



The Vermeer RTX1250i2 brings contractors new developments with the strong, durable legacy you have grown to expect from Vermeer. Take advantage of new interchangeable and intelligent features like self-identifying attachments and onboard diagnostics. Combine the RTX1250i2 with any of these trusted products to help you meet the needs of any jobsite.

Visit us at vermeerrockymountain.com to learn more!



BILLINGS, MT 406.656.2939 BOISE, ID 208.463.4573 SALT LAKE CITY, UT 801.975.1216

SPOKANE, WA 833.566.6277



FORGE AHEAD WITH THE STEEL EXPERT



- In-House Installation
- Design/Engineering
- Big Box Conversion/ In-Fills
- · Commercial/ Light Industrial
- Single/Multi-Story
- Boat & RV
- Warehouses
- · Re-Roofing
- Hallways & Doors
- Remodel/Retrofit
- Refurbishments
- · And More...







CONTACT US TODAY!

348 W Parkcenter Blvd., Boise, Idaho 83706

CONTENTS

Message from the Idaho AGC President, lessee Rosin – 6

Idaho AGC Staff - 8

Idaho AGC 2021 Board of Directors - 9

A Shot in the Arm - 10

Something Old is New Again – 14

The Department that Scored Huge Success at ASC Regional and National Competition is Getting New Digs, and Could Use Your Help – **18**

COVID-19 and Construction in Idaho – **20**

Arriving Now:

Amazon Scales Up Idaho Operations – 24

Orchard Combat Training Center Abuzz with Construction Activity – **28**

ITD and AGC Announce Excellence in Construction Partnering Award Winners – **30**

Guess That Project! - 32

A More Safe, Accessible, and Mobile Highway 55 – **34**

The Employee Retention Credit – Extended and Expanded (Again) – **36**

Idaho Influencer: Chuck Winder – 38

Innovate ITD Impresses at Gartner Awards – **42**

Idaho AGC Hires New Staff Member, Expands Safety Program in Fastern Idaho – **44**

New Lease Accounting Standards: Is Your Construction Company Prepared? – **46**

Case Study: Self-Storage Renovations – **48**

2021 Legislative Recap - **50**

INDEX TO ADVERTISERS

Anern Rentals Boise	21
Alliant Insurance Services, Inc	26
American Vac Services, LLC	40
Boise Shade Co	21
BSR Design & Supplies	15
CDA Paving & Concrete Specialists	33
CED – Consolidated Electrical Distributors, Inc	40
Champion Concrete Pumping & Conveying, Inc	38
D&A Companies	27
DC Electric Inc.	35
Eide Bailly LLP	37
Forge Building Company	3
Gordon Rees Scully Mansukhani LLP	27
Granite Excavation Inc.	41
H&E Equipment Services	9
Harris CPAs	47
Idaho Asphalt Supply Inc	5
Idaho Materials & Construction	13

uano national Laboratory	
daho Pacific Lumber, Inc	IBC
daho State Insurance Fund	23
AcCallum Rock Drilling	31
Meuleman Law Group PLLC	32
Midwest D-Vision Solutions	7
Moreton & Company	41
Okland Construction	25
Pacific Office Automation	43
PayneWest Insurance	11
Rocky Mountain Supply, Inc	21
Roe Painting	33
Sletten Construction Company	45
Sunroc Corp	OBC
Jniversal Forest Products, Inc	15, 45
/ermeer	IFC
Nright Brothers The Building Co	8
/MC, Inc	17

building IDAHO

IS PUBLISHED BY

DEL Communications Inc. Suite 300, 6 Roslyn Road Winnipeg, MB R3L 0G5 www.delcommunications.com

PRESIDENT & CEO

David Langstaff

MANAGING EDITOR

Cindy Chan cindy@delcommunications.com

ASSISTANT EDITOR

Hailey Reyes hreyes@idahoagc.org

ADVERTISING MANAGER

Dayna Oulion

ADVERTISING SALES

Gary Barrington Jennifer Hebert Mic Paterson Gary Seamans

PRODUCTION SERVICES PROVIDED BY

S.G. Bennett Marketing Services

CREATIVE DIRECTOR / LAYOUT & DESIGN

Kathleen Cable

COVER PHOTO COURTESY OF

Brenda Leap, Photographer, Leap Photography

© COPYRIGHT 2021

DEL Communications Inc. All rights reserved.

The contents of this publication may not be reproduced by any means, in whole or in part, without prior written consent of the publisher.

Publications mail agreement #40934510 Return undeliverable addresses to: Idaho AGC 1649 West Shoreline Drive, Suite 100

Boise, Idaho 83702

While every effort has been made to ensure the accuracy of the information contained in and the reliability of the source, the publisher and/or the Idaho Associated General Contractors in no way guarantees nor warrants the information and is not responsible for errors, omissions or statements made by advertisers. Opinions and recommendations made by contributors or advertisers are not necessarily those of the publisher, its directors, officers or employees.

PRINTED IN CANADA 04/2021



For 45 years, Idaho Asphalt Supply has proudly partnered with the Idaho AGC and our fellow members, offering the finest quality PG-graded asphalts, polymer modified asphalt liquids and emulsions with unmatched technical support and customer service.

First Choice.

When you do business with Idaho Asphalt Supply, high-quality asphalt products manufactured to your exact specifications are only part of the story. Supported by our in-house AMRL-accredited labs and award-winning transportation and spreading companies, we lead the industry in quality, innovation and seamless one-stop-shop services.

We're a family-owned company and treat customers as part of our family. From our sales team to the lab, to production and management, our word is our bond. Our mission is to help you succeed - whether we are at your side in the field, optimizing our chemistry for project conditions, or sharing best practices for innovative treatments.

We strive to be your "First Choice."

Idaho Asphalt Supply, Inc

MESSAGE FROM THE IDAHO AGC PRESIDENT JESSEE ROSIN





t's a great honor to serve as the 2021 President of the Idaho Associated General Contractors (AGC) and I'm proud to report that the year is off to a great start.

This past year has demonstrated just how important membership in the Idaho AGC is to contractors large and small across Idaho. During the entire pandemic and the government's response to it, the Idaho AGC labored continuously to ensure that contractors kept working and that construction workers were recognized as the "essential" employees they are. All across the nation, including in several of our neighboring states, construction came to a halt as government controls forbid construction workers from returning to jobsites. But not in Idaho.

Here, the Idaho AGC reached out to state leaders, as well as the leaders of local governments across the state, to make the case for why contractors should remain on the job and how construction activities could continue in a safe and responsible manner. Some Idaho AGC members might not use the plan room, subscribe to the health plan, or attend the organization's many events, but every one of us in construction benefited from the Idaho AGC's efforts on our behalf during the pandemic.

Now that things are looking better on the health front, the Idaho AGC remains engaged to ensure that construction prospers in our state. The most immediate fruit of this labor is the tremendous success the Idaho AGC has had during the 2021 legislative session (see full report from CEO Wayne Hammon in this issue).

With the return to normalcy has come a return of the Idaho AGC's full calendar of events. Make the most of your AGC membership by signing up for a golf tournament, shooting competition, or the Annual Gala while there is still time.

Returning to normal does not mean that we forget the lessons we've learned over the past year. While I'm pleased that the Idaho AGC now has a full schedule of inperson trainings, it's just as exciting that the improved online trainings developed during the pandemic will remain an option as well. There are now online options for supervisor training, LEAN construction, and so much more to compliment the in-person sessions on First Aid, WPCM, and the other traditional offerings.

So what lays ahead? As your president, I'm focused on growing the Idaho AGC to include more of Idaho's contracting community. Working with the organization's leadership and staff, we're hoping to clearly communicate to all contractors why a membership in the Idaho AGC is essential to their business' success. I hope you will join me in this work. Reach out to either me or Wayne with your ideas.

Even better, call either Sean or Blake on the Idaho AGC staff and schedule an hour or two for them to come along as you introduce them to your subcontractors, suppliers, and friends. We need your help and together we can ensure that the organization that did so much for us last year continues to be there for us the next time disaster strikes.





WINDOW COVERINGS

CONSULTATION SERVICES

ARCHITECTURAL PRODUCTS

STOREFRONT & INTERIOR GLASS

COMMERCIAL DOORS & HARDWARE

SPECIALTY PRODUCTS & ACCESSORIES



208.505.6333 | www.mwdsidaho.com

IDAHO ASSOCIATED GENERAL CONTRACTORS **STAFF**



WAYNE HAMMON

Chief Executive Officer whammon@idahoagc.org (208) 344-2531

TAMARA TRACY

Senior Director of Finance & Operations ttracy@idahoagc.org (208) 472-0457

SUE FUDGE

Senior Health Plan Director sfudge@idahoagc.org (208) 472-0455

SEAN SCHUPACK

Director of Public Policy & Member Services sschupack@idahoagc.org (208) 472-0464

HAILEY REYES

Engagement Director hreyes@idahoagc.org (208) 472-0463

DEREN MARTINEZ

Plan Room Manager & Communications Specialist planroom@idahoagc.org (208) 344-2531

JULIA BECKLEY

Accounting Specialist jbeckley@idahoagc.org (208) 472-0459

JENNY LARSEN

Health Plan Coordinator jlarsen@idahoagc.org (208) 472-0454

KAYCEE CRON

Workforce Development & Training Coordinator kcron@idahoagc.org (208) 472-0458

BLAKE MECHAM

Eastern Idaho Regional Coordinator & Safety Specialist bmecham@idahoagc.org (208) 472-0456



IDAHO ASSOCIATED GENERAL CONTRACTORS 2021 BOARD OF DIRECTORS



EXECUTIVE COMMITTEE

President Jessee Rosin
1st Vice President Anna Sparrell
2nd Vice President Darrin Dance
Secretary/Treasurer Joe Meuleman
Immediate Past President Bob Von Lintig

GENERAL CONTRACTOR DIRECTORS

Jared Wise Ryan Russell Anthony Guho Jaret Whitescarver Mark Elder Torry McAlvain Jr. Josh Davis

SPECIALTY CONTRACTOR DIRECTORS

Jake Claridge Seneca Hull

ASSOCIATE DIRECTORS

Tracy Hopkins Darryl Simmons

NATIONAL BOARD OF GOVERNORS

Scott Cron. Jeremy Petersen Paul Saucerman Matt Blandford John Young

PAST PRESIDENT DIRECTORS

Bob Von Lintig
Zach Higgins
Chuck Graves
Delwyn Mickelsen
Joe Jackson
Michael Arrington
Garry Mattson
Paul Saucerman
Burke Hansen
Pat McEntee
Paul Franz
Torry McAlvain
Harvey Neef
Steve Heaton
Terry McEntee





In a challenging year, health care development boosts Idaho economy

By Peter Jensen

s development projects in other sectors slowed in 2020 due to the economic recession and the COVID-19 pandemic, the push to build new or expand existing health care facilities in Southwestern Idaho accelerated. A quartet of major development projects — three from the St. Luke's Health System, and one from Saltzer Health — served notice that as this region of Idaho expands as never before, its health care system will grow and evolve alongside it.

Last year, St. Luke's laid the foundation for future expansion of its downtown Boise campus with the construction of three new buildings: a central utility plant, a parking garage, and a shipping and receiving facility. All three were scheduled to be completed in spring 2021. On the west side of downtown, St. Luke's is building a five-story facility that will house a surgery center and a clinic for outpatient services, among other programs. In McCall, St. Luke's is expanding and renovating its hospital.

