she is on a prescription medication, as an employer, you now have the option to decide the type of duty the employee will perform. Re-assigning them to a non-safety sensitive job is preferred. The employee should not be penalized for disclosure. Employees also should be encouraged to ask their physician to prescribe medication that will not affect their jobs. The physician may also choose not to release the employee back to work until the employee is off the prescription drug.

Although opiates have a legitimate medical use in alleviating pain, use while in the workplace needs to be monitored because of its potential to hamper an employee’s physical and mental functions and put your company at risk.

But the greatest exposure for you as an employer are those opiates that are not legitimately prescribed. It’s the illegal use of these potent drugs, which can negatively impact job performance and safety. To cure that issue, you need to request synthetic opiates in your drug-testing regime.
OSHAn’s multi-employer citation policy *part two of two*

In part one of this series (Alaska Contractor, Fall 2005, page 14) we reviewed the two-step process that OSHA uses at multi-employer worksites to determine who will be cited, and if there will be more than one employer cited.

This issue, we will address an Action Plan for reducing multi-employer citations. Since most general contractors will be classified as the controlling employer, we’ll approach the Action Plan from the viewpoint of a general contractor.

**Clearly define and understand your responsibilities**

Be sure to start with a clear understanding of the four roles (Creating Employer, Exposing Employer, Correcting Employer, Controlling Employer, or multiple roles) in the context of OSHA’s perspective. These are very different terms than you will find in most contract language, so be sure that you review your contractual agreements in-house; then with owners and subcontractors. There may be specific contract language that directs an employer to control safety. As an example, you might require subcontractors to adhere to safety and health requirements and to immediately correct any violations discovered. This type of language solidifies the role of controlling employer to the general contractor.

**Train your staff to recognize safety and health hazards**

The key here is to achieve a high degree of hazard recognition in your staff. It is not enough to have a daily or weekly inspection on a construction site. The work conditions are just too dynamic. That’s a good start, but workers and supervisors must have a watchful eye to spot any hazardous condition or work practice, immediately report or abate the hazard as appropriate and document the actions. There can be no attitude of “I didn’t create the hazard, so we don’t have to abate it.” When it comes to multi-employer worksites, safety truly is everybody’s business.
Assign safety and health responsibilities to one individual

For an effective construction safety and health process to work, there must be responsibility and accountability. There should be a single individual who is tasked with ensuring that all safety rules are followed, and all elements of the safety system are in place and functioning. This person needs training, resources, time and the proper level of authority in order to be effective. On most construction sites, this will be a supervisor or foreman with collateral safety duties. This is an excellent role for the Safety Trained Supervisor certification program.

Have written safety & health plan

This must be a living, working document; not just a generic binder on the shelf. All employees should be knowledgeable of the contents and there should be very specific provisions for evaluating subcontractor’s safety efforts and results. This plan needs to be reviewed and updated annually, or more often, depending on circumstances.

Know your subcontractors

Under the multi-employer citation policy, special emphasis is given to the relationship between the general contractor and subcontractors. This means that you must know the safety history and performance level of each subcontractor, good or bad. Those with excellent records known to you will require less oversight than a new subcontractor.

These are all elements of a good construction safety and health program. None of it is rocket science, but these elements do require attention, measurement and accountability for performance. Following these steps can reduce your exposure to a multi-employer citation and will certainly result in controlling hazards and ultimately reducing losses, which will save you money.

Chris Ross is the general manager of AGC/NANA Training Systems, which is a training and consulting group providing solutions in health and safety, leadership development and emergency response planning. Visit our Web site at http://www.nana-nts.com, or call (907) 565-3300 for more information.
ACS—Building a better wireless network… among other things

The staff and management at ACS probably engage in understatement when they describe 2005 as a busy year. Here’s a sampling of just a few of the things that went down in the last half of the year:

- July 28: Signed agreement with the Army and Air Force Exchange Service to sell ACS products at four Alaskan military bases
- September 16 and November 29: Twice announced quarterly dividends of $0.20 a share for stockholders
- October 7: Announced the successful implementation of Anchorage’s enhanced 911 emergency system after three years of effort
- October 17: Signed an eight-year agreement with the federal General Services Administration to provide telecommunications services
- October 20: Signed agreement to be the Alaska service provider for OnStar, the General Motors wireless system available for emergency use in its vehicles
- October 25: Announced a new unlimited wireless plan
- November 9: Announced the expansion of its Kodiak Island wireless coverage
- November 10: Introduced the Pocket PC 6600
- November 15: Announced expanded wireless coverage on its CDMA network in various parts of the state
- December 6: Announced expanded wireless coverage on its CDMA network on the North Slope

Not bad for a company that just a few short years ago was known as the Anchorage Telephone Utility and mostly engaged in providing local and long-distance hard-wire telephone service to residents of the city.

A new boss

The rapid expansion of the goods and services offered by ACS can be traced to a single event—the board of directors hiring Liane Pelletier as president and CEO in October 2003. Prior to joining ACS, Pelletier worked for Sprint for 17 years and was widely regarded as that company’s strategic planning guru.

Pelletier looked over ACS and decided that the company was focusing on products instead of customers, and quickly concluded that this was the wrong emphasis. She made the necessary changes in senior management, studied the problem from various angles and essentially restructured the company.

Not long ago, Pelletier told an interviewer from American Executive Magazine, “We now measure growth in customers. We now have all local, long-distance and DSL on one bill. We are working to put wireless on the same bill.”

According to Meg Stapleton in the corporate communications office, ACS’s rapidly expanding network will cover 80 percent of the state’s population by the middle of 2006. And the entire network will be CDMA, which stands for code division mul-
multiple access. According to ACS, CDMA offers the best voice quality, the fastest wireless data speeds, the greatest security and GPS location capabilities.

All of this is available via wireless on your laptop wherever you may be in the ACS’s coverage area. A Sierra Wireless Aircard is simply inserted into your laptop and you have the ability to work anywhere—in your car, at a worksite or on top of a mountain overlooking Anchorage or Juneau.

“ACS is committed to serving businesses and consumers with the best mobile voice and data service in the state,” Pelletier said. “We believe offering the highest-quality service will drive new wireless users to our network.”

Besides the Aircard, ACS recently introduced the Pocket PC 6600. It’s barely bigger than a cell phone but works like a computer, a camera and a phone—you can call, send and receive e-mail, create and edit documents in Microsoft Mobile Word and Excel, take still and moving pictures, surf the Web, or perform whatever other computer work needed for conducting your business or personal affairs from anywhere within ACS’s expanding coverage areas. It can link directly to your office system if you wish.

Pelletier is convinced that the Pocket PC 6600 is the best thing out there. “Its camera and other advanced features make it the best go-to device on the market,” she said.

ACS coverage zones, as planned to be completed in 2006, will include virtually all of Alaska’s road system, except for some gaps on the Richardson Highway and the Tok Cutoff when crossing the Alaska Range; the oil fields on the North Slope; all of the major communities in southeastern Alaska and much of the space between them; and Kodiak Island’s northern end—centered on the City of Kodiak—are covered or will be covered by the middle of this year, all of it with the enhanced voice and data capabilities of the CDMA network.

Making it work in Alaska

Compared to population densities in the Lower 48, Alaska at first glance seems like a tough place for building a network capable of serving 80 percent of the population. Pelletier, however, looked the situation over and realized you don’t have to blanket the entire state to serve the bulk of its population; you need only concentrate in those areas where most of the people live. Alaskans are concentrated in relatively few areas overall, and wireless coverage over vast expanses of the state would be too costly. ACS would like to be able to serve everyone, but it is not fiscally feasible to do so.

“Our goal is to grow the number of loyal customers,” Pelletier told American Executive Magazine, “and we define loyal as someone who uses our services, buys more of them and ultimately refers us to her best friend. We had the network and now we have the vision. We look and operate and measure ourselves as being truly customer driven.”

Roy Bailet is a lifelong Alaskan who writes mostly on travel subjects, but will occasionally write about business.
Suppose your company is engaged in a lawsuit. “Joe,” not working for the company at the time, is deposed as a witness, and gives testimony unfavorable to the company. Joe is also quite reckless with the truth in his testimony.

