



ANNUAL REPORT 2008

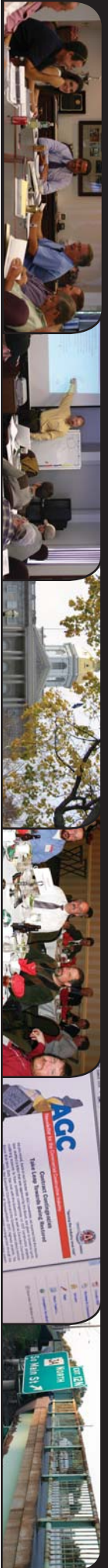
COMMITMENT



INVOLVEMENT



NETWORKING



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PRESIDENT'S MESSAGE



It does not seem like an entire year has passed since I began my term as Associated General Contractors of New Hampshire's president. It has been a noteworthy year marked by change for the Association, and for our community.

The Association has formed for the first time this year the AGC of NH Political Action Committee (PAC) in order for us to take a more active role in shaping the direction of New Hampshire's political future. This committee raised funds and contributed them to candidates who understand and support the needs of the construction industry. As chairman of the PAC Committee, I am pleased to say that in 2008 the Association raised almost \$27,000 from 24 members.

The AGC of NH has always been interested in learning about candidates and their positions on industry issues. This year, it seems particularly important with the economic challenges facing us, and so the Board of Directors talked with a number of candidates including Congressional candidates Jeb Bradley, John Stephen, Jeanne Shaheen and Senator Robert Clegg. Topics ranged from infrastructure to card check legislation. New Hampshire will need strong political leadership in 2009 to keep its economy strong.

At the state's capitol this past year, there were positive strides in legislation. First, there was Senate Bill 438, which regulated contractor accountability and disclosure in the public works construction procurement process. The bill required that at the time of bidding on any state construction project, the general contractor must include in the bid packet a list of all subcontractors and independent contractors that would be working on the site, and the list would have to be updated weekly by the winning contractor to the state and on a website. I actively fought this. It failed to pass in the House of Representatives. The second important legislation that passed was the Ten Year Transportation Improvement Plan, which revised project guidelines for the next 10 years to balance the costs of jobs with the state's financial plan to fund them. Third, great progress was made in workers' compensation legislation. AGC revised much of the language in those bills to specify that unintentional paperwork violations were not punishable, to exclude deliveries to and from a job site from the workers' compensation requirement, and to fulfill state's project requirements annually rather than on a project-by-project basis.

AGC has continued to grow this year as can be seen in its increase in membership from 2007 – almost 8 percent, thirteen new members. The Association has grown by 18.5 percent since 2006. I believe that is a measure of how well the organization has fulfilled its mission. The Association continues to be proactive in political and legislative issues, for the benefit of its members and the good of the state's citizens and economy.

It is an honor to belong to the Associated General Contractors of New Hampshire and a privilege to have been its President. I sincerely thank the Board for its support throughout my term.

Respectfully,

A handwritten signature in black ink that reads "Dan Messier".

Dan Messier, AGC President, Pro Con, Inc.



2007 President Mark Bates passes the gavel to the 2008 President Dan Messier



Golf Tournament at Skymeadow Country Club



Dan Messier and NH DOT Commissioner George Campbell



2008 BOARD OF DIRECTORS



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EX-OFFICIO

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COMMITTEES & TRAININGS

BUILDING

In its first meeting of the year, the Building Committee expressed an interest in a breakfast meeting featuring a speaker to talk about what is needed to comply with the standards and requirements of Leadership in Energy and Environmental Design (LEED). This meeting was realized on April 15th of 2008, and also featured a presentation on workers' compensation issues. The committee also expressed an interest in Building Information Modeling (BIM) seminars. Over the legislative season, the committee monitored several bills that would impact the building industry. Of particular importance was the inspection of publicly accessible buildings for compliance with accessibility standards, growth management ordinances, and ordinances by citation.