Throughout 2020 and into 2021, Saltzer Health built four urgent care clinics and a four-story medical office complex that also serves as Idaho's first 24-hour urgent clinic. Two of the clinics are located in Meridian, one in Caldwell, and the fourth is in East Boise, while the medical office complex is located near the Ten Mile Road and Interstate 84 interchange in Meridian.

SALTZER AIMS TO CUT COSTS OF CARE

According to Saltzer CEO Ed Castledine, building the new urgent

Chessmore, left, gives a tour of the company's new clinic in East Boise to Mayor Lauren McLean at a ribbon-cutting ceremony in 2021.

IMAGE COURTESY OF SALTZER HEALTH.

care clinics is a key component of the company's drive to reduce the costs of care to patients. For Saltzer, an Idahobased company since 1961, the goal is to increase access to primary care physicians through transparent pricing and welcoming, comfortable facilities that don't entail long wait times, he said.

"We're very focused on how we expand our primary care base," Castledine said in an interview. "That is the backbone of our medical care system. When you have a lot of primary care physicians, care is less costly."

The clinics' designs feature modern, open feels along with abundant glass and natural light. The idea is to invite patients and help them feel comfortable prior to appointments, while allowing them to see other areas of operations.



Saltzer Health worked with Ball Ventures Ahlquist to construct this new medical office building on 10 Mile Road in Meridian. The building houses Idaho's first 24-hour urgent care clinic. IMAGE COURTESY OF SALTZER HEALTH.



When it designed its new facilities, Saltzer Health emphasized open concepts that would allow patients to see more of the work that takes place in its offices. IMAGE COURTESY OF SALTZER HEALTH.

"In the old days we built gigantic lobbies," Castledine said. "We don't need gigantic waiting rooms anymore because we don't want you waiting. Let's not make the same mistakes we made in the past."

Saltzer worked with development company Ball Ventures Ahlquist to build the new clinics.

"Construction becomes a big part of our plan," Castledine said. "We don't suffer in the Treasure Valley from a lack of quality care. We're suffering from care that is too costly. We don't want to overbuild. We knew we needed to expand our footprint. We don't want to put clinics up on every corner — it's having the right number of clinics in the right place."

FROM 1902 TO 2021 - AND BEYOND

For its downtown Boise campus, St. Luke's future development plans call for building a new hospital tower, expanding and modernizing the Children's Hospital as well as the Cancer Institute, and expanding and upgrading the current hospital tower. But getting to "shovel ready" on these projects has not been simple; it first required solving a Rubik's Cube-like planning challenge involving the campus' footprint and infrastructure systems.

When St. Luke's opened its doors to its original hospital on First and Bannock streets in 1902, Boise was home to about 6,000 people. That's roughly the population size of Rupert today. The sixstory-high Idahna Hotel was the tallest building in town - and in all of Idaho,







Above: St. Luke's constructed this new central plant for its downtown Boise campus, and was slated to finish in spring 2021. Above right: St. Luke's is expanding its hospital in McCall. When fully complete in 2023, the hospital will expand from 30,000 square feet to roughly 65,000 square feet. Right: This view shows the new two-story addition that St. Luke's is constructing for its hospital in McCall. The existing hospital is located on the right; part of that building will be torn down and converted to parking, while another portion will be preserved and renovated.

IMAGES COURTESY OF ST. LUKE'S HEALTH SYSTEM.

in fact. Today, Boise is home to about 240,000 people and growing fast. The tallest building is 18 stories high.

St. Luke's Medical Center is still on First and Bannock, although its campus encompasses a surrounding several-block radius. But because it's hemmed in on most sides, the non-profit health care company had to be creative as it planned to expand, Vice President for Operations Sandee Gehrke said in an interview.

"We are very much a patchwork quilt," Gehrke said of the downtown campus. "It's been added on over the years. It's not the optimal layout in patient care in 2021."

Hence the need to solve the infrastructure issue. The new central utility plant is located between First and Second streets, as well as State and Jefferson streets (the existing central plant is across the street on the corner of First and Jefferson). The final two pieces of the puzzle were the 1,128-stall parking garage, which will be the campus' main parking structure, and the shipping and receiving facility.

Now, the next phase can commence, which entails demolishing the existing central plant. In its place, St. Luke's plans to construct a new north tower and medical office plaza. A timeline for those projects is to be determined, but the COVID-19 pandemic provided officials a chance to pause and reconsider their priorities, Gerhke said.

Throughout the pandemic, St. Luke's shifted more appointments, programs, and services to video conferencing, while decreasing wait times and easing the flow of patients through its buildings. She said they're weighing what services can be provided at home, versus the services that patients will need to drive in to receive.

"[COVID-19] definitely will have impacts on our future planning efforts," Gehrke said. "It does change the amount of space we need and where we need that space to be. We don't necessarily want patients checking in and waiting. It really drove us to optimize our technology resources."

MCCALL'S 'RIGHT CARE, RIGHT HERE' GUIDING PRINCIPLE

On the west end of Boise's downtown, St. Luke's is constructing the five-story surgery center and clinic on Fairview Avenue and 27th Street, which is expected to be finished in 2021, according to

the *Idaho Statesman* newspaper. And in McCall, officials were excited at the prospect of upgrading and renovating a hospital that was originally built in the 1950s. St. Luke's added to the hospital in the 1990s, which is slated to be renovated. The 1950s portion will be demolished and converted to parking. The project includes constructing a new two-story addition, which is expected to finish in summer 2021, Chief Nursing Officer Amber Green said in an interview.

Overall, the McCall project will expand the hospital's emergency department, add an operating room, expand lab, medical imaging, and cardiopulmonary departments, and provide modern labor and delivery rooms, according to St. Luke's. Green said the project will allow more residents of Valley County and the surrounding area to receive care at the McCall hospital, rather than traveling to the Boise area. The hospital will expand to about 65,000 square feet, Green said.

"We're 120 miles away from any of the major hospitals," Green said. "They shouldn't have to drive all the way to Boise. They should be able to get that care right here. Going from 30,000 square feet to 65,000 square feet — it will be quite a significant increase."

"We don't necessarily want patients checking in and waiting. It really drove us to optimize our technology resources."

Your Preferred Source





















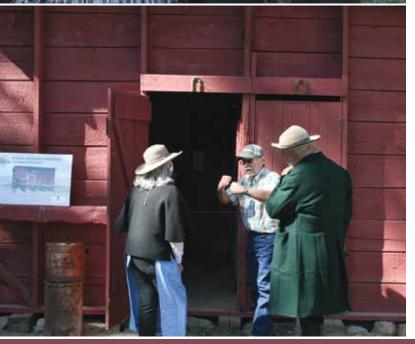




Interstate Concrete & Asphalt Coeur d'Alene and Rathdrum, Idaho 208-765-1144 Sandpoint, Idaho 208-263-7506 www.interstateConcreteandAsphalt.com Idaho Materials & Construction Nampa and Eagle, Idaho 208-466-5001 Twin Falls, Idaho 208-733-5933 www.IdahoMaterials.com HK Contractors Idaho Falls, Idaho 208-290-7371 www.HKContractors.com







Something Old is New Again

Dry Creek Historical Society and Boise State University Construction Management restore Granary

By Cindy Chan

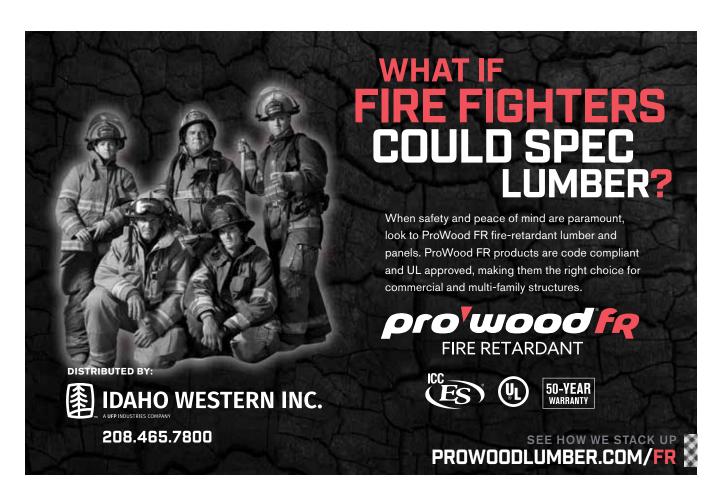
piece of Idaho history, the Schick-Ostolasa Farmstead Granary has lived to see 150 years and will live to see another 150, thanks to the efforts of the Dry Creek Historical Society and students of the Boise State University Construction Management program.

According to Jay Karamales, president emeritus, current director, and chief historian for the Dry Creek Historical Society in Hidden Springs, Idaho, there was no "civilization" of any kind in this part of Idaho until the summer of 1862, when some prospectors peeled off the Oregon Trail to the mountains to the north to search for gold, the discovery of which triggered a gold rush. Within four months, 10,000 people poured into this area, and mining towns sprang up overnight. There was no infrastructure – farms, ranches, towns – at that time to support all of those people.

When he heard news of the gold rush, a young man from New York named Phillip Schick, who had come west a few years before and was working in the Lewiston area, signed on with the trains of ox-drawn wagons that were bringing supplies down to this area. While camped along the Boise River near the site of today's Veterans' Memorial Park, some of the oxen wandered away, and Schick tracked them over the hills to the north. In doing so, he became, as far as they know, the first white man to see the Dry Creek Valley.

"It looked like it had water, grass, and would be a great place

Top: The fully restored granary as it appeared on the morning of its rededication ceremony on Sept. 27, 2020. Middle: Reenactors from the Fort Boise Garrison Living History Association (FBG) arrived in civilian dress appropriate to the late 1860s, when the granary was built. From left to right – Marie Clyne, Corey Clyne, and Doug Cooper. Bottom: Robert Ostolasa (center), who lived his whole life prior to 2005 at his family's home on what is now the Schick-Ostolasa Farmstead, explains the operation of the granary to DCHS director Cheryl Cook (left) and reenactor Corey Clyne (right) from the Fort Boise Garrison. PHOTOS COURTESY OF DRY CREEK HISTORICAL SOCIETY.









Interior cable.

New exterior.



Complete.

for a homestead," Karamales says. "Schick came back the next year with his partner, George Banker, and together they staked the first homestead claim in the Valley." Afterwards, Schick bought out Banker's share and became the sole owner of the homestead.

"The Dry Creek Historical Society is the organization and caretaker of the Schick-Ostolasa Farmstead. It has been preserved and is on the National Register of Historic Places," Dr. Casey Cline says. Cline is the chair of and professor in the Department of Construction Management at Boise State University – the department which helped reconstruct the Granary.

So how did this partnership come into fruition? The Farmstead happens to be in Cline's neighborhood, he says with a chuckle. "I took interest in it because I had done historical preservation projects in the past, and I believed it would be a good learning opportunity for the students. I approached Dry Creek and, of course, they were more than willing to allow us to do that."

Cline and his Construction Management students specifically worked on the Granary from September 2019 till September 2020, with COVID-19 slowing things down in between.