Sometime later, Joe applies for a position as project manager for the company. He meets with a manager who does not offer him a job, does not hire Joe and does not give him a new-hire packet, but does tell him to report the next day. However, before he reports back, the company learns of Joe’s prior reckless testimony and declines to hire him. No cause for concern, right? But in just those circumstances, a jury awarded the unhired person almost $400,000 in compensatory damages and $4.3 million in punitive damages.

The Alaska Supreme Court affirmed the finding of liability though the damages were reduced to approximately a little over $900,000. Included was $100,000 for “emotional distress, mental anguish and anxiety.” Joe had testified that the manager had offered him the job, had given him a new-hire packet and told him to report to the field the following day. The jury obviously believed Joe and not the manager.

Most managers would realize that if an employee is called to testify under oath in a matter affecting the company and that the employee testifies truthfully, firing the employee for giving testimony would probably result in some liability. But the Alaska Supreme Court recently confirmed that a company will be liable for failing to hire a person who would otherwise be qualified and otherwise would have been hired if the reason for not hiring the person is that he provided testimony adverse to the company in some prior proceeding.

The lesson is to document very carefully new job application interviews and assure that there can be no reasonable way for someone to misunderstand that an offer has been made before the company is actually ready to make it. If, after someone is hired it is learned that the person testified against the company, perhaps untruthfully, make sure that the justification for any employment decision regarding the individual is extremely well and clearly documented.

Robert J. (Bob) Dickson is a partner of the Anchorage law firm Atkinson, Conway & Gagnon, Inc.
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Cold-weather work clothing has improved dramatically in the last half century, according to Jim Fergusson, who has supervised Alaska construction projects from Juneau to Prudhoe Bay for more than 30 years. “The clothes we have today are so much better, more flexible,” he said, “and so much easier to wear than they were in World War II.”

Savvy Alaskan construction workers are not going to trade in their polar fleece or polypropylene for the itch of wool or the danger of cotton, but they are wearing the same outerwear construction workers have been wearing since 1889.

“Carhartts are still the favorite—heavy canvas holds up. Sure, there’s nylon and Gore-tex out there now, but that’s too expensive because it wears out too fast,” said Larry Strobbe, Neeser Construction project manager, an Alaskan construction worker who has spent more than 20 years in the field.

Strobbe says from the field perspective, winter construction is not nearly as productive. “Winter slows the guys down, the heavy clothes and having to wear gloves all the time. Add to that safety harnesses over the cold weather gear and it impedes movement. We spend more time on safety, because of the ice and having the extra clothes on, getting in position with extra clothing and bigger boots takes longer. It’s really slick out, icy, and the concrete decks will end up with ice on them.”

According to Fergusson, most workers would claim temperatures of 40°F and up are optimal. He estimates that productivity drops by half when the temperature falls to zero and that it probably drops by another 50 percent at minus 20°F. Colder than that and it just depends on what people are doing.

Alaska construction workers say the best temperatures for winter work are around 20°F or below, because everything’s dry, according to Clayton Larson, another Neeser project manager. “But not 20 below,” he added.

There are limits to what the Alaska construction worker will do.
“When it starts getting down to 10 below we don’t work, unless there’s a deadline,” Strobbe said. “Zero... we work.”

Coupled with those low temperatures is the exposure factor.

“Obviously, a construction worker working in a heated, glass-enclosed cab on heavy equipment is not as impacted as the man holding the shovel,” Fergusson said. “Construction workers in the cold need the ability to get out of the cold during break times and meal times, and when it gets down below zero they need more breaks, more frequent breaks, longer breaks and the ability to get thoroughly warm. It’s important construction workers don’t get too warm and sweat because that will ruin their ability to stay warm.”

VECO Fabrication Facility Project Manager J.D. Wilson said the most significant thing about cold climate winter construction work is to know what the conditions are before you go outside so you can be prepared. He is a strong advocate of providing education and training so workers can recognize when they’re getting too cold and take steps to avoid hypothermia.

Wilson has been working construction for 18 years, the last 15 years in Alaska. He started with VECO in 1990 in Kenai, where he did offshore construction in Cook Inlet and had rain, snow, tides and wind to contend with. He’s also worked the North Slope and said, “Training is very important in arctic conditions, especially for people coming from the Lower 48. It’s important to have the knowledge and training before being exposed to the conditions.”

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Equipment

“The equipment we have today, like the clothing for the construction worker, is much better than the equipment in World War II,” Fergusson said. “It reliably starts and reliably runs in temperatures of minus 30°F and below. Obviously, equipment has to be properly maintained and serviced, and have the right type of fluids to work in those temperatures. Block, battery and cab heaters are standard in today’s arctic equipment. The equipment will need lights and more lights to work in the darkness of winter.”

Operating equipment in the winter comes with an extra energy price tag. The light plant and the temporary heaters are very expensive extensions of the winter construction project. Strobbe says you’ve got added manpower to keep everything running, and the heavy equipment has got to be plugged in all night so it will start again in the morning.

“You must provide for the proper fluid and fuels during the winter,” Fergusson said. “If you try to run a piece of diesel equipment with summer fuels in the winter, you won’t go very far. This is normally a problem in the fall of the year when the supply chain is still full of summer-grade fuels and fluids and a cold snap hits suddenly.”

Fergusson points out that winter
is not a handicap for all Alaska construction. “The frozen winter provides easier access to muskeg swamps, lakes and rivers than was possible during the summer. You can get to the places in the winter you can’t get to in the summer. In the winter, that river that was an obstacle can become a frozen highway to provide access to the project or the mines tens of miles from the road system or the nearest airport. On the opposite side, winter can lock you out of certain marine ports.”

Materials
Alaska’s geophysics are a lot different than anywhere else in the United States, and play a large role in determining ideal construction materials and methods. Besides sub-zero temperatures, high winds and heavy snowfall, the seemingly endless darkness of winter, active seismic zones, permafrost and supply chain logistics also have to be dealt with.

“The materials we utilize in the arctic in the winter are easier to use and more reliable than in the past,” Fergusson said. “We have to make sure the right materials are specified so they can be installed in a cold and damp environment. Materials that can only

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be applied at 80°F and above don't have much of a place in Alaska.”

“A significant concern with the materials has to do with transportation. The synthetic plaster Dryvit, for example, has to be protected from freezing during transportation and storage at the job site. Once Dryvit has been installed and allowed to cure properly it then can be allowed to freeze, but up until that time it cannot be allowed to freeze. Paint, sealants and adhesives often fall into a similar category.

“Also of concern to the Alaska contractor in the winter is the proper organization of his outside material piles so that he can find them after two feet of snow falls, and does not damage them while plowing the snow,” Ferguson said.

Strobbe said materials become coated in snow and ice in the winter, so there’s extra cost for protection. Concrete is a challenge in winter, even with the additive used to make it set faster. “The problem of pouring concrete in cold weather is it is difficult to keep it warm and then placement becomes more difficult. There’s the added cost of natural gas for heat.”

Temporary structures

“The building of temporary enclosures in Alaska changed dramatically with the advent of duct tape and Visqueen,” Ferguson said. “Inflated by blowers and warmed up by heaters, Visqueen enclosures serve as a common technique for Alaska winter construction. The bane of these enclosures is the wind. The building of the enclosure the first time is usually in the estimate. The building of the enclosure the 10th time is almost never in the estimate.”

“No one likes doing temporary covers,” Strobbe said. “They’ve paid a lot of mortgages though. It’s not that dif-
ficult, but it’s an inconvenience that allows us to work. They’re a real important part of the project. We’ll get storms blowing through two to three times a year, and it doesn’t matter how well you built it, you’ll still lose it. The minimum amount of labor is used building the temp covers just because you’ll lose it. They are constantly in the way of doing your work, so you end up moving them several times.”

According to Ferguson, 30 years ago most outdoor construction in Alaska stopped with the arrival of the termination dust and did not start again until spring. He says duct tape and Visqueen have made construction in Alaska a year-round activity. “The only major impediment to winter concrete construction that remains is the freezing of the aggregate stockpiles. To make concrete in winter the aggregate is hauled into a heated warehouse and allowed to thaw, the drums of the cement mixer truck are heated by steam and the concrete is produced using hot water. The truck is then driven to the job site, which is often enclosed in a Visqueen enclosure, and the concrete is pumped into insulated forms and allowed to cure.”