ENVIRONMENT

This was a very important year for environmental concerns and legislation. The committee had a number of its members testify at legislative hearings on bills relative to setback requirements, indirect impacts on wetlands, time limits on excavating and dredging permits, hazardous materials fees and reporting, and shoreland protection. There were also Department of Environmental Services issues whose outcomes would affect the construction industry. Again, AGC of NH Environment Committee members attended these public sessions and helped to shape rules to be more specific and reasonable in their requirements. Rules of particular concern this year were Vernal Pools Rules, Alteration of Terrain Rules, Stream-crossing Rules, and Shoreland Rules. While these are all ongoing processes, the committee is overall satisfied with the direction they are taking.

HIGHWAY SPECIFICATION

AGC of NH's Highway Specification Committee met throughout the year with the Department of Transportation to clarify and help revise DOT's rules and procedures that relate to construction projects. Some of these topics were temporary bridge verification on the part of the contractor for the engineer's design of the bridge; the critical path method which is required of all multi-seasonal construction projects and jobs whose bids exceed \$1,000,000; and flaggers having to have a card or certificate to verify his or her training. AGC helped draft language, accepted DOT's new language, and helped form subcommittees to further study issues.

HUMAN RESOURCES

This committee, formed in 2007, covered a lot of ground in 2008. This year the committee obtained speakers who presented up-to-date information on relevant issues. Presenters this year included Dr. Katz, a medical doctor at Concentra Medical Center in Concord; Chris Lianos, a tax unit supervisor/chief field agent; Jim Lefebvre of

NH Employment Security; Dave Chandler, NH DOT Chief of Labor Compliance; and George Rioux of the US Department of Labor Wage and Hour Division. These meetings were all informative and thought provoking, and generated productive discussion among the participants.

LEGISLATIVE

As it does every year, the Legislative Committee reviewed a number of bills to determine which ones, if passed, would impact the industry in a positive or negative way or would have the potential to do so. Consequently, they recommended to the Board of Directors a position for each bill - support, oppose, or monitor - and where applicable, referred it to the appropriate AGC committee for closer scrutiny and involvement, if necessary, for the duration of the legislative season. For more information on these bills, see the Legislative section of this report.



Human Resources Committee



Highway Specification Committee meeting at NH DOT

LEGISLATIVE HIGHLIGHTS

FLAGGING

The AGC of NH's flagging course ran twice this year, with fully-subscribed flag-training sessions. This course instructs flag trainers about the New Hampshire Department of Transportation regulations, proper flag person training, use of paddles and flags, placement of flaggers on the jobsite, and proper placement of signs. Course participants were required to pass a short exam qualifying them to train their own employees in proper flagging techniques and safety.

OSHA 10-HOUR CONSTRUCTION INDUSTRY OUTREACH TRAINING

AGC of NH saw growth in the participation in the Virtual University online OSHA 10-Hour Safety Course. The new OSHA bill, which went into effect on July 1st, requires that bidders on state and local highway and building construction contracts of over \$100,000 certify and be able to document that all employees on the job site have completed a 10-hour OSHA approved safety course. To help workers in the construction industry fulfill this requirement, AGC of NH offers an OSHA 10-hour Construction Industry Outreach Training Program online through its Virtual University Online Training website. This course is ideal for supervisors with safety and health responsibilities, and for employee safety and health awareness. Students are introduced to OSHA policies, procedures, and standards as well as general industry safety and health principles covered in OSHA Act Part 1910. Special emphasis is placed on areas most hazardous using OSHA standards as a guide. Upon successful completion of the course, participants will receive an OSHA general industry safety and health 10-hour course completion card from the Department of Labor. This online course has been reviewed and accepted by OSHA for online distribution.



The legislative year was dominated by an increasing awareness of our environment and by the urgent issue of infrastructure funding sources. While legislation sought to reduce the negative impacts of development on nature, AGC worked to create a balance between the interests of environmentalists and those of contractors. And the transportation funding issues were and are reaching a crisis. Again, AGC lobbied in favor of laws that would allocate receipts into the Highway Trust Fund, and establish a practical improvement plan. The outcomes of the bills were not entirely favorable; however, many bills that were not "killed" were either modified to be more reasonable or were referred to study.

WASHINGTON FLY-IN