"It's a three-chamber, rectangular building," Karamales explains. "Each of the three chambers was used to store different grains – barley, wheat, and rye – depending on what was being grown."

The Granary's architecture is unique because when grain is dumped into that building, the grain wants to expand outwards, so the Granary is built with vertical reinforcements outside. The existing Granary was in terrible shape, according to Karamales.

"It was leaning, and it was really just held up by the fact the roof was on it. If anything happened to the roof, the building would have fallen over," he says. "We were very lucky that [Boise State University] agreed to take on the reconstruction and restoration



of our Granary. They were very thorough with preparation work and laser scans of the entire building. They carefully disassembled it and laid out all the pieces."

Cline says he and his students had to go to the structure and first determine if it was a viable project. Was there enough left, and was it sound enough for them to be able to do the project?

"It was failing and about to fall over, so the students went in and put in shoring to hold it up until we were ready to do the project," Cline recalls. The students then researched the structure components – all the pieces that went in – and took photos of it. Afterwards, they created a 3D model – electronically. They worked with an architect to design new footings for the structure, as well as getting their drawings through the permitting process.

"We self-performed all the work on that project, and also functioned as the management team," says Devin Cloud, senior student in Construction Management at Boise State University.

Cline challenged his students to take a camera and document every single part of the building, so that they would put things back exactly where they found them. The students then took apart the Granary in panels, the most difficult part being the roof, as someone had placed corrugated tin panels over it, covered with two inches of dirt and grass growing on it. The students then disassembled the rest of the building into six separate panels, followed by the floor. Their mandate was to reuse as much of the

original material as possible, not to reconstruct a facsimile of the Granary with modern materials. The entire structure was built on railroad tiles that had rotted, so those were taken out before the excavating process.

"When we dug down to three feet, we hit a hidden spring. The students learned about dewatering," Cline says with a laugh.

"The Granary is in Hidden Springs, Idaho, and we figured out why it was called Hidden Springs," Cloud says. "We had to quickly redesign the foundation to a thickened edge slab on grade, which meant we had to turn around and get new permits and get new drawings approved by the County. We had to dewater quickly as our entire excavation was filling up with water, as well as buying a new dewatering pump." Cloud and his peers also developed a stormwater prevention plan.

"The lesson learned was to get more in-depth soils report and figure out where your groundwater is," he chuckles. "It was another challenge we were able to learn from."

Cline says he was especially impressed with his students when they were working on the siding. Rather than lining up the pieces plumb, the students put them on just as Schick had when he originally built the Granary in the late 1860s, which was correct.

"I went over and asked, 'What are you all doing? Don't you want to level this?' And they said, 'We can't put it level. We have to put it back to the way the farmer did 100 years ago.' The siding was cut to fit where the board was, and if we put it straight up and down, the siding will no longer break right where it's supposed to," Cline says. "I was so proud of them."

In the end, the Granary restoration project was a success, with the Dry Creek Historical Society recently hosting their ribbon cutting and rededication ceremony. The new Granary includes its three chambers, a strand of wire that is looped around the building to tighten the walls in, and a sloping roof. The walls are made of horizontal planks of wood with a vertical skeleton on the outside; the gaps between the planks are covered by a thin strip known as a batten to keep the grain from leaking out. The Granary is 7.5 feet tall from the back and 11.5 feet tall from the front. It is 26 feet wide and eight to nine feet deep.

DEL Communications & You, the key to publishing success.

We offer outstanding personal service and quality in the areas of ...

• Creative Design • Advertising Sales
• Trade Publications • Video Production & Editing
• Qualified Sales & Editorial Team

"It's not a big structure, but it's big in historic pride," Cline says. Inside the Granary are also materials on display that relate to the history of the Valley, according to Karamales. Now that they have a little more space they are hoping to get donations from some local grain organizations to fill one of the chambers, so they can show visitors how the Granary operated.

"We had a state archaeologist on site, and we found medicine bottles, plates, and bowls. We're talking bottles from the 1800s, so that was really cool," Cline recalls. "What I liked most was that the students thought it was cool. One of the things they kept saying was, "This barn is over 100 years old, and it'll still be here 100 years from now."

"Fingers crossed that the renovations we did will last more than 100 years," Cloud says. "It was great to build something for the community that will last longer than us."

"To have the students appreciate what was there and that they wanted it for the future was the proudest moment," Cline says. "Having those kids become good citizens and stewards of their community is what's most important, in addition to learning construction management skills. The students did this for free; they didn't get paid but they put in a lot of hours."

When one restoration project closes, another opportunity opens, says Karamales. Now that the Granary is complete, Karamales says there are other buildings on the Farmstead that they will tackle, including the wood shed, a tall structure with a peaked roof, and the horse barn, the big project towards which the Dry Creek Historical Society is working.

"As soon as we finished the project, the students asked, 'What's next?" Cline says. "As soon as the weather warms up, they plan on starting the next project. We keep going."

The buildings on the Schick-Ostolasa Farmstead, including the Granary and the Farmhouse, are open to public tours every Saturday between the beginning of May and the end of September from 12:30 p.m. to 4:30 p.m. Visit the Dry Creek Historical Society website at drycreekhistory.org for more information.







The Department that Scored Huge Success at ASC Regional and National Competition is Getting New Digs, and Could Use Your Help

By Hailey Reyes

his year's Associated Schools of Construction (ASC) Student Competition didn't let the pandemic hold it back any more than the construction industry did: they went virtual. The virtual competition took place February 3 to 6, with Boise State University's Construction Management Department bringing 35 student competitors to the table, including Mixed Use, Commercial, Design-Build, and Concrete Solutions teams.

During the competition, teams met virtually with industry problem sponsors and were presented with problem statements and accompanying plans and specifications. They then had approximately 18 hours to develop solutions to the problem including a detailed estimate and plans for the project schedule, staffing, safety, and sustainability. Each team's experience, approach to preconstruction and construction phases of the project, and their ability to respond to deliverables were critical in the judging process.

Each team then delivered a formal presentation of their solution elements to the professional constructors who worked on the actual projects. Awards are given to the teams that exhibited the most comprehensive approach to all aspects of the project.

This year, more than 1,098 students competed on 152 teams from 47 universities and 18 states. Despite the huge press of competitors, the BSU CM teams came away from the competition a tremendous success: in the Rocky Mountain Region 6 categories, the Boise State CM's Commercial team was awarded first place, the Design-Build team was awarded second place, and the Mixed Use team was awarded second place. Additionally, the Concrete Solutions team was awarded first place in the National categories.

The success of the teams at the ASC Regional and National competition speaks loudly to the quality of BSU's CM program, yet these remarkable students are learning out of outdated classrooms. CM Program Chair Dr. Casey Cline says the current CM lab building is outdated to the point of no longer being appropriate for student use. The department decided that they "need better facilities for our students. With the incredible growth that we have, we're running out of space. The College of Engineering is running out of space." This





growth and need is what has inspired the college to begin work on a new CM lab building on campus.

The lab is designed to meet the unique needs of the students in the Construction Management program. Dr. Cline explains the building will host computer labs equipped with construction industryspecific software, like Building Information Modeling and more in addition to providing space for hands-on learning of concrete forming, structural steel erection, surveying, concrete testing, and more.

"We want to have students ready to go to work. That's our reputation nationally, and we want to continue to have that," Dr. Cline says. The lab will be located directly on Beacon Street, providing the department a high-profile position on campus.

Unlike most buildings on campus, the new CM Lab will not be your typical red brick construction. "Boise Cascade came in and said we want this building to be a showcase of what we can do with engineered lumber. So it is going to be a lot of glass, a lot of lumber, lit up at night so people can drive by and really see something special." Local company Boise Cascade is generously donating both lumber and labor, but there remains a great deal of the project still needing community support.

While the university is supplying the land, "Boise State is not paying for this building," Dr. Cline clarifies. "This building, the concept, the design, the funding, it's all coming from the industry."

At an estimated cost of \$2 million, the CM Department welcomes the support of the industry community in bringing this project to life and has created an informative website you can visit at www. boisestate.edu/coen-cm/constructionmanagement-lab-expansion. There, details on the project are available including floor plans, building renderings, and further details on how the industry - that's YOU can support the project.

2021 BOISE STATE UNIVERSITY TEAM MEMBERS:

COMMERCIAL:

Devin Cloud - Team Captain

Seth Dixon

Dante Friesen

Cameron Trumbull

Dillon McKenna

Garrett Lovell

Cameron Clinkingbeard -Alternate

MIXED USE:

Hope Stauffer - Team Captain

Matthew Vitrano

Chase Wuelfing

Alan Arreola

Alex Ammerman

James Fisher

DESIGN BUILD:

Kevin Todt – *Team Captain*

James Haight

RI Durrer

Mitchell Douglas

Josh Alstrom

Riley Brenden

Ivan Cortez, Alternate

CONCRETE SOLUTIONS:

Luke Burley - Team Captain

Justin Kusar

Connie Barzangi

Daniel Springer

Jordan Cummings

Max Murphy

Joe Gauthier – Alternate

COVID-19 and Construction in Idaho



hen COVID-19 hit the construction industry in Idaho, companies and projects had to deal with more than just uncertainty. They had to change the way they operate in order to – first and foremost – keep their employees safe and work as best they could through an unprecedented situation.

That's what Wright Brothers, The Building Company did, according to owner and CEO Zach Higgins. Wright Brothers is a commercial general contractor in Idaho, but also licensed in 17 states – as far as a restaurant outside Fenway Park in Boston, Massachusetts. Higgins says Wright Brothers, The Building Company established the company in 1986. A group of partners, including Higgins, purchased the business in 2019, and it has been going strong ever since.

"A lot of our work is centered up the Pacific Northwest, where we'll do multifamily construction, commercial retail, hospitality, medical, and restaurants," Higgins adds, with recent notable Idaho projects including the 62-unit Rosewood

Apartments in the Boise area as well as three other apartment complexes completed in the Treasure Valley in 2020. Wright Brothers also worked on The Commons Climbing Gym, winner of the City of Boise Building Excellence Award, which involved combining multiple buildings into one structure.

Western Construction Inc., a highway contractor, also felt the effects of COVID-19, says Robert Von Lintig, Vice President of Operations. Established in 1961, Western Construction is a family-owned business that primarily performs highway paving and construction, as well as a few large earth-moving projects, mostly through Southern Idaho with a few projects in Nevada.

Western Construction worked on the Interstate 84 Jerome to Twin Falls project, in which they milled existing asphalt pavement and repaved the westbound lanes of the I-84 during the 2020 season. They plan to mill the existing asphalt pavement and repave the eastbound lanes this season. They also constructed the Interstate 84 Cold Springs to Glenns Ferry Project, which involved reconstructing the westbound lanes of I-84 during the



2020 season. They plan to reconstruct the eastbound lanes this season.

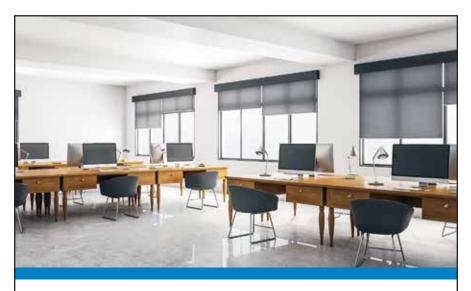
Once COVID-19 hit, Higgins says his main priority was making sure his clients were going to be taken care of and the projects were completed on time and on schedule. Management came together weekly, and sometimes daily, to discuss concerns and issues in regards to providing safe work spaces in the office and out on the job sites, as well as establishing protocols to ensure their crews were able to work on site and to document personnel on site.