**Factory approach**

Another way to build out of the weather is making pre-fab modules inside. VECO does this for some of their construction work for the North Slope oil fields. According to Wilson, it’s more feasible, efficient and expedient to do it in town and put it on a truck or a barge than having a North Slope camp job. VECO’s Fabrication Facility in Anchorage offers many advantages over building in the elements.

“These are huge modules,” Wilson said, describing six modules that will be stacked two wide and three high after being built in Anchorage, trucked north and put together to become a pump module for Alyeska Pipeline Service Company, part of the TAPS strategic reconfiguration and electri-

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**Visqueen enclosures make construction in the Alaska winters possible, as shown at this Neeser worksite.**

**PHOTO: SUSAN HARRINGTON**

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*continued on page 24*
Another module is being built for BP Exploration (Alaska) Inc. for use at Kuparuk, and VECO is looking into building modules for the Russian oil and gas project in Sakhalin.

The modules are engineered to arctic conditions for wind and snow loads, with paneling with the right R-value for personnel protection from the piping and the redundant heat of the equipment and product. The product is oil and gas, and it comes out of the ground at 150°F.

“Occasionally, we do more work outside in the yard,” Wilson said. “The majority is done inside, then we take it outside and stage it, shrink-wrap the module, and finish it up outside. All the exterior work, the work that would have been done outside, is already complete.”

Some of the equipment used in the Fabrication Facility greatly increases productivity. “Equipment we use in handling the materials, for example positioners, create an automated roll out,” Wilson said. “We use those to rotate the pipe so the welder stands there and welds, it cuts down on stationary welds where the welder goes around the pipe—cuts that by 80 percent or more. It’s a lot more productive.”

Overhead cranes are another automation for handling heavy materials. “We have that advantage that we wouldn’t have on site,” Wilson said.

Another plus to VECO’s factory approach to building is in materials. “We have that advantage that we wouldn’t have on site,” Wilson said.

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only a phone call away. On site it can be very difficult to get materials.”

Regarding the people factor, Wilson said the controlled environment makes a huge productivity difference, as well as health and safety. “Being in town makes people and reserves more readily available. “We still have a few challenges when we do the work outside,” Wilson said. “This year we’re doing more outside in the yard because of the volume of work we have now.”

To accommodate the increased work that’s come to town from the oil patch, VECO is considering putting up a temporary structure in the Fabrication Facility yard in Anchorage. Instead of Visqueen and duct tape, though, they’ll use a sturdier canvas modular structure, probably 40 feet by 100 feet minimum, with temporary heat and lighting.

Still to come is new technology for arctic production. “Rather than having an enclosed module for so much redundant heat, maybe an open module, pump module, louvered for cooling,” Wilson said. “Some of the production slows down in the summer because of the heat. So you have the two extremes, midwinter—have to heat to preserve equipment—in the summer, for production the enclosed module needs the heat ventilated to keep equipment running. We’re trying to get some of that changed.”

VECO has another fabrication plant at Port MacKenzie across Cook Inlet from Anchorage. Wilson says they build a skeleton at the Anchorage facility, then load it up and truck it to the facility at the port where the siding, piping and electrical is done before it goes to the North Slope. A third facility, in Deadhorse, has a shop bigger than the one in Anchorage; and is used for modifications and maintenance, not fabrication.

**Bottom line**

While Fergusson’s best tip for winter construction may be going to Maui for the winter, the days of construction workers having the winter off in Alaska are over for many as more contractors have projects going year-round.

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The construction industry in Alaska has always depended on skill, grit and a bit of “imagining” to overcome the challenges presented by Alaska’s harsh conditions and short seasons. Despite those obstacles, the industry continues to succeed on the Last Frontier with an impressive record of excellence.

That fact was abundantly clear in 2005 at the Associated General Contractors of Alaska’s annual conference in November, when the association recognized the industry’s finest.

The annual awards ceremony, held in Anchorage, honors companies and individuals who represent the very best in their field.

The highest award went to Hal Ingalls of Denali Drilling in Anchorage, who won the Hard Hat Award, AGC’s most esteemed prize. A persistent force in Alaska construction, Ingalls was stunned by the award, which recognizes vigorous contributions to the construction industry. It’s the highest award an individual can receive from his peers.

“My exact words were: ‘I was speechless.’

“You don’t really realize how much you’ve done (for the betterment of the industry) until something like this happens, and it’s pretty darn nice.”

Ingalls, who was born and raised in Palmer and started Denali Drilling in 1970, also received the Volunteer of the Year Award. “They called me up for Volunteer of the Year, and I really wasn’t expecting anything else,” he said.

“It gets you where you don’t have anything to say when you’re in front of anything to say when you’re in front of...
a whole lot of people, and that’s not me. I usually have something to say.”

Topping the list of Alaska USA Insurance Brokers Excellence in Construction Awards was Kiewit Building Group of Anchorage, winner of the “Vertical Construction Over $5 million” category for the Blair Lakes Maintenance Complex. The project is located 20 air miles south of Eielson Air Force Base on an active bombing range.

Kiewit constructed a 26,300 square-foot self-contained dormitory with dining and games facilities for 20 men, with an attached five-bay maintenance shop, for the U.S. Air Force. The project was supplemented with a 265,000-gallon bulk fuel storage area, power plant, septic system, fresh-water well, gray water evaporation pond and 110,000-gallon fire-water tank.

“These people who worked for Kiewit made big sacrifices,” Mike Barta said. “They worked seven days a week, sometimes 16-hour days, and a month on, a week off. That’s hard on their families.”

Kiewit completed the job ahead of schedule, despite delays from wildfires, high winds, frozen ground and remoteness of the job site. Materials and equipment had to be transported over an ice road in the winter; the only other access was by air using a 2,500-foot gravel airstrip.

But the most challenging aspect of the job was its location on an active bombing range.

“The noise was certainly distracting while the crews worked,” Barta said, “although it was pretty cool to see what they (the Air Force planes) were doing.” But the biggest obstacle was the restricted airspace.

“We had to operate at the mercy of the Air Force,” Barta said. Additionally, “it was very important to the Air Force and the Corps of Engineers that we didn’t disrupt their operations,” he said, “and we never did.” The two-year project was completed without a recordable accident.

Kiewit, which has won numerous AGC awards in the past, was also recognized by the Corps of Engineers Alaska District as its “2004 Contractor of the Year for over 40,000 man hours” for safety performance.
Not surprisingly, Kiewit was also recognized at the AGC awards ceremony with Marsh USA’s “Excellence in Safety Award for over 25,000 man hours.”

“I was pretty pleased that we submitted two awards and got both,” Barta said. “It was a good batting average. And the safety award says something about our safety efforts. We put a lot of effort into safety procedures.”

Winning the “Heavy Construction Over $3 million” category was Palmer-based Cruz Construction Inc. for its Galena Stream Bank Stabilization project. The work involved shoring up 2,600 feet on one shore of the Yukon River.

“We never had a project of this magnitude,” Jeff Miller said. Cruz Construction has won the AGC award twice before for the “Under $3 million” category.

Getting materials and equipment to and from the job site was a challenge in itself. The only source of rock for the job was 20 miles away up a mountain. The only access in the summer was across bogs that had to be traversed at an incredibly slow pace with all-terrain vehicles to protect the environment.

Once winter set in and the river froze, “we starting hauling rock,” Miller said. “The critical path was getting it all mined in time,” he said. “We made it,” he said, and with no accidents despite 20,000 man hours.
The crew camp was located four hours from Galena by road, so safety was a high priority. “You always take your time, but for this job, you took more time,” Miller said.

Cruz Construction received a double honor at the AGC conference, winning the “Community Service Excellence Award” for donating the labor and materials to build an eventing course for the Honor Bound Pony Club in Palmer.

“The key to the project was our mulching machine, which made a beautiful 10-foot path through the trees,” Miller said.

It was “quite a surprise” to Miller when he heard that Cruz had won the award. But it was a popular choice. “We got more comments about this than the big job. But it was no surprise that owner Dave Cruz agreed to do the project in the first place,” he said.

“People know that Dave is a sucker for a good cause.”

West Construction Co. won the “Vertical Construction Under $5 million” category for its Westward Seafoods Exhaust Stack project in Dutch Harbor.