"We implemented a health checkin on site within the first few weeks of COVID-19 hitting us, and we really opened up a lot of communication," Higgins recalls.

Von Lintig says he thought it was an April Fool's joke when his office was hit hard by the pandemic on April 1, 2020. Out of the 11 people in his office, five of them tested positive within the first few days of April. Over the next eight months, eight field employees tested positive for COVID-19. However, none of them caught the virus at the office. Out of the entire Western Construction team, 78 employees had cause to be tested and self-quarantine, and 12 of them tested positive. The largest group to be tested was 30 people at a time.

"Only four employees contracted COVID-19 in the workplace and that was around April 1," Von Lintig says, adding that April was a learning curve for the industry.

As a result of COVID-19, Wright Brothers' ongoing projects experienced a multitude of delays and setbacks. A few crewmembers that had come to the job sites were in contact with someone who had COVID-19, so they weren't able to move forward as scheduled. They also had plenty of material delays from manufacturers, which stretched a couple of projects out for two to three weeks. Additionally, there were different COVID requirements in different cities/jurisdictions for working, so it took some



COMMERCIAL | HEALTHCARE | MULTI FAMILY HOUSING | EDUCATION | RETAIL

Commercial | Residential : WINDOW COVERINGS :

Locally Owned & Operated

BOISE SHADE CO.

Boise, ID | 208.392.8384 | boiseshadeco.com

Create beautiful light



With Six Locations and the Best Selection Anywhere, Rocky Mountain Supply Truly is Your Premier Masonry and Landscape Supplier.



1500 S. Yellowstone Hwy. Idaho Falls – **208-522-3471**

804 N. 5th Avenue Pocatello – **208-233-2274**

8730 Franklin Road Boise – **208-377-3490** 1310 Kimberley Road Twin Falls – **208-735-1154**

2725 South 2000 West Rexburg – **208-359-5865**

1125 Gregory Lane Jackson, WY – **307-733-6930**





time to ensure their crews were meeting all of the regional requirements.

"Fortunately, construction is an essential business, so we never had any shutdown of the business for COVID-19 for any period of time," Higgins says. "What we really saw as a result of COVID-19 was in our third and fourth quarters, our stronger quarters of the year: a lot of projects under contract were postponed and delayed." The company had somewhere between \$18 to \$25 million worth of work that got pushed over to the first and second quarter of 2021, with a revenue reduction of 15 to 20 percent for the year.

"That said, we're going into 2021 anticipating 10- to 20-percent growth

in our revenue from pre-COVID times," Higgins adds.

For Western Construction, Von Lintig says mechanics and laborers were still able to work as long as they maintained social distancing from each other. Heavy equipment operators and truck drivers are generally isolated in their cabs and some of the office staff worked from home.

"We did have 2,100 hours of lost time from employees being off due to a positive test or waiting for a test result," he says.

Wright Brothers implemented health and safety protocols in order to keep working throughout the pandemic. A lot of the recommendations and best practices came from Idaho AGC and other business leaders, according to Higgins.

"We made sure our employees were social distancing, and the people coming on site did not have a fever and hadn't been in contact with anyone who had COVID or displayed symptoms," Higgins says. "People signed in every morning and signed out every night so we had documentation."

Western Construction sanitizes all of their equipment between uses. "When we switch between people, they will clean and decontaminate inside the machine," Von Lintig says. The office was the biggest area of concern for Von Lintig as that's where people worked the closest together, handling the same documents. The copiers and filing cabinet drawers seemed to be the biggest area for spread.

About a year later, the protocols have remained the same for both companies. Wright Brothers' main goal is still to take care of their client base and work with them from an open-book standpoint so there are no surprises in terms of scheduling or delays. They also included a link to COVID-19 resources on their website for their employees, tradespeople, and subcontractors. While COVID-19 is still rampant, Higgins says everyone is still sanitizing, wearing masks, and keeping their distance. In the past, people used to come in to work if they had a cold, but that has changed completely. Higgins says office staff are now given the opportunity to work from home instead of coming into the office. However, if someone on the job site is sick, they are required to stay home and return when they are feeling better.

Western Construction has also adopted a few new rules. If anyone is experiencing or displaying symptoms of COVID-19 or thinks they may have been exposed to it, they have to get tested.

"We don't allow employees to come in









if they know they're sick," Von Lintig says.

Moving forward, Higgins predicts that the construction industry will be challenged by the strength of the economy. For example, Higgins says he's witnessed developers' concerns about market prices due to material shortages. Lumber, for instance, is at a record high at the moment. A lot of the projects are simply sitting back, waiting for material prices to come back down.

"I can see that being a major bottleneck for the industry," Higgins says. "At some point, the pricing can't continue to climb at the speed it has been. How long could that be? It could take a year or two to level back out."

Von Lintig is hoping the vaccine will make a difference in the industry and the world. "I hope that it will get us to a point where we're not susceptible," he says.

However, challenges are a regular part of the industry, and Higgins sees a light at the end of the tunnel.

"The industry is resilient," he says. "Idaho AGC is a major advocate for our industry, and our company is moving

forward. We've overcome and adapted. I'm confident we will continue to move forward and make things happen."



Reliability. Innovation. Relationships.

Here for you today, tomorrow and however you need us.



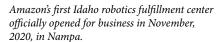
www.idahosif.org • 208-332-2100

Arriving Now: Amazon Scales Up Idaho Operations

Company blends human power, robotics technology for "first-of-its-kind" facilities in Idaho

By Peter Jensen







Employees at Amazon delivery stations help sort and ship packages to customers.



Amazon associates help pick, pack, and ship customer orders at a robotics fulfillment center.

hen a global pandemic hit the United States and the economy faltered in 2020, forcing millions to quarantine and work from home, Amazon responded by scaling up its operations so its labor force could hit a new record high. The online shopping giant went on a hiring spree rivaled only by the World War II-era shipbuilding industry and the post-war homebuilding industry in U.S. history, the *New York Times* reported last fall.

The company's hiring pace accelerated after the pandemic resulted in widespread business and office closures in spring 2020, as vast numbers of consumers opted for the ease and safety of shopping online versus in stores. Amazon's global work force reflected that trend: By July, it was hiring 2,800 workers every day. From January to October, it hired 427,300 people, according to the *Times* report.

Idaho was no exception. By coincidence, Amazon was well prepared for a hiring binge in Idaho. In recent years, the company has constructed several new buildings in the Boise area: a sort-and-ship facility near the airport that employs 400 people, an AMXL Hub in Meridian that employs about 60 people, and a fulfillment center in Nampa that employs about 3,000 people full-time. It also owns the Whole Foods grocery store in Boise. For its supply-chain projects, the company cites the fact that these are "first-of-its-kind" facilities in Idaho that marry human power with the artificial-intelligence capacities of robotics technology.

In total, the company has created more than 3,500 full-time jobs in Idaho in the last two years, but it's not done. It's in the process

of building an additional sorting facility near the Boise airport that will create about 1,000 full-time jobs. More opportunities have been created for contract delivery drivers, who are not counted toward the company's full-time employment statistics.

In North Idaho, a fulfillment center in the Spokane area opened last year, and another fulfillment center is scheduled to open in Spokane Valley that will offer employment opportunities for more Idaho residents.

"Amazon is proud to call the Treasure Valley home and to be part of such a diverse and growing business community," spokesperson Anne Laughlin Carpita said in a statement. "We're grateful for the warm welcome we've received and look forward to continuing to engage with our local communities whether it's delivering exceptional service to customers or giving back to the community through donations of grants and in-kind products to help those in need."

AMAZON HIRING BOOSTS SAGGING STATEWIDE ECONOMY

After multiple years of leading the nation in job growth, Idaho's unemployment skyrocketed in the early months of the pandemic. From 2.6 percent in February, the state's seasonally adjusted unemployment rate reached 11.6 percent in April. That mirrored the national trend: the seasonally adjusted unemployment rate in the U.S. was 3.5 percent in February, but reached 14.8 percent in April.

In Idaho, the jobs created by companies like Amazon, which is still a relative newcomer to the state, helped bring the unemployment rate back down by the end of 2020, said Jan

GRATEFUL FOR THE GROWTH,

READY FOR THE FUTURE.

Thank you to all who have contributed to successful projects.



Roeser, the Southwestern Regional Economist for the Idaho Department of Labor. Idaho ended the year with a seasonally adjusted unemployment rate of 3.8 percent in December, while the national rate was 6.7 percent.

Part of that is the multiplying effect that Amazon's hiring spree induced. For every 10 jobs Amazon creates, another five are created in other sectors of the economy, Roeser wrote in an email. The company started the hiring process for about 2,000 workers for the Nampa fulfillment center in October 2020. That created another 1,000 jobs in other sectors, according to Roeser's analysis. Amazon's estimate of the multiplying effect is smaller—it estimated that it has created 650 jobs in other sectors.

"It is safe to say it is making a huge impact in the valley by employing individuals that may have been out of a job due to the pandemic or may have needed employment due to other circumstances," Roeser wrote. "It is clear that Idaho's fast recovery from the pandemic was at least partly aided by new companies such as Amazon starting its operations, along with myriad construction projects (both residential and commercial niches) and the needs for services directly tied to the pandemic, particularly in pharmacies, long-term care, and clinics providing testing and vaccines."

In March 2021, the state still had a high number of individuals claiming weekly unemployment benefits — almost 28,000 —

which was an indicator that the economy had a long way to go to recover fully. Regardless, Amazon's burst of hiring was fortunately timed for the Idaho economy, Roeser wrote.

"The timing was serendipitous and certainly has helped sustain the economy," Roeser wrote. "There are still people in need financially but it has provided jobs for many."

BOOST FOR SMALL BUSINESSES AND INDEPENDENT PRODUCERS

According to Amazon, half of the items being shipped from its fulfillment center in Nampa are from small- to medium-sized businesses. Across Idaho, the company has helped grow 9,500 small- to medium-sized businesses as well as independent authors and artists. These small firms and independent producers can reach global markets; for example, a craftsman in a small town in Idaho can sell to customers in Europe through Amazon's marketplace.

The company touts that it has invested \$106 million in infrastructure and employee compensation in Idaho from 2010 to 2019.

"In Idaho, Amazon has created more than 3,500 full-time jobs and we continue to hire," Laughlin Carpita said in a statement. "These are great paying jobs with a starting wage of \$15 per hour and comprehensive benefits that start on day one."



EXPERIENCE MATTERS...



CONTACT HER AT mthielbahr@grsm.com (208) 472-5840

Meredith Thielbahr is the co-managing partner of Gordon Rees Scully Mansukhani LLP's Boise office. Licensed across the Pacific Northwest, Meredith represents commercial and residential construction and government contractors as outside civil litigation counsel. Her practice focuses on assisting general contractors, subcontractors, and suppliers in dispute resolution in both the commercial and public contracting arena.

- Recognized as a "Rising Star" each year since 2016 in the areas of **Construction Litigation and Government Contracts**
- National Construction Lawyers Society of America Fellow
- Regularly acts as a panel member on various topics impacting the construction industry



U.S. News-Best Lawyers® named Gordon & Rees a "Best Law Firm" 2021 for Construction Law.



Gordon & Rees was recognized as No. 5 in the Top 50 Construction Law Firms in the Nation by Construction Executive.



YOUR 50 STATE PARTNER®

www.grsm.com







Orchard Combat Training Center *Abuzz with Construction Activity*By Mark Halsall

he Orchard Combat Training Centre (OCTC) got its start in World War II, when the United States Army Air Corps established three practice bombing ranges and then later, an air-to-ground gunnery range on the windswept Snake River plateau about 16 miles southeast of Boise, Idaho. Although the ranges closed in 1948, the area officially became a combat training centre for the Idaho National Guard and Army Reserve in 1953.

In the last year or so, there's been a spate of new construction taking place at the OCTC as the center continues to modernize and expand its facilities and combat training capabilities.

Overseeing this construction is Lt. Col. Lee Rubel, who is Construction and Facilities Manager for the Idaho Army National Guard. Rubel says there is a wide array of structures being built at the OCTC and that all of the projects are expected to wrap up by early next year.

"Future projects are planned for the OCTC; however, design and construction are on hold pending funding authorization," says Rubel, adding that future construction plans do not have an execution timeline. Rubel notes that new construction at OCTC is funded with federal money to support the government's combat training mission.

"These projects are generally contracted through the State of Idaho Military Division Contracting Office using local design firms and construction contractors. The construction process generally involves a design-bid-build or design-build contract," Rubel says. "Construction timelines vary, based on the complexity and construction requirements for the project."

According to Rubel, the OCTC's mission is to help prepare United States Army and National Guard personnel for wartime missions, and it does this by providing combat training as well as a mobilization and demobilization center for soldiers being sent to and from combat zones.

Rubel says it is the aim of the OCTC is provide an austere, complex, and realistic environment for combat operations, noting that the center's high desert terrain is similar to that experienced by military missions in the Middle East.

"A lot of people have said that the training areas are much like Afghanistan and Iraq," he says.

The OCTC covers a lot of territory, with about 70,000 of its 148,000 acres dedicated to ranges and maneuver areas for tanks and other armored vehicles as well as an artillery range. Approximately 55,000 acres are used for ranges that provide infantry training.

The ranges in operation at OCTC include small arms qualification ranges, grenade ranges, demolition ranges, a live fire shoot house, a combined arms training range, multi-purpose gunnery ranges, and a digital air-ground integration range.

Rubel says much of the construction work at the OCTC involves building new firing targets for armored vehicles, artillery pieces, and personnel, as well as support facilities such as range towers and bleacher and ammunition sorting areas. He notes there are about 12 to 15 different support facilities for each range.

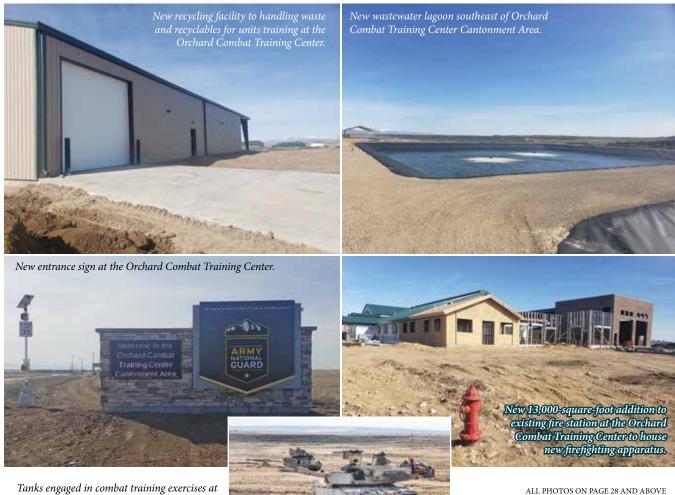
Rubel says a set of new barracks buildings for a battalion unit, which is comprised of administration, dining, and sleeping facilities, was recently constructed at the OCTC. He adds there are plans to build another eight more battalion sets, which are used to house soldiers when they're assigned to the training center, but there is no funding in place for this work at the moment.

The OCTC grounds include a railhead built in 2009 that has four spur lines, which enable armored units to ship their equipment to the training site via rail. Rubel says the railhead, which is connected to an active Union Pacific Railroad rail line, is currently being expanded to have 11 spur lines along with new loading facilities. He adds this project is likely to be completed by January or February of 2022.

Rubel acknowledges the pandemic has had an impact on the construction work going on at the training center, mostly with respect to the availability of materials for projects.

"The coronavirus has caused us to see shortages mostly in manufactured items such as pre-engineered building packages, electrical transformers, and fiber-optic lines. We have also seen cost increases mostly in raw materials such as steel and lumber, due to various factors including coronavirus," he says.

"The biggest issues are in the delay of the materials causing project timelines to be pushed, but we are starting to see an increase in costs due to manufacturer's inability to procure labor because of the virus."



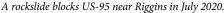
the Orchard Combat Training Exercises at the Orchard Combat Training Centre.

PHOTO COURTESY OF ORCHARD COMBAT TRAINING.

COURTESY OF SGT. JUAN PESINA, IDAHO ARMY NATIONAL GUARD.

ITD and AGC Announce Excellence in Construction Partnering Award Winners

By Jillian Garrigues







he Idaho Transportation Department (ITD) and the Idaho Associated General Contractors (AGC) announced the winners of the Excellence in Construction Partnering Awards at the ITD monthly board meeting Thursday, Dec. 17.

The Excellence in Construction Partnering Awards recognizes outstanding partnering efforts between ITD employees and the contractor community. Good construction project partnering results in the delivery of quality projects, on time and within budget, which benefits Idaho travelers and taxpayers overall.

The inaugural awards competition was announced in October as a joint collaboration between ITD Chief Operations Officer Dan McElhinney and Wayne Hammon, CEO of the Idaho Associated General Contractors. Applicants were encouraged to submit for construction contracts underway today and those built within the last three years.

The applications were reviewed by a judging panel of state and

local partners and evaluated on criteria related to how well the project:

- Resolved conflict
- Improved communication on the project with all audiences
- Utilized innovative solutions
- Incorporated team building activities
- · Honored stakeholders
- · Achieved a common goal

The winners, announced at the ITD monthly board meeting this December, were recognized for earning gold, silver, bronze, and honorable mention awards.

One project was unanimously selected as the 'Top Gold' award winner, for its outstanding partnering efforts and uniquely difficult circumstance — the rockslide removal and rock blasting project on US-95 following a rockslide near Riggins in July 2020.

On the following page is a comprehensive list of the 2020 Excellence in Construction Partnering Award winners.

The goal of the awards is to increase awareness about partnering efforts by recognizing team solutions, sharing lessons learned, and highlighting best practices for infrastructure projects of all types and sizes.

"Construction partnering on projects is just good business," McElhinney said. "ITD and the AGC value project partnering to help complete transportation projects across Idaho in a timely, professional, and responsive manner."

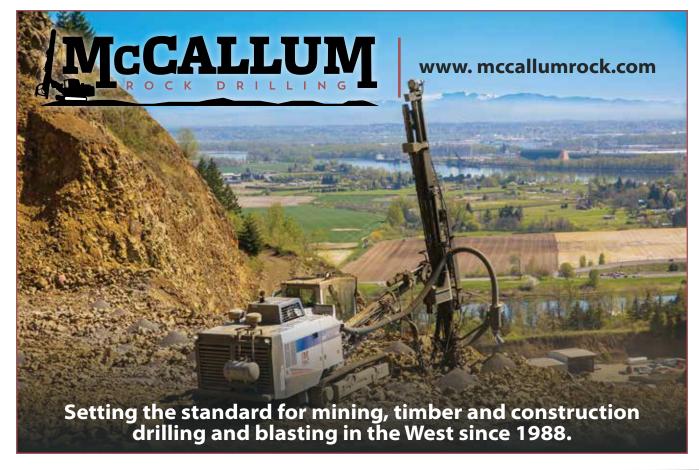
2020 EXCELLENCE IN CONSTRUCTION PARTNERING AWARD WINNERS

- Top Gold Award: Scarsella Bros. Inc. & ITD District 2 US-95 Rockslide Removal and Rock Blasting Project
- Gold Award: N.A. Degerstrom Inc. & ITD District 1
 I-90 Pennsylvania Ave Overpass Bridge Replacement Project
- Gold Award: Cannon Builders & ITD District 5
 I-15 Northgate Interchange Project
- Gold Award: Concrete Placing Company Inc. & ITD District 3 & Ada County Highway District
 Cloverdale Road Overpass Bridge Replacement Project
- Gold Award: Bros. Inc. & ITD District 1

 Junction SH-53 Interchange UPRR Bridge Project
- Gold Award: Westing Construction Inc. & ITD District 4
 Raft River Bridge Eastbound and Westbound Lanes Project
- Gold Award: West Construction Inc. & Local Highway Technical Assistance Council
 Old Highway 37 The Narrows Project
- Silver Award: Poe Asphalt Paving Inc. & District 2
 Webb Road to Aspen Lane Pavement Project
- Silver Award: Idaho Materials & Construction & ITD District 4
 US-93 200 South Road 4-Lane Widening Project

- Silver Award: Knife River Corporation & ITD District 4
 US-20 Willow Creek and Rock Creek New Bridges Project
- Silver Award: Idaho Materials & Construction & ITD District 3 & Costco
- US-20/26 Costco Public Road Improvements Project
- Silver Award: Knife River Corporation & ITD District 3
 I-84 Blacks Creek Road Interchange Reconstruction Project
- Bronze Award: Central Paving Company Inc. & District 3
 US-95 Elephant Butte Swelling Clays Highway Reconstruction
 Project
- Bronze Award: Wadsworth Construction & ITD District 3 SH-55 Snake River Bridge Replacement Project
- Honorable Mention: Western Construction Inc. & ITD District 4

 I-84 Jerome Interchange to Twin Falls Interchange Project
- Honorable Mention: Concrete Placing Company Inc. & ITD District 3
- I-84 Northside Blvd to Franklin Blvd Project
- Honorable Mention: DePatco Inc. & ITD District 6
 US-20 Ashton Hill Bridge to Dumpground Road Project
- Honorable Mention: Mountain West Electric Inc. & ITD District 6
 D8 Signals Project



GUESS THAT PROJECT!





Congratulations to Lee VanSchoiack with Southern Idaho Electric, Inc. who correctly guessed the project from the last issue: it was the intersection of Goose Lake Road and Highway 55 near the Brundage turnoff. He received an Idaho AGC swag bundle, including custom knit construction-themed beanie and socks, and more!

In each edition of Building Idaho, we will share a photo of a place, project, or piece of equipment. The first reader to identify it correctly will receive an Idaho AGC swag bundle, and be mentioned in the following edition. To identify this project, email Hailey Reyes at hreyes@idahoagc.org with your answer, name, company, and mailing address.

MEULEMAN LAW GROUP PLLC

Dedicated to serving and supporting the construction industry

- Construction law
- Government contracts
- Litigation and alternative dispute resolution

950 West Bannock Street, Suite 490 • Boise, Idaho 83702 • **T:** 208-472-0066 • **F:** 208-472-0067 **meulemanlaw.com**



COMMERCIAL, INDUSTRIAL AND RESIDENTIAL





The Official Paint & Coatings Company of the



REQUEST A QUOTE! 208-991-0567



LOCALLY OWNED AND OPERATED SINCE 2001.