West, which started the job in early 2004, completed the work on time by July 15, 2004. The job involved erecting a 110-foot tall exhaust stack, which is actually six stacks in one: three for power generation exhaust and three for boiler exhaust. The entire system sits on a 20-foot-high rigid platform that had to be anchored to bedrock.

George Tipner of West Construction was surprised to win the award. “We go to the luncheons, and we listen to other people win. We were totally shocked.”

The biggest challenge was the size of the job site. “The site was so small we had to use two cranes to lift the thing up,” Tipner said. “It was so windy that lifting the last 65 feet into the air was really tricky. There was barely enough boom to lift that last section.”

The entire seafood plant also had to be shut down because both boilers and generators had to be turned off during the work. “The rerouting had to be done by July 1, 2004, or it would cost the owner $3.5 million a day,” Tipner said. “The project was up and running on time.”
AGC members Sonny and Cher and Dolly Parton and Kenny Rogers entertain during the annual dinner dance. Mark Houle and Michelle Holland and Stan Smith and Mike Harned claim never to have had so much fun.

The Specialty Contractor award in the “Transportation, Marine and Heavy Earthmoving” category went to American Marine Corp. for its Tesoro Point Possession Ten-Inch Pipe Replacement project.

Thomas Ulrich of American Marine was extremely pleased by the award. “We were hoping,” he said. “It was the Academy Awards. It’s a big deal.”

The project involved replacing 1,960 feet of 10-inch undersea pipe at Point Possession in an active tidal zone in Cook Inlet. The project brought together many contractors who orchestrated the job and integrated the work of numerous subcontractors while acquiring the necessary marine equipment from as far away as Hawaii.

“It was a good project, a complicated project,” Ulrich said. “An awful lot of vendors and subs were involved, and it came together perfectly.”

In all, 29,344 man hours were logged for the project, which spanned six weeks of on-site operations in May and June 2005. The project was deemed a success and was completed under the anticipated time frame with no lost-time accidents.

Top honors in the “Heavy Construction Under $3 million” category went to Yukon Construction Inc. for its Alaska Highway/Richardson Highway Bridge and Seismic Improvements project.

The purpose of the project was to strengthen four bridges against earthquakes that they were not originally designed to withstand.

“It was quite a feat,” said Marv Brownell of Yukon Construction. “We had to use ‘imagineering.’”

The Robertson River Bridge was the most challenging. Like most of the Alaska Highway, it was built during World War II. The bridge, which was 2,000 feet long and weighed 6,000 tons, had become damaged over time, and its bearings needed to be replaced with high-tech friction pendulum earthquake bearings.

“When we started we thought we would have to stop traffic,” Brownell said. “But the job went so smoothly that we didn’t have to.”

The most challenging aspect of the job was to design a technique and apparatus to lift the bridge, replace the bearings and then lower the bridge.

Anchorage School District Superintendent Carol Comeau was the Ladies Luncheon guest speaker.
“The challenge was that the bridge was designed to be supported or lifted at the very point where you had to do your work,” Brownell said. “The company had to imagine, design and create — “imagineering” — an alternate place at each pier to safely get hold of the old bridge that was not in the way of replacing the bearings.”

The work on the Robertson River Bridge took about six months. “We are proud of all the people who worked on the project and proud that it was completed on time and without a lost-time accident,” Brownell said.

Roger Hickel Contracting in Anchorage won in the “Vertical Construction Under $1 million” category for its Southcentral Foundation Office Building expansion project.

The project involved adding a second story to an existing building, which consisted of a two-story office building with a one-story warehouse at one end. The second story was built over the warehouse.

The project gave the fast-growing Southcentral Foundation an additional 3,400 square feet of badly needed office space. The job was completed in October 2004 in three months.

“Southcentral had been in that building for 15 years and needed more space,” Roger Hickel said. The unique aspect of the project was adding a second floor to an existing building. “That the adjacent building was occupied only added to the challenge,” Hickel said. “They (office workers) could look out their windows, or through the blue visqueen, and watch the work,” he said.

“The job had to be done quietly and after hours so as to not disrupt their operations,” he said. “The expansion really improved that old building.”

Alaska Trailblazing was the recipient of the “Specialty Contractor Award” for its stunning landscaping project at the new Eagle River High School.

It was the single-largest landscaping job the company had undertaken at the time, requiring 400 trees, 10,000 shrubs and 18,000 yards of screened topsoil.

Crews worked hard to get the seeding areas planted as quickly as possible in the summer of 2005 to be ready for the school to open in the fall.
One challenge was hauling soil around the clock from processing facilities in Anchorage. Another was overcoming delays caused by correcting site elevation problems to ensure good drainage. Alaska Trailblazing met the challenge and had the areas planted before the rainy season, and all the grassy areas had greened up by the time school started.

Jeff Dinwiddie of Alaska Trailblazing said the finished job is something to be proud of. “It was a very nice project. Everyone was really happy.”

Winning the AGC’s Safety Leadership Award was Matthew Hogge of Anchorage Sand and Gravel. Hogge, who became the safety director at the end of 2001, greatly expanded the safety program for Anchorage Sand and Gravel. At the time he took over, the company had an incident rate of 15.7, which means out of 100 people, 15 required medical treatment.

This year, under Hogge’s leadership, the company scored an incident rate of 4.

But Hogge is not content to stop there. “This is still a work in progress, and we have a ways to go, but we’re getting lots better,” he said.

The biggest challenge was changing the culture of the workplace. The company started with a climate of “let’s get it done,” he said. “It was a production environment. But we’re changing that to make it a safety environment. It’s been a lot of work.”

Some people thought that in a safety environment, you’re not going to get the production you want, he said. “That turned out not to be true. You get better production when you don’t have down time because someone got hurt.”

Quality improves as well, he said. “People do their jobs better.”

The following were the AGC construction and safety winners:

**Hard Hat Award (AGC’s most prestigious):** Hal Ingalls, Denali Drilling.

**Volunteer of the Year:** Hal Ingalls, Denali Drilling.

**Associate of the Year:** Denali State Bank, Fairbanks.

**Supplier of the Year:** Chuck Savoini, Spenard Builders Supply.
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Winners of the Alaska USA Insurance Brokers Excellence in Construction Awards:

- **Vertical Construction over $5 million:** Kiewit Building Group for the Blair Lakes Range Maintenance Complex.
- **Heavy Construction over $3 million:** Cruz Construction for the Galena Stream Bank Stabilization project.
- **Vertical Construction under $5 million:** West Construction Co. for the Westward Seafoods Exhaust Stack Modifications.
- **Heavy Construction under $3 million:** Yukon Construction for the Alaska Highway/ Richardson Highway Bridge Rail and Seismic Improvements.
- **Vertical Construction under $1 million:** Roger Hickel Contracting for the Southcentral Foundation Office Building Expansion and Roof Repair.
- **Specialty Contractor, Heavy Construction:** American Marine Corp. for the Tesoro Point Possession Ten-Inch Pipe Replacement project.
- **Specialty Contractor, Vertical Construction:** Alaska Trailblazing for the Eagle River High School landscaping project.
- **Community Service Excellence Award:** Cruz Construction for the Honor Bound Pony Eventing Course.

**Event photos by Danny Daniels Photography.**

Blues Brother Kelly Layman belts out a number during the entertainment portion of Saturday evening’s festivities.
A solid local economy, strong competition in the financial services industry, and recent growth in banking deposits and loans are motivating local banks and credit unions to build new facilities in Fairbanks.

Six new financial institutions have either recently been built or are under construction in the Fairbanks area. That includes the newest project, the planning of a large, multi-story bank and office building in downtown Fairbanks, which is being developed by Mt. McKinley Bank.

The locally owned bank has already acquired land for the facility on Lacey Street between 3rd and 4th avenues, according to Craig Ingham, president and CEO of Mt. McKinley Bank.

He expects construction to begin in early 2007, with completion in the fall of 2008. Size of the facility could range from 35,000 square feet up to 60,000 square feet, ranging in height from five to seven stories, Ingham said.

“We’re looking for a facility to meet our needs for the next 40 to 50 years, as well as to provide class-A office space to lease out in the core area,” he said. “We want to make sure that we don’t quickly outgrow our space. We will lease out the upper floors with the idea that we can expand into the space as we need.”