PROVIDING GRADING, PAVING, REDI MIX CONCRETE AND CONCRETE PUMPING TO NORTH IDAHO AND EASTERN WASHINGTON. AN EXCLUSIVE DISTRIBUTOR OF VERTI-BLOCK AND MANUFACTURER OF A VARIETY OF CERTIFIED PRECAST PRODUCTS. VISIT ONE OF THREE GRAVEL PITS FOR ROCK PRODUCTS, AND OUR RETAIL SHOWROOM, TO MEET ALL YOUR CONSTRUCTION NEEDS.

WE ARE CDA.

3110 N. Government Way, CDA • 208.762.0235 • WWW.CDAPAVING.COM



















he Idaho Transportation Department (ITD) is in the middle of reconstructing one mile of Highway 55 between Rainbow Bridge and Smiths Ferry.

According to Vince Trimboli, Communications Manager for ITD, it is a safety enhancement project, which involves widening shoulders, straightening curves, and installing a guardrail. When construction is complete, the road will be 36 feet wide from its original 24 feet. The road section will also include two 12-foot travel lanes and six-foot shoulders.

Construction began on September 8, 2020, and is slated to be complete by November 2022, according to Dusty Forsmann, Vice

President of M. A. DeAtley Construction, Inc. Trimboli says they stopped working for the winter in November 2020 and resumed in mid-March 2021.

"In the fall and spring, crews are going to blast rock and remove them to allow for more space to widen the shoulders. To accommodate the blasting, we're going to have full road closures on Mondays to Thursdays from 10 a.m. to 2 p.m.," Trimboli explains, adding there is a companion road to the west – the US-95 – so drivers have an alternate route while the work is currently being done on ID-55.

"Summer crews will reconstruct the retaining walls adjacent









to the river and install wire mesh in the rock area," Trimboli continues. "We'll work on the hillsides to stabilize the work that's being done in the spring and fall, then work on the river side of the road to stabilize the road and put in the guard rail."

Forsmann says the project is a major reconstruction that includes a considerable amount of rock excavation, slope stabilization, and MSE retaining wall construction – the three main components of the job. Smaller components of the project include aggregate base, asphalt paving, drainage culverts, guardrail, signing, and striping.

"A ton of preparation went into this project. It was first suggested 20 years ago, and it's taken this long to get everything in order to be even feasible," Trimboli says. "Our goal with any project at ITD is to have as little impact to the environment that surrounds the roadway. With this stretch of road, we did a lot of planning to execute it in a way that wouldn't have a detrimental impact on the environment. One of the key focuses for us has been to protect the stretch of river during the construction. Our crews were able to blast the rock in a small work zone and keep it out of the Payette River. We used temporary rock fall protection to prevent them from going into the river."

Forsmann says they are also using shipping containers to contain all of their materials during blast and excavation. Widening the road involves blasting in nine different places, with wire mesh going over the top of the rock to contain the debris.

"There is a high volume of traffic on such a narrow roadway," Forsmann says.

"[Highway 55] is very narrow, and to go from the south to the north you are basically following a river corridor. There is not a lot of room to expand," Trimboli adds. "The biggest improvement for drivers is the large shoulders and pullouts. If you've driven that stretch, you're familiar with the narrow section in the canyon. It is the portion of the drive that is the most white-knuckled; a lot of people grab that wheel with both hands because it's very narrow.

We'll widen it to add a guardrail on the large portion of it, and give people some pullouts and other safety features."

The newly built portion of Highway 55 will deliver on ITD's promise of safety and mobility. They are aiming to make the roadway more safe, accessible, and mobile by improving and upgrading the infrastructure, and allowing for more commerce by creating a smooth trip from McCall to Boise.



The Employee Retention Credit – Extended and Expanded (Again)

he American Rescue Plan Act of 2021 (ARPA) extends and expands the Employee Retention Credit (ERC) through December 31, 2021. The ERC was originally enacted in March of 2020 as part of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act).

The Consolidated Appropriations Act of 2021 (CAA) previously extended and enhanced the ERC, most notably by retroactively allowing employers to claim the ERC even if they took a PPP loan. Under the CARES Act, you could take a PPP loan or claim the ERC, but not both. Eligibility for the ERC is based on a significant decline in gross receipts (further explained below), or fully or partially suspended operations due to a government order related to COVID-19.

THE ERC AND THE AMERICAN RESCUE PLAN ACT

The enhanced ERC under ARPA follows the more favorable 2021 rules originally enacted as part of the CAA. These rules include:

- Lowering the threshold for meeting the "eligible employer" standard under the gross receipts test (requiring only a 20 percent decline in gross receipts compared to a 50 percent decline required for the 2020 ERC).
- Raising the credit rate to 70 percent (from 50 percent in 2020).
- Raising the maximum qualified wages to \$10,000 per quarter (from \$10,000 aggregate for all of 2020).
- Raising the "small employer" limit to 500 full-time employees (compared to 100 full-time employees for the 2020 ERC) — a small employer is allowed to claim all wages paid during the eligibility period; while large employers can only claim the ERC for wages paid to employees not providing services.

As a result, the maximum ERC per employee for 2021 is now \$28,000, compared to \$5,000 for the 2020 version of the ERC.

EXPANDED BENEFITS UNDER THE NEW RELIEF LEGISLATION

In addition, ARPA provides additional expanded benefits for the ERC — these two changes are only applicable to the third and fourth calendar quarters of 2021.

First, the ERC is now available for "Recovery Startup

Businesses." This provision is applicable to startup companies that opened a trade or business after February 15, 2020, and have average annual gross receipts that do not exceed \$1M. Startup companies that meet these criteria are eligible to claim the ERC even if they don't meet the significant decline in gross receipts or suspension of operations tests outlined above. The amount of ERC available per employer under this provision is capped at \$50,000 per quarter.

Secondly, ARPA also provides an expanded ERC benefit to "Severely Financially Distressed Employers." To qualify under this provision, an employer must suffer at least a decline of 90 percent gross receipts in the quarter compared to the same quarter in 2019. Large employers (over 500 full-time employees) that meet this threshold are eligible to claim the ERC for all wages paid (not limited to wages being paid when no services are being provided).

MORE GUIDANCE STILL TO COME ON THE EMPLOYEE RETENTION CREDIT

The ERC enhancements follow the recently released IRS Notice 2021-20 that provided formal guidance for the 2020 ERC, including the interaction between wages used for PPP forgiveness and the ERC. The IRS is expected to release additional guidance soon to provide additional details on the 2021 ERC.

Have Questions on How These Changes Affect Your Organization?

We can help.



Travis Burgess, CPA
Partner
Eide Bailly
877 West Main Street, Suite 800
Boise, ID
(208) 383-4706
tburgess@eidebailly.com ■

UNCERTAINT UNDERSTANDING



CPAs & BUSINESS ADVISORS

WHERE DO YOU SEE YOUR BUSINESS IN 2021?

There are a lot of unknowns in the current business climate, but the right advisor can help you make sense of it all. Whether you're looking for industry insight, new technology, outsourced accounting or to plan for a successful succession, Eide Bailly has the solutions you need to move forward with confidence.

208.344.7150 eidebailly.com

IDAHO INFLUENCER: Chuck Winder



rom student body president to senate majority leader of the Idaho Senate, Chuck Winder has achieved a lot in his political career.

Q: How did you get started in Idaho politics?

A: I got started by helping other people with campaigns and raising money for congressional candidates and statewide candidates. I was also involved back in high school and college. I was the student body president in college. I graduated from the College of Idaho with a pre-law political science degree. After graduation, I joined the military; I was a Navy pilot and flight instructor for four years. Once I was released from active duty, I came back and worked for Morrison-Knudsen, a large international construction company. Later, I started my own commercial real estate development and brokerage company that I had for 30 years. I sold that in 2008 and went into legislature. I am now the senate majority leader of the Idaho Senate.

Q: Tell us about your time on the ITD Board? How were you appointed? What did you accomplish there that you are the most proud of?

A: I was appointed by Governor Phil Batt, and I was there for 11 years as chairman. I am most proud of the efficiencies developed and the customer-friendly approach the department took. From a project standpoint, the major projects we got involved in were GARVEE, which is a program that used a portion of federal dollars to finance bonds for the construction of major projects throughout Idaho. The program was called Connecting Idaho. For example, we focused significant effort on U.S. Highway 95, which ran the full length of the state of Idaho. U.S. 95 had a very high mortality rate because it was a two-lane highway. We had to make it safer, so we constructed divided highways in lots of areas. Over time, our statewide statistics showed that we saved hundreds of lives and significantly reduced the number of accidents.

Q: What has changed at ITD and/or in *Idaho transportation since you left ITD?*

A: I don't know that a whole lot has changed. We have a new board and they have a new director. A lot of the younger managers have moved up in the organization and the district engineers are more involved in the overall executive functions of ITD. I still think they have a great customer-friendly attitude when serving the taxpayer. They're still continuing to work on efficiencies and making Idaho highways safer.

Q: From your seat in the legislature, what are the largest challenges and greatest opportunities facing Idaho?

A: Because we are a big state with lots of mountains and wilderness areas, we have many geological challenges. This presents a huge problem in terms of building roads and maintaining them. From a political standpoint, how do you get enough money to do the things that need to be done and what people want you to do? The greatest opportunity is to provide safe, efficient transportation of goods and the safe transportation of people. The Idaho economy runs on transportation because we have to export everything from microchips to potato chips.

A: How is being in legislative leadership different than your prior service? How do you envision changing should you be chosen as the new President Pro Tempore of the Idaho Senate?

A: My current role is majority leader. I have been in the legislature for 12 years. I have served in leadership for 10 years. My role has significantly changed since



"When the Concrete Counts, Call Champion!"

(208) 773-8222 / (800) 336-8222 championconcretepump.com



I became majority leader. Once you are in leadership, you are more involved in negotiations and working with the House and having more of say in things. It's just more of an executive function. I don't see it changing a whole lot, but my role will obviously change if elected to become the next President Pro Tempore. Should I be elected, I will become the chief executive of the Senate. As Pro Tem, I will be responsible for all the people, organization, and appointments for various committee chairs, interim and special committees, as well as working groups. The role is significantly different. There are significantly more responsibilities and there will be more accountability. I really do not know how much I will change things but we will have a new leadership team that will lead to some changes and strategies.

Q: You've worked directly with each of the last five governors. What would you say is the greatest strength of each?

A: They've all been different. They have had different priorities, but they all came from the business world. Several governors have emphasized education, some have been more supportive of the environmental issues while others have made transportation funding one of their highest priorities. Each one had their own personality and goals they wanted to accomplish. I have always enjoyed strong working relationships with each of the governors I have served under.

Q: Idaho continues to grow at a recordsetting pace. How do we ensure that the state adapts to this change without losing what makes life in Idaho so great?