Mt. McKinley is also part of a wave of new financial institution construction being developed together with new retail construction on the northeast side of Fairbanks along the Johansen Expressway—land that was vacant moose pasture less than a decade ago.

Within the last five years, large retailers building new facilities in that northeast area include Home Depot, Wal-Mart, Lowe’s and Fred Meyer. Other retailers moving into newly constructed facilities include Barnes and Noble Book-sellers, Alaska Sportsman’s Warehouse, Old Navy, Petco, and Boston Pizza and Chili’s restaurants.

To tap that retail business, three financial institutions are constructing or have already built branch offices in that area, including Mt. McKinley, Alaska USA Federal Credit Union and First National Bank Alaska.

The new facilities are part of an investment to provide services to existing customers and to try to capture new clients who shop in the retail zone, according to Sue Foley, senior vice president of central support division at First National Bank Alaska.

“Small businesses and professionals are the sort of business that will be utilizing the big box stores for their materials and supplies. It’s in a good traffic pattern,” Foley said. “Going to the bank is a destination. It needs to be in a traffic pattern or the customers will find one that is.”

First National Bank Alaska spent $3 million to build an 11,500-square-foot building off of the Johansen Expressway, in front of the new Lowe’s facility, hiring Watterson Construction as the general contractor and architect C.B. Bettisworth.

“We built the maximum amount of building we could on the space ... we’ve got lots of expansion opportunity inside the branch,” Foley said.
First National opened the doors of its new branch in January 2005, and Foley said she’s “comfortable” with the number of transactions at the facility. “I’m sure we’ll grow as the area continues to grow and as more people use this traffic pattern to acquire the goods and services they need.”

Mt. McKinley is building a branch office on a section of land between the new Fred Meyer and Wal-Mart buildings, off of the Old Steese Highway. The bank is spending slightly more than $1.8 million to construct a 4,100-square-foot facility, due to be completed and open by the end of January 2006, Ingham said.

Stanton Construction of Fairbanks is serving as the general contractor and Martha Hanlon Architects is the project’s architect.

“We felt it made sense to better serve our customer base on the northeast part of town,” Ingham said. “Certainly that area is going to be a

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key shopping area for Fairbanks. You want to locate branch facilities where people do their shopping and other business.”

Other construction in the area includes a three-story, 53,000-square-foot facility being built by Alaska USA Federal Credit Union. Scheduled to open in May 2006, the facility will house the credit union’s Fairbanks Financial Center on the first floor, with office space available for lease in the upper two stories, according to John Combs, facilities manager for Alaska USA Federal Credit Union.

The credit union is working with a local realtor to develop tenant leases for the facility. “We have our own insurance and mortgage companies, so we will not have tenants that will compete with us,” Combs said.

Anchorage-based Criterion General is serving as the project’s general contractor. The new credit union is located on the Old Steese Highway, between the Seekins Ford Lincoln Mercury dealership and the Jehovah’s Witnesses Kingdom Hall.

“The idea of a financial center is to provide one-stop shopping for the more specialized services we provide,” said Nancy Usera, senior vice president for corporate development at Alaska USA Federal Credit Union. “We’re very bullish on Fairbanks ... we think Fairbanks will continue to have high levels of growth.”

Other new construction of financial institutions in Fairbanks includes MAC Federal Credit Union, which is building a new facility in the downtown area at 10th Avenue and Cushman Street.

The 8,000-square-foot, two-story building is scheduled to be complete before the end of 2005, according to

The new MAC Federal Credit Union building faces Cushman Street in downtown Fairbanks at its 10th Avenue location. The 8,000-square-foot, two-story facility has an estimated price tag of $3 million.

PHOTO: PATRICIA LILES

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Raelynn Holland, executive vice president of MAC Federal Credit Union. Budget for the facility is $3 million, she said.

Rather than building its own facility, Denali State Bank opted to lease space in a newly-constructed building located on Chena Pump Road on the west side of Fairbanks, just off of the Parks Highway. The facility opened in November 2004, according to Nancy Russell, senior vice president and chief operating officer.

“Out in the Chena Pump area, there wasn’t a bank that was servicing the residents out there,” Russell said. “We felt it was time to open a new branch and extend our services. Of course, it is an opportunity to increase our customer base.”

The surge in construction of financial institutions can be attributed to an extremely competitive industry, bankers say. Construction of new facilities allows banks to “better service their customers and provide them with additional convenient locations,” said Mt. McKinley’s Ingham. “The business of banking is very, very competitive, and we have to make sure we give customers convenient locations so they will continue to bank with us and so that we can capture more customers down the road.”

The necessity of offering convenient locations for banking services is something First National Bank Alaska is considering with its expansion in Fairbanks, Foley said. “People are not going to go out of their way to go to the bank unless they absolutely have to,” she said. “All financial institutions are trying everything they can do to keep their competitive edge and to keep their customers.”

A steady local economy and growth

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of deposits in local financial institutions has encouraged Mt. McKinley in its expansion planning, Ingham added.

"There's a lot more activity with businesses coming into Fairbanks, with more construction activity. And we still have a very healthy economy, which is driving additional loan growth in the community," he said. "We could have a reversal of fortune and go into a soft economy or even a recession. I don't believe any of our expansion plans would change even if we have an economic slowdown."

Total bank deposits reported in the Fairbanks North Star Bor-

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Crews working for Criterion General spent late August working on the steel structure of Alaska USA's new building in Fairbanks.

ough were $657.9 million in the first quarter of 2005, the most current statistics available from the borough's community research department. Total bank loans reported in the same period were $503.1 million.

That compares to $553 million in total bank deposits and $353.9 million in total bank loans reported in the first quarter of 2001, according to the Fairbanks North Star Borough.

The overall loan-to-deposit ratio in the first quarter of 2005 was 76.47, meaning that for every dollar held on deposit in Fairbanks-area banks, 76.47 cents was invested in loans. This fig-

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The pie size is up from 70.28 at the end of the fourth quarter 2004 statistics, according to the borough’s community research quarterly.

“There is a limit to the size of the pie,” Ingham said. “If you throw an additional financial institution into the mix, it could create the potential for us to not have enough business to go around.”

In regards to specific building techniques, financial institutions require some special security needs, which increase the cost of construction. The thickness of concrete and the amount of rebar used to surround a bank’s vault “drives the cost up,” according to Foley. “A big cost is the equipment made out of steel, which has gone up again and again,” she said.

Planning for and constructing multiple lanes for drive-through service also creates some special construction needs, Ingham said. “That can require certain designs differing between standard construction and banks—incorporating the canopy and drive-up lanes.”

Patricia Liles is a longtime journalist who covers Alaska business and industry issues. She works outside of Fairbanks.
Taking pride in what we do

AGC member projects from around the state

Photo essay by Danny Daniels

University of Alaska Museum, Fairbanks
Alaska Mechanical, Inc.

PHOTO © Danny Daniels Photography
New Year’s resolution:  
Be ready for the next big job

You wouldn’t go to a job site without the proper tools. So why would you enter the busiest part of the construction season without the necessary lending tools in place to help you succeed? It’s not too early to get ready for the 2006 busy season.

The right relationship

Having an established relationship with a loan officer and updating your business’ financial information on file will put you one step ahead of the competition. You’ll be in a better position to land—and finish—the jobs that will have the most positive impact on your bottom line.

First off, a relationship with a loan officer who knows your business, industry and community is essential to business success.

Your loan officer should understand your business needs, your role in the community and any unique circumstances that may affect your success when doing business in Alaska.

An established bank can also be a key part of the equation. A bank that has been around for a long period of time and that is committed to the community can be one of your greatest assets when discussing lending options. Such a bank has an understanding of the factors that play into doing business in the state, and also has a vested interest in the continued economic success of the local area.

If you do not have an established relationship with a loan officer or a bank, now is the time to make it happen! It’s never too early to start planning. Contact your local lending professional today! They can help you get ready for the 2006 busy season.
officer or if your loan officer or bank is not meeting your needs, start searching now for one that will help you succeed when the time comes.

Updated files
The right loan officer and bank are only parts of the financial puzzle. It is also important to ensure your loan file is up-to-date when the need comes for quick access to capital.

Since you don’t know when the need for a loan or line of credit will come along, it is essential that you keep your loan file current. The file should be updated at least once a year and as early in the year as possible. It should include basic information such as financial statements, a year-to-date profit-loss statement and a complete copy of your business’ most recent tax return.

Now, before the busy season, is the time to make sure that all the information in your loan file is current. Once updated, make sure you keep the file current with your loan officer, who will then be able to easily access the information needed for lending decisions, putting you a step ahead of the crowd. A quick lending decision can mean the difference between landing the job that will help your business grow or sitting on the sidelines and watching.

Whether the money is needed for a good deal on supplies or to replace a piece of equipment, fast loan approval is often essential to taking full advantage of an opportunity. Updated financial information is the best way to expedite the process.

Take care of these issues now and your business will be in a better position to compete and outperform your competition. Updating your file is easy, it doesn’t take long and it will continue to pay benefits throughout the year.

By establishing a relationship with the type of loan officer who will help you succeed and updating your loan file on an annual basis, the door is open to capitalize on lucrative opportunities when they come along. Make it your resolution to get your business’ lending needs in order before it is too late. Resolve to make this a prosperous year.

Bill Inscho is senior vice president at First National Bank Alaska.

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Growth and prosperity in ALASKA: Preparing for the future

BY GOV. FRANK MURKOWSKI

Alaska is enjoying great prosperity. We've grown our budget reserve to $2.2 billion, increased K-12 education spending by more than 22 percent, and for the first time in 20 years, the state has offered a successful oil and gas lease sale on the Alaska Peninsula. We are also closer than we've ever been to getting Alaska's natural gas reserves to market in the Lower 48, and more than 8,900 new jobs were created last year—all in the private sector.

A prime example of Alaska's growth potential is the Matanuska Valley. This booming borough is attracting a growing list of developers, businesses and investors, as well as new residents. It is now the state's third largest population center, with more than 70,000 people.

This population influx helps support a growing labor market both in the Mat-Su and across the state, as a significant number of borough residents travel to Anchorage and beyond to work. This includes long-distance commuters such as oil industry workers on the North Slope, fishermen in Kodiak, miners in Kotzebue and Delta Junction, and construction workers across the state.

The kind of growth—and its corresponding benefits that the Mat-Su area is currently enjoying—is the kind of growth we anticipate throughout the state. Building a natural gas pipeline and other large construction projects will result in about 43,000 new jobs in our state. It's important that we prepare for that growth now by expanding the transportation, construction, mining and energy industries.

The Alaska Department of Labor and Workforce Development is already focused on helping to make sure Alaskans are ready for the jobs that growth in these industries will bring. One example of that focus is the Youth First Initiative, a pilot project spearheaded by the department's Division of Business Partnerships and six Alaska school districts. The project is aimed at promoting job opportunities for youth and will place "career guides" in high schools. These guides will show students fun and challenging career opportunities in

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The Governor toured the 63-acre Alaska Operating Engineer Local 302 training center in Palmer. It was exciting to witness first hand the great job training and apprentice opportunities we have here in Alaska. He even tried his hand at operating a heavy equipment simulator.

PHOTO: COURTESY OF THE STATE OF ALASKA, GOVERNOR’S OFFICE

Students in vocational and technical fields. Funded in part by a grant from the President’s High Growth Job Training Initiative, the project will increase skill training and apprenticeship opportunities in order to help prepare our young people for Alaska’s future workforce needs. Activities across school districts will vary and be tailored to specific conditions in each area, and may include job shadowing, internships and summer jobs in high growth industries.

The pipeline worker training recently completed in Fairbanks is another example of the state’s efforts to train workers for high-growth industries. As a partnership between the state, labor and industry, the November program successfully graduated 97 Alaskans now ready to work in every phase of pipeline construction. We’re proud of the Alaskans who graduated from this training program and proud to have played a role in helping them succeed.

The Department of Labor is also providing training to Alaskans for good-paying careers in the mining industry, with programs at the Delta Mine Training Center near Fairbanks, the Northern Industrial Training Center in Palmer and University of Alaska Fairbanks’ Bristol Bay campus. Collectively, these programs cover three of the state’s big regions and offer training and federal certifications for underground mining, mine site construction and gold mine work.

By increasing awareness of and training for Alaskans, the state is closing the gap between the need for skilled workers and Alaska’s ability to supply them. Our growth is exciting, and we are working to meet our 90-percent Alaska Hire Initiative and making sure our workforce is ready to fill the jobs we know are coming to our great state.

You may contact Gov. Murkowski at http://gov.state.ak.us/govmail.php.
Uncertainty Still Rules the Day

BY RON DALBY

Just when you thought the Arctic National Wildlife Refuge debate couldn’t get any sillier, along comes a crusading Texas prosecutor who convenes six grand juries in a row until he finally gets one that will use what has been described as the flimsiest of evidence to indict U.S. House of Representatives Majority Leader Tom Delay, R-Texas.

What has the indictment of a congressman from far-away Texas got to do with ANWR? Quite a lot, actually.

Historical perspective

For several years running, the House of Representatives has dutifully voted on an energy bill that includes exploring and developing the oil resources available in ANWR. And if such a provision were later put to an up-or-down vote in the U.S. Senate, it would probably pass, based on the solid majority the Republicans currently enjoy.

However, in the Senate, things are not quite so simple. If the opposition wishes to filibuster any bill, the majority requires 60 of 100 senators to agree to end the debate and vote on the bill. Unfortunately, the Republican majority in the Senate does not total 60 votes, thus the opposition can shoot down ANWR with the simple threat of a filibuster and has been routinely doing so for years.

There is, however, a way around the filibuster. If ANWR can be attached as a rider to a budget bill, it can go through the Senate on an up-or-down vote. By law, budget bills cannot be filibustered. This year, provisions opening ANWR to exploration and development were added to a budget bill and passed by the Senate, in spite of a series of desperate objections by some in the minority.
ANWR, though, ran into a hastily erected brick wall when it came to the House. And this is where Delay's indictment complicates the picture.

A Congressman facing criminal charges—even though he is not yet been tried—is required to give up any leadership posts he might hold in the House. Thus Delay was forced to step down as majority leader. If he is ultimately acquitted, he can compete to regain his leadership post, but a verdict in this case is many months, possibly a year or more away.

Delay was the enforcer in the House. He kept the Republicans in line to vote as a block for desired legislation. With Delay gone, some of the more moderate Republicans from other states began to slip away from their previous support of ANWR. And there was nobody with Delay's commanding presence to bring them back into line. Thus the House version of the budget bill has no provisions for ANWR exploration and drilling.

**What happens next?**

As this issue goes to press, it looks increasingly likely that the House-Senate conference committee that will resolve the differences between the two budget bills will delay its work until after the Christmas and New Year's holidays.

Conference committees are formed with representatives from both houses of Congress to hammer out an agreement over the differing language in bills. Very little gets through both houses with exactly the same language. Conference committees create the final bill whose language is acceptable to both the Senate and the House of Representatives.

Thus all is not yet lost for the possibility of opening ANWR this year. The conference committee could very easily send a bill to both houses with the ANWR language in it; it is, you remember, already in the Senate version. This is just one of the areas of disagreement that remains to be worked out.

Getting ANWR in the final budget bill may require some tradeoffs. The Republican ANWR defectors in the House are claiming they don’t like the budget bill because of some fairly pricey additions this year—just which ones seem

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to vary depending on who you talk to. In other words, some things may get rearranged in the budget if ANWR does appear in the final version.

Bottom line: We’ve got a few more weeks of waiting until we know the ultimate fate of ANWR in this year’s legislative package. Right now it appears it could go either way.

An unrealistic debate

Few items on the domestic agenda in the last 50 years have been as misunderstood as ANWR. Probably the only thing that comes close in recent memory was the misinformed campaign to prevent drilling in Prudhoe Bay nearly three decades ago.

Interestingly enough, during the Prudhoe Bay debate, environmentalists fighting to halt exploration and production at Prudhoe Bay actually suggested that oil development be done in ANWR. One of their papers on the subject actually described ANWR as a biological wasteland of little value. What a difference 35 years makes. Now ANWR is hailed by those who know nothing about it as the last and richest pristine ecosystem in North America.