A: I think one of the things that makes Idaho so great is our outdoors and providing access. We've had significant growth in our urban areas, and so our biggest challenge in those areas is infrastructure, starting with sewer water, everything related to the roads, and trying to provide safe, efficient roads. Public transit is a problem, as we do not have a

good transit system. We have a bus system that works between the two counties. The biggest challenge in trying to keep Idaho a great place is going to be based on the people that actually come here. I believe the types of individuals coming are very supportive of the way Idaho is. It has the great outdoors; it is a great place to raise family; and it is a great place to work. I believe that everyone coming here wants to maintain these values.

Q: You've been at the forefront of the discussion on local option taxes. Do you see any progress being made on this issue?

A: We've been working on this in the Idaho Legislature for many years. Our biggest obstacle is that the House wants to have a constitutional amendment authorizing local option taxes and requiring a super majority vote. To pass a constitutional amendment in Idaho





Idaho Based American Owned 208.721.2624

jason@americanvacservices.com www.americanvacservices.com

American Vac Services Hydroexcavator uses pressurized water to break up clay, rocks, gravel, soil and other debris or materials. A powerful vacuum simultaneously extracts the resulting slurry of the liquified soil cover into a holding tank onboard the hydrovac, for later disposal.

American Vac Services hydrovac can also safely dig in frozen ground, with the aid of onboard heaters; meeting your winter excavation needs.



ID LIC# RCE45451

ID PW LIC# 051265

24/7 EMERGENCY RESPONSE



CONSOLIDATED ELECTRICAL DISTRIBUTORS, INC

CED has been servicing the electrical industry since 1957. We're one of the nation's largest electrical supply distribution networks, with over 700 locations across the United States. We distribute nearly every piece of equipment that keeps your lights on, your energy flowing, and your lifestyle comfortable.

Residential Construction

Fifty-seven percent of all U.S. homes were built before 1980, and total U.S. Housing Starts have averaged almost 1.5 million units annually since 1959. We supply just about every piece of residential electrical equipment to power American lifestyles.

Commercial Construction and Maintenance

U.S. metropolitan areas house 4.6 billion square feet of existing office space and more than 7.8 billion feet of existing retail space. Add more than 52,000 hotels and you'll see why commercial construction and maintenance represents a lot of opportunity for CED.

Industrial Construction

The U.S. knows how to produce – there are already some 12.9 billion square feet of existing industrial/warehouse spaces in the country. When America builds – including in the industrial/manufacturing sector – we help make it happen.

CONNECT WITH US

CED Boise

11589 West Executive Dr Boise, ID 83713 208-377-4140

CED Burley

302 E 6th St Burley, ID 83318 208-678-1196

CED Hailey

1010 Business Park Dr Hailey, ID 83333 208-788-8399

CED Jerome

220 W Yakima # B Jerome, ID 83338 208-324-0281

CED McCall

102 Mission St McCall, ID 83638 208-634-7001

CED Nampa

1112 W Hemingway Blvd Nampa, ID 83651 208-467-2161

CED Twin Falls

455 4th Ave W Twin Falls, ID 83301 208-733-1033 requires a two-thirds vote of the people. That is a huge obstacle to overcome. I think the House committee already thinks the locals have a lot of options, but I think what's going to happen over time is it's going to be apparent that we have to work together and advance another tool for financing local needs.

Q: What would you recommend to someone who wanted to get involved in Idaho politics and/or government?

A: When I'm asked by a young person, I always say to get to know the candidates and those currently holding office. Then go out and find some people you want to support in their campaigns. Get involved in the campaigns and do all sorts of different things, like fundraising or putting up signs. Do whatever it might take to participate in the political process and build relationships. Work in your community, whether it's through your schools, your chamber of commerce, or other volunteer organizations. Develop that relationship so when you're ready to run for office, you have people that want to help you.

Q: What do you see as the role of trade associations, like the AGC, in the state legislative process?

A: They are very important. They are the employers that are the source of employment throughout our state. They employ lots of people. Most importantly, they support transportation funding for our roads and highways. The AGC provides information to the legislature and they can bring their members to the Capitol to support or oppose legislation. There are numerous reasons for industries to form associations. Perhaps the most important reason, in my opinion, is that by working together the association can develop collective political influence that is not possible by individual companies and smaller organizations that don't have a broad base of support. So keep up the good work!

Moreton & Company has built unmatched expertise and trust over the last 110 years. Whatever opportunities are on your horizon, we can help you develop an insurance and surety program uniquely suited to your company that will help protect and expand your business.







Innovate ITD Impresses at Gartner Awards

By Cindy Chan









department in the country.



impart ideas in the workplace. The Idaho Transportation Department (ITD) is an Idaho state agency for the state's roads and bridges, as well as the division of motor vehicles and division of aeronautics, according to Charlene McArthur, Chief Administrative Officer for ITD. Boasting 1,648 employees, the agency looks after 12,315 lane miles, 1,340 bridges longer than 20 feet, 1.27 million drivers, and 1.86 million vehicles. To meet the needs of the fastest growing state

Idaho continues to move toward becoming the best transportation

in the country with extremely limited resources, (one of the smallest budgets in the country) requires innovative thinking.

"We maintain 32 back country air strips and one small municipal airport," Vincent Trimboli, Communications Manager for ITD, adds.

Back in 2014, McArthur took on the leadership role for the organization's innovation strategy – one of the four core strategies at ITD – that was focused on implementing innovative projects.

"My interpretation of our strategy is we were to create an innovative organization rather than doing innovative things, creating an environment that innovates," McArthur says.

The team discussed how to create an organization that innovates as opposed to just simply doing those things, eventually landing on the solution that they have to create an atmosphere where people can stimulate ideas and share those ideas with their colleagues, followed by collectively solving the challenges or problems that they're facing.

"We decided we needed a vehicle or platform to help us gather ideas and share those ideas, and that's how Innovate ITD was born," McArthur says.

Innovate ITD is an employee-driven effort to use innovation as a way to improve the way employees do their jobs, to become more effective and efficient in what they do as a department. Brian Ness, ITD Director, wanted to put the decision-making process in the hands of the frontline employees rather than simply extending orders from the Boise headquarters, according to Trimboli.

"If you have an idea, you submit that idea and then track how you actually implemented your innovation. This way, others can see what you have done and implement the same innovation in other areas of our department." Trimboli says.

Once those innovations have been implemented, the next step is to track them by different areas such as cost savings, safety, mobility, and so on. The tracking process allows ITD to know the effects of their innovations across the state, as well as to show the citizens of Idaho the service they are receiving from their efforts. The organization has recorded \$10.8 million in savings from their innovations since starting this initiative in 2014, and those savings go back into the department, the roads and bridges, other projects, and where the funds are needed across the department.

Innovate ITD was nominated for and named a finalist for the Small Idea, Big Impact award at the Gartner Communications Awards, an international event that recognizes communications initiatives and aims to support and showcase the great work of communicators who have achieved real measurable business outcomes in their organizations, according to gartner.com.

The department's submission was unique because the actual initiative was the initiative itself, rather than a tangible outcome or project. Out of 200-plus international entries, Innovate ITD finished in second place in the Small Idea, Big Impact category, the highest honoree from the United States.

"For us to finish second in the world out of more than 200 entries is really a testament to the quality, ingenuity, and creativity of all our employees at ITD," Trimboli says.

"Everyone is always asking us, 'What are those big innovations?' I want to keep going back to say it's not about the innovation, it's about the people and creating an environment that stimulates them to innovate," McArthur says. "It's not the things we're doing, it's the environment we're creating. Innovate ITD is innovative because I can't think of any other state organization that approaches innovation from a culture aspect. Most states focus on the innovations themselves, going as far as having selection and approval committees. We don't have the resources for that level of effort, so instead we teach and trust our employees. We want to create an environment where you can innovate and solve whatever challenges are in front of you without having to be told. We work to move decisions as close to 'where the work is being done' as possible."





Idaho AGC Hires New Staff Member, Expands Safety Program in Eastern Idaho

By Hailey Reyes

daho AGC is proud to introduce our new Eastern Idaho Regional Coordinator & Safety Specialist, Blake Mecham. Many of our Eastern Idaho members may already be familiar with Blake, who was previously employed for four years as a certified safety instructor with member company, Safety Provisions.

Blake grew up in Colorado and worked the oil fields before attending Brigham Young University in Idaho where he graduated with a degree in Occupational Safety and Health.

In additional to helping to coordinate membership services in the region, Blake is also providing new safety service to our Eastern Idaho members, including providing local training at the Idaho AGC member discounted price you've come to rely on for OSHA 10 and 30-Hour courses, Fall Protection & Prevention, Trench & Excavation, Confined Space, Scaffolding, Forklift, Aerial Lift, and First Aid/CPR.

He is also providing other complimentary services to Eastern Idaho members, such as risk assessments and inspections, building and reviewing safety plans, and providing free counsel on safety-related concerns. Each member company in the region is eligible for two free risk assessments and inspections each year, limited to two hours each. Additional risk assessments and inspections are available for a fee. Each Eastern Idaho member is eligible for one free safety plan build and review every five years (limited to 16 hours of work each). Additional plan builds and reviews are available for a fee.

We also understand that our members have come to rely our weekly Toolbox Talks, which Blake will now be producing for our members. If you are not already receiving these free weekly safety meeting outlines customized for the construction industry, simply give us a call to get added to the distribution list.



Blake Mecham Eastern Idaho Regional Coordinator & Safety Specialist (208) 472-0463 bmecham@idahoagc.org

All companies and individuals participating in any Idaho AGC safety activity including but not limited to those outlined above agree to release the Idaho AGC, its directors, officers, and employees from liability from any and all claims, including negligence, resulting in personal injury (including death), accidents or illnesses, and property loss, in connection with their participation in the activity. They also agree to indemnify and hold the Idaho AGC, its directors, officers, and employees harmless from any and all claims, actions, suits, procedures, costs, expenses, damages and liabilities, including attorney's fees, arising out of my involvement in the activity, and to reimburse the Idaho AGC for any such expenses incurred.



AGC's Blake Mecham at Idaho State University's Construction Combine at Home Depot in Pocatello with member Starr Corporation.

LP SmartSide Smooth Siding

Featuring ColorStrand Clear Cedar Color Collection



For a natural look, choose smooth

ColorStrand Clear Cedar Finishes



CONSTRUCTION MANAGEMENT • GENERAL CONTRACTING

Sletten **COMPANIES** BOISE IDAHO • 100% EMPLOYEE OWNED

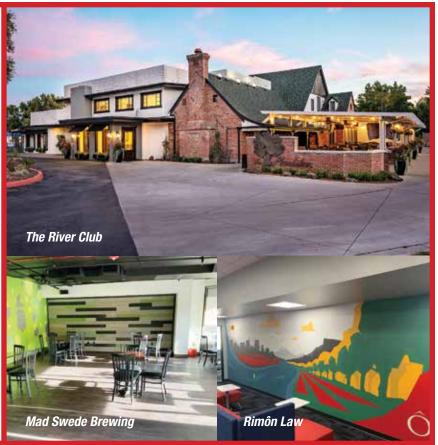
Established 1928

Commercial Remodels – New Builds

General Contracting Services including CM, CM-GC, Design Build

Covering all of Idaho & the Western United States

Phone: 208-658-9888 slettencompanies.com







he old adage "the only thing constant is change" has never been more applicable. For many, this last year has felt like a race to put out one fire after another. When it comes to accounting for your construction company, getting back into a proactive mindset can help set you up for success down the line. There are upcoming changes to the way companies will need to account for leases, which will have an impact on those in the construction industry. While it isn't at our doorstep yet, early awareness and adoption can lead to fewer headaches in the future.