A further complication in the ANWR debate is that most of the people doing the arguing have not the slightest idea of what they are talking about.

A further complication in the ANWR debate is that most of the people doing the arguing have not the slightest idea of what they are talking about. ANWR is not high on anybody’s list of vacation spots, even in its short summer season.

One of the reasons that ANWR is so little understood is the falsehoods put out by the anti-drilling crowd. I was on the fringes of one of these some 18 years ago.
In 1988 I was the editor of Alaska Magazine. One afternoon late in June of that year I received a telephone call from an excited young woman who worked for a public relations firm in Los Angeles. She breathlessly told me how excited she was to have had her company chosen by the Sierra Club to develop its public-service, anti-ANWR-drilling campaign for the print media. Public-services ads are those provided free to newspapers and magazines for use as fillers if any holes are left over after all the copy and advertising is in place for an issue.

She wanted the names of some photographers who had recently been to ANWR so she could find a picture or two to use in the ads she was developing.

As I knew several photographers who had been there, I asked her to be more specific about what kind of scene

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The Alaska CONTRACTOR

Winter 2006

she wanted, figuring I would give her the name of the photographers most likely to have the kind of picture she wanted.

“I want something, like, out of the old West,” she said. “You know, mountains and canyons. That sort of thing.”

I was a little put off by this and told her that nobody was arguing about mountains and canyons; the area of interest in ANWR was the coastal plain. She asked me what that looked like, and I replied, “From the air this time of year, sort of like a pool table, flat and green.”

“That’ll never do,” she said.

I sighed and gave her the names of a couple of photographers and let it go at that. I figured this was the end of it.

Not so. Some months later my annual packet of Sierra Club public service ads arrived on my desk. On top of the stack was an ad featuring a pretty picture taken in the Sadlerochit Mountains in ANWR—many miles south of the coastal plain—with a headline that read, “Drilling for oil here would be like damming the Grand Canyon.”

I picked up the phone and called the executive director of the Sierra Club and gave him a piece of my mind, noting that no one was going to tote a drilling rig anywhere near those mountains. My language was perhaps a little harsher than that.

He just laughed and said the ad had its desired effect—the money was rolling in.

The Sierra Club and others use issues like ANWR, especially pictures of cute and cuddly baby caribou or polar bears or wolves, to raise money. In 2002 the environmental reporter for the Sacramento Bee, a liberal McClatchy newspaper, set out to write a five-part series lauding the environmental movement. Before he was done, he had turned on the national environmental organizations and instead damned them as simply money machines more interested in raising funds that protecting lands and wildlife. It’s refreshing to know that there are people out there who can be swayed by an objective look at the facts.
ANWR is a tough sell

Getting past the baby caribou pictures makes it tough for those who support extending our domestic supply of oil by opening ANWR to exploration and development. A picture of a drill rig can hardly hope to compete with the cuddly baby caribou picture. People writing checks to environmental groups are thinking with their hearts and not their heads. Nor can such dry statistics as how well the industry has performed in the Alaska oil fields, the minimal amount of land required to develop ANWR’s oil reserves, or even the one about the 10-fold increase in caribou numbers along the pipeline on the North Slope hope to compete with the environmental groups’ tug-at-your-heart-strings pictures. Being in the right doesn’t always mean you have the best ammunition for presenting your case.

Using the good ammunition, though, to perpetuate a falsehood is not good policy either, but it is the problem we face when seeking to open ANWR to environmentally sensitive exploration and development.

Right now, with ANWR on the table for the budget bill conference bill, we’ve probably got the best shot at getting permission to explore and develop ANWR that we’ve ever seen. Whether or not ANWR is approved depends on the whims of various political winds. That so, no one dares to predict the outcome as of this writing.
This fall as I started contacting schools about NCCER Contren curriculum the response was positive. Several school districts we haven’t worked with before called AGC to ask us to be their NCCER sponsor and to certify their teachers. In other words, they want us to partner with them on their construction curriculum.

By the middle of November we'd conducted five Instructor Certification Training Program classes. In the past I usually offer three classes at most a year!

As of this writing we have 84 classrooms using NCCER Contren under our sponsorship—all with NCCER certified instructors/teachers. That totals 13 rural school districts for 55 classes, 3 urban school districts (Anchorage, Fairbanks and Juneau) for 14 classes, two post-secondary schools (AVTEC and Ilisagvik College) for 14 classes, and one at Hiland Correctional Facility in Eagle River.

Also, under our sponsorship we have a total of:
- 117 certified instructors
- Approximately 396 students on the National Registry
- 218 students with certificates

We’re working with additional school districts that will increase our class count after the first of the year. So we know our classroom count will increase as we move through this school year. This is shaping up to be our best year ever.

Build Up!

We continue promoting Build Up! in the Anchorage School District as well as throughout rural Alaska. We have more requests from Anchorage School District schools this year than last and we’re hoping to stimulate interest in Build Up! We have several Build Up! cheerleaders: Kevin Norton of Anchorage Sand and Gravel Co. Inc. and Kevin Hoyer,
principal of Kincaid Elementary, to name a couple of them.

It was our pleasure to recognize Hoyer at our annual convention in November. I think he was surprised and we were pleased to honor him. He’s very good at promoting Build Up! with his colleagues and we appreciate him.

**New construction career academy**

At our convention we held a workshop on the academy. We oriented the attendees to our academy model, we shared where we are, what’s happening next and asked if any in the workshop would like to participate in the academy. Knick Knickerbocker, our industry team leader, and I answered questions from the group and the time flew by. I’m pleased to say it was well attended.

This spring we’ll finish putting the team together of all the stakeholders. Then we’ll identify the small group of contractors who will work with the math teacher to convert the curriculum to construction.

In late spring we’ll begin planning the opening of the academy. We’re on our way with the academy. Kris Forrester took three teachers with her to the October 2005 open house of East Ridge Academy in Chattanooga, Tenn. East Ridge is the first of the AGC of America academies and is very successful. Forrester is working to secure the best teachers for the academy when it moves to the new center and expands in 2007.

All in all we’re experiencing a very interesting and exciting year.
Few Americans have the tenacity of John Rapanos. In fact, he’s a bit of a folk hero for many people interested in private property rights and limited government. He is also the central character in the battle over just how far the Corps of Engineers can go with their Clean Water Act permit demands.

It would have been easier for Rapanos to have given in when the Corps first told him he needed a permit to develop his land. But, easy is not what Rapanos is all about. He felt the demand unjust and was willing to stand up for his rights. On October 11, 2005, the United States Supreme Court agreed to hear his case after more than 10 years of litigation and potentially millions of dollars in fines and fees all because he refused to give in to the Corps of Engineers.

The saga began when, while spreading clean sand on his property in anticipation of building, the EPA informed Rapanos that he would need a permit from the Corps of Engineers under Section 404 of the Clean Water Act. He declined this “suggestion,” noting that the nearest navigable waterway was 20 miles from his property.

Government regulators typically don’t take such dismissal lightly, especially the EPA and the Corps of Engineers. Rapanos was forced to endure more than a decade of claims and litigation. Now, thanks to the equally tenacious Pacific Legal Foundation, he will have his day before our nation’s highest court.

This is not the first time this issue has come before the Supreme Court. In fact, most property rights organizations thought the question was resolved in the Supreme Court’s 2001 decision in SWANCC v. Corps of Engineers. Obviously the Corps did not think so.
The SWANCC case arose out of an outrageous rule developed by the Corps to expand its Clean Water Act to and permit jurisdiction over millions of acres of isolated wetlands. This rule, known as the Migratory Bird Rule, claimed federal jurisdiction over any puddle or pond that might become a stopping place for migratory birds. The Supreme Court rejected this expansion of federal control.

The decision, authored by then Chief Justice William Rehnquist, authorized federal regulation of navigable waters and abutting wetlands. This seems reasonable, since the Clean Water Act draws its authority from Congress’ role in interstate commerce. The Corps, however, has indulged in what can only be considered creative definitions.

According to the Corps, normally dry land is subject to federal control so long as any water from this parcel can make its way to a navigable waterway, no matter how distant. Remember, Rapanos’ property is 20 miles from the nearest navigable waterways. In a Wisconsin case, also decided in favor of the government, the property was 64 miles from a navigable waterway.

According to the Alaska Department of Environmental Conservation, 63 percent of the nation’s wetlands are within the state’s borders, making the question of when the Corps can demand a 404 permit important to anyone involved in construction. In fact, Alaska may be the battle ground for the next generation of jurisdictional claims by the Corps.

Up until now, demands for Section 404 permits have been based on an above-ground path by which water from a property could make its way to a navigable waterway. Corps regulators in Alaska have now demanded that a property owner secure a permit because there is a ground water connection. It takes no imagination whatsoever to see that such a claim could give the Corps jurisdiction over virtually any property in the nation.

Opportunities like this are rare indeed. Pacific Legal Foundation is both proud and humbled to be the organization that will argue this important issue before the Supreme Court this year. We urge all AGC members to contact our Sacramento, Calif., office if you have any questions or would like more information.

Reed Hopper has been with Pacific Legal Foundation for 12 years. In addition to his work on Clean Water Act permitting issues, Mr. Hopper also leads PLF’s Endangered Species Act project.

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3900 Lennane Drive, Suite 200
Sacramento, CA 95834
(916) 419-7111
(916) 419-7747 (fax)
plf@pacificlegal.org
Rep. Don Young champions the passage of landmark highway legislation

July 29, 2005
Washington, D.C.—Alaska Congressman Don Young today voted in the House of Representatives on agreement to the Conference Report of H. R. 3, the Safe, Accountable, Flexible, Efficient Transportation Equity Act—A Legacy for Users. H.R. 3 provides $286.45 billion in guaranteed funding over six years for federal highways and transit programs, as well as highway safety and motor carrier safety programs. This legislation will strengthen our country’s ability to move people and freight. The bill passed by an overwhelming margin of 412 to 8.

SAFETEA-LU increases funding for constructing and improving our nation’s highways by 30 percent over TEA 21. This legislation improves transportation project delivery by ensuring better coordination among state departments of transportation and federal permitting agencies. It improves the rate of return and scope for states that have minimum growth of not less than 19 percent over TEA 21. It improves highway safety with a new program designed to increase safety belt use. In the area of transit, this bill creates the new freedom initiative to give more mobility for the disabled and increased transit funding over TEA 21.

“This is a truly momentous day for the users of our nation’s transportation infrastructure,” Young said. “This bill is the result of a great deal of extremely hard work on the part of many people including the leadership of the House and Senate, our committee members, all the other committees of jurisdiction, and our great staff. This legislation has been a long time coming and because of the hard...
work and dedication of this collective body, we can report a victory.

“This is not the funding level that I wanted, but this funding level will help boost our economy. This is a jobs bill that will put America back to work and begin the process of repairing and building this nation’s great infrastructure. Alaska is positioned to receive more than $596 million in funds. These funds will help to curb our ever growing congestion problems and meet the need of some of our infrastructure challenges."

Rep. Don Young commends senators Stevens and Murkowski for stopping the Coburn Amendment

October 21, 2005

Washington, D.C.—Alaska Congressman Don Young today commended Sens. Ted Stevens and Lisa Murkowski for their valiant efforts in defeating the Coburn Amendment yesterday.

Sen. Tom Coburn, R-Okla., introduced an amendment to H.R. 3058, the Transportation, Treasury, HUD, Judiciary and District of Columbia Appropriations Act. If passed, this amendment would have redistributed a portion of the funding designated for the Knik Arm Crossing in Anchorage and the Gravina Island Bridge in Ketchikan, approximately $75 million, to the reconstruction of the Hurricane Katrina-damaged Twin Spans Bridge in Louisiana. The Coburn Amendment was defeated by a vote of 82-15.

“I would like to commend the two senators for the great job they displayed in urging their colleagues not to support such a wrong and disrespectful amendment. Our state lacks the same infrastructure as the rest of the nation. What our critics fail to realize is this is not a new idea. These projects have been studied and surveyed since before I became chairman. This defeat displays the cohesiveness of our great Alaska delegation and our willingness to continue working together to make Alaska one of the greatest states in the union,” said Young.

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Sen. Ted Stevens speaks out in favor of coastal plain development in ANWR

October 27, 2005

Washington, D.C.—Today Sen. Stevens, R-Alaska, joined Sen. Lisa Murkowski, R-Alaska, Secretary of the Interior Gale Norton and others in speaking about the positive effects developing the coastal plain of Alaska will have on the nation’s energy prices and economic development.

Following are some excerpts of Stevens’ remarks.

“America is paying significantly more for gasoline, heating fuel and consumer products than just a few short months ago. In the past four-and-a-half years, the average price of gasoline has increased by $1.84 a gallon—that’s a 75 percent increase! “We now import almost 60 percent of the oil we consume. For every $1 billion that we spend to develop our domestic
resources, we create 12,500 jobs. That means we lost more than 1.3 million jobs in 2003 by importing oil instead of producing it here.

“We must reduce energy costs and create well-paying jobs for Americans by developing our domestic resources. Alaska can play a large role in this effort. We have what is estimated to be the second-largest oil field ever discovered in North America, capable of producing 1 million barrels of oil per day, which will create an estimated 700,000 to 1 million American jobs when developed.

“Public perception on this issue has begun to change—I believe Americans now support drilling on the coastal plain because they realize stable energy prices, economic growth and improved national security will come only when we increase domestic energy resources.

“The United States can no longer afford to outsource jobs and meet our energy needs overseas.”

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Robby Capps was born in Anchorage and now runs the company, F&W Construction, that Ed Forsberg and his grandfather Al Wiederholt founded in 1958.

“I graduated from Bartlett High School,” Capps said, “and attended the University of Alaska [Anchorage].”

After he was done with school, he didn’t go to work for F&W right away, though. Capps worked for three or four different construction companies as a union carpenter. It wasn’t until 1987 that he signed on with his grandfather’s company. “He was looking to slow up a bit and was looking for somebody that could take care of the field”, Capps said. “Eighteen months after I went to work for F&W my grandfather died suddenly from a heart attack”.

At the time, DiAnne Heverling had been F&W’s bookkeeper for a number of years. Together they formed a partnership that took over F&W Construction. Heverling is still on board with Capps as a partner.

Capps handles the overall management of the field as well as estimating functions, with Heverling managing the administration of the office. In fact, even now, during the “off season,” your odds of finding them in the office on Saturdays and Sundays are good. And he loves to talk about his company and some of the projects it has completed over the years.

“Probably half the work we do each year is in rural Alaska,” he said.

When pressed about a particularly memorable job, he thinks for a moment and says, “1993—the Bailey Power Plant in Ketchikan. We installed the largest diesel generator in Alaska. A 10.5 megawatt unit manufactured by Wartsila Ltd. in Helsinki, Finland.”

The diesel engine powering the generator weighed in at 200 tons; the generator itself was another 66 tons.

More recently, F&W is building a new maintenance facility for the Department of Transportation at the Chandalar Shelf along the Dalton Highway more than 300 miles north of Fairbanks.

Capps is justifiably proud of his company and its record of accomplishments. When asked about his involvement with AGC, “We were members back in the early 1970s,” Capps recalled. Somewhere along the way, though, F&W dropped out of AGC. In the mid-1990s, Pat Reilly convinced Capps that F&W should rejoin the organization. A few years later, Capps was elected to the board of directors and in 2002 elected to the executive board, a position that generally leads to the presidency, which Capps assumed in November at the 2005 AGC Convention.

One of his overriding interests as AGC Alaska president is educating young people about the exciting careers available to them in the construction industry. Capps worries, with considerable justification, that there are not enough young people in the education pipeline to fill the construction jobs looming on Alaska’s horizon.

He believes that our schools need to “educate” students about all of the career opportunities available to them including the construction trades and other vocational paths. It is an area that AGC has devoted considerable effort over the last five years. Through the hard work of AGC members and staff, as well as some devoted members of the education community we are beginning to see the first of “tomorrow’s contractors”.

Looking ahead, he notes, “We’re going to see the beginnings of the gas line, one or both bridges, the oil industry is going to grow, and the population along with it.”

Heady predictions, to be sure, and tasks that are going to require thousands of skilled, highly paid construction workers in the future. Capps’ focus on educating young people in the construction trades couldn’t come at a better time.
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