In February 2016, the Financial Accounting Standards Board (FASB) issued a new standard for accounting for leases (ASC 842), which must be adopted by all non-public companies for the calendar year ending in 2022. One of the biggest changes coming with the new leasing standard requires the recognition of right of use assets (ROU assets) and the corresponding lease liabilities on the balance sheet for many of the leases previously classified as an operating lease. Furthermore, much like how companies are required to recognize revenue based on performance obligations within their long-term contracts with clients under the new revenue recognition standards, companies will now be required to identify individual lease components (i.e. ROU assets) within a single lease contract.

Admittedly, this is an oversimplification of the new leasing standard and adopting ASC 842 will take time and analysis with your

accountant. For now, we've highlighted two ways your construction company may be impacted by ASC 842.

BONDING AND DEBT COVENANTS

The FASB estimates that approximately \$3 trillion dollars of ROU assets and lease payment liabilities are going to be added to US company balance sheets as a result of adopting ASC 842. As you begin this exercise in your own company, it is going to be imperative that you review your bonding and debt covenants and determine whether the increased reported leverage will negatively affect any key metrics or potentially cause covenant violations.

While operating lease liabilities will be presented outside of traditional debt, if you believe that violations to your bonding or debt covenants are likely to occur as a result of adopting ASC 842, we recommend that you begin having these discussions with lenders and bonding agencies now.

INCOME TAX CONSIDERATIONS

While the FASB can issue new standards for financial statements, they have no authority over the IRS or the tax code. For many, this means there are going to be additional reconciliation items between a company's financial statements and its tax returns. These reconciliation items are referred to as deferred tax assets and deferred tax liabilities.

Once a company implements ASC 842, it will need to establish a process to account for these deferred tax assets and deferred tax liabilities. As you begin reevaluating your leases under the new leasing standard, we recommend taking the opportunity to also reassess your current tax treatment of leases as well as your data collection and process.

THE TIME IS NOW

For some, this new standard might actually be favorable and provide an

opportunity to lower tax obligations. This may require a change in the method that you account for leases on your tax returns. However, the IRS considers a taxpayer's treatment of leases to be a method of accounting, and any changes to existing methods may require IRS consent. Beginning these conversations with your accountant, lenders, and bonding agencies now can alleviate future year end surprises.

ABOUT

David is a partner at Harris CPAs and provides audit and assurance, tax, and business consulting services to companies, primarily in the construction and engineering, nonprofit, government and real estate industries.

He can be reached at davidhegstrom@harriscpas.com.

We are here for you



We recognize your business is facing decisions you have never had to face. Don't face them alone. The professionals at Harris CPAs are here to help you maximize the opportunities and resources that are available, so you can focus on what matters most and come out stronger in the end.



ASSURANCE | TAX | CONSULTING www.harriscpas.com



CASE STUDY:

North Graham Storage.

Self-Storage Renovations

aturation is evident in self-storage markets across the United States, and owners of older facilities must step up their game to compete with newer modern developments in their market. At Forge Building Company, we specialize in finding cost effective solutions to help increase your site's curb appeal and ROI.

If you are looking to reposition a potential acquisition or upgrade a facility you already own, Forge's expertise includes the full gamut of construction services and solutions, from design, to repositioning and converting, to ground-up construction. We believe great work is driven by experts who measure success by its positive impact on our customers and the communities we serve.

As an owner of self-storage, it is important for you to keep an eye on the latest trends. With women being 70 percent of all new customers renting self-storage for the first time, you need to look at creating a positive and inviting experience to help capture new customers and increase profits.

IDENTIFY YOUR GOALS:

The goal of these buyers was to purchase this self-storage facility and bring it up to date and add amenities that allow them to get the highest possible rents in the market. This facility is located on a busy highway with a strong population growth and above average incomes.

DETERMINING FACILITY NEEDS:

Recently after evaluating at a potential reposition in Tyler, Texas, the Forge team determined this location would benefit greatly from an upgrade. Our evaluation determined the owner needed to replace current doors, the majority of wall panels, gutters, bollards, and paint all existing buildings.

IDENTIFY YOUR CHALLENGES:

A factor affecting this property besides the average weather patterns of extreme heat & cold is the lack of upkeep by the previous owners. This facility looked old and tired. It suffered years of neglect and disrepair leading to a loss of occupancy and decreased street rents.

NWSS-Canyon.



Summit View Storage.



CONCLUSION:

Completing these upgrades will drive rental rates, increase overall occupancy, and in return allow the buyers to receive a better return on their investment.

PROPERTY DESCRIPTION:

Age: 15 years+ Type: Drive-up

Number of Buildings: 11

Style/Form: Four (Buildings 1-4) Perimeter Buildings with Seven (Building's 5-11) interior-PBR Screw Down roofs with red iron framing, standard roll-up doors.

Drive lanes- Asphalt.

WEAR & TEAR:

The severe wear and tear consisted of dented PBR wall paneling and roll-up doors, swing door jams not framed out/edge wrapped and caulked properly to prevent water intrusion, gutters/downspouts dented or missing in areas, deteriorated asphalt drive lanes with potholes and uneven drops. A few of

the buildings had slight step downs and insufficient PBR siding covering the building break. There were bent and missing bollards and surprisingly in two units it was noted that roof purlins were missing leading to a sagging roof.

FORGE SOLUTION:

Solution 1: PBR wall replacement panels with PBR outside corners must be installed before exterior painting is done. This material must be shipped to site early, old materials are to be removed and new product installed before door replacement can be started.

Solution 2: Gutter and down spouts must be removed before exterior painting is done. Installation will happen during door installation.

Solution 3: New bollard installation

Solution 4: Remove existing swing doors and door jambs. Followed by new door jamb wrap, caulking and installation. Install new roll up doors with mount plates.

Solution 5: Filling all gaps with gap spanning angles between the units. \blacksquare

2021 Legislative Recap

By Wayne Hammon, Idaho AGC CEO



Idaho AGC leadership joins Idaho Governor Brad Little as he signs into law AGC-backed legislation to protect and improve the state's Quality-Based Selection process for public works contracting. Pictured (left to right) are Matt Blandford, Andersen Construction – Idaho AGC Board Member and Building Committee Co-Chair; Sean Schupack, Idaho AGC – Director of Public Policy and Member Services; Idaho Governor Brad Little; Anna Sparrell, CM Company – Idaho AGC First Vice President; John Sanders, CORE Construction; and Anita Keil, ESI Construction – Idaho AGC Building Committee Co-Chair.

he best way to sum up the 2021 session of the Idaho Legislature in a single word would be UNPRECEDENTED.

Nothing about this year reflected what we've come to expect or even the standard rules of engagement.

To begin with, while the legislators were (for the most part) attending sessions at the statehouse every day, very few others were physically in the building. One of the advantages of having a well-developed team working for the Idaho AGC is that between us we were able to make sure that the organization was represented each day and at every important meeting and event. Between myself, Sean, and the contract team at Sullivan Reberger, the Idaho AGC's presence was consistent throughout the entire session.

Also unprecedented was the volume of work being conducted related to the building side of the construction industry. While legislative sessions always involve transportation issues, 2021 saw several bills proposed that are important to our building members. These include:

- Electrical Apprentices (the Idaho AGC worked to keep the current apprenticeto-journeyman ratios in place);
- City and County Budgets (the Idaho AGC worked to ensure that local units of government continued to be able to account for new growth when setting budgets);

- Quality-Based Selection (the Idaho AGC secured passage of legislation to improve the process while holding off challenges that would have eliminated the option);
- Lien Filings (the Idaho AGC thwarted efforts to place additional filing requirements that may have resulted in sharing of confidential or proprietary business information);
- Outsourcing of State Building Contracts
 (the Idaho AGC blocked an effort to increase the likelihood that state-funded building contracts would be administered by a large, out-of-state vendor);
- School Bonds (the Idaho AGC worked to stop a bill that would have made it more difficult for school districts to educate voters on upcoming school bond elections).

Of course, there were issues important to the entire construction industry in Idaho as well. During the session, the Idaho AGC worked to support bills that would keep our job sites drug-free and provide driver training and identification to those currently without it.

Just as important, the Idaho AGC labored to stop bad bills that would have allowed local units of government to stop publicly advertising their notices, including construction contracts; allow local units of government to flaunt EPA guidelines resulting in federal limits on new construction; and reduce the length

of time seasonal workers are eligible for unemployment benefits. Each of these challenges was met head-on by the Idaho AGC's legislative team and I'm proud to report success in almost every case.

And then, after months of hard work and right in the middle of the Idaho AGC's effort to secure \$1.6 billion in new road construction dollars, the Legislature took an unprecedented two-week recess due to a COVID outbreak inside the statehouse. Once again, the Idaho AGC was able to turn lemons into lemonade and used the time afforded by the recess to coordinate our final push for transportation funding. Once the Legislature returned, the House quickly took up and passed the Idaho AGC-backed bill. Since then, the bill has cleared the Senate Transportation Committee with a unanimous vote.

Even as we send this magazine to press, we are awaiting final action by the Senate on this bill. We remain optimistic that it will pass and are fully engaged to guide it to that conclusion.

Even though much of the session was spent debating controversial topics, our message of sound government, building a better future for all Idahoans, and investing in infrastructure was greeted warmly by the legislators. Despite the hurdles and curve balls thrown by the unprecedented nature of the session, I am proud to report that the Idaho AGC — and thus the construction industry — had a very successful legislative season. •

SERVING BUILDERSFor Four Decades & Counting

Lets face it, the construction world today is facing more challenges than ever. Pairing up with a reliable supply partner who will help you navigate the tight supply chain has never been more important.

IdaPac, or Idaho Pacific Lumber Company, has been helping supply construction companies, builders, and homeowners with the rough framing materials, engineered wood products, and wholesale building materials that they need since 1979. Our company is employee-owned, and each of our team members are passionate about ensuring you save both time and money with our building supply materials. Reach out to us today to learn more!

WHAT WE OFFER:

Rough framing materials | Insulation

Decking & Railing | Siding

Panel products | Metal & hardware

Engineered wood products | Specialty wood products

Crane mats | Doors and Cabinets





Idaho Pacific Lumber Company, Inc. 1770 S. Spanish Sun Way, Meridian, ID 83642

P: 1-800-231-2310 ssunday@idapac.com idapac.com

We are poised for growth. Begin working with the industry's best today.

BUILDING CONFIDENCE



SERVING BOISE & TREASURE VALLEY

ASPHALT
SAND & GRAVEL
EARTHWORK
SITE DEVELOPMENT
DEMOLITION
TRUCKING



SERVING IDAHO FALLS, EASTERN IDAHO & WESTERN WYOMING

ASPHALT
SAND & GRAVEL
EARTHWORK
SITE DEVELOPMENT
CONCRETE WORK
UTILITIES

10340 HIGHWAY 20/26 CALDWELL, ID 83605 208.362.4244 | SUNROC.COM

♦ CLYDE.

497 NORTH CAPITAL AVE, IDAHO FALLS, IDAHO 83402 208.458.4000 | **DEPATCO.COM**

♦ CLYDE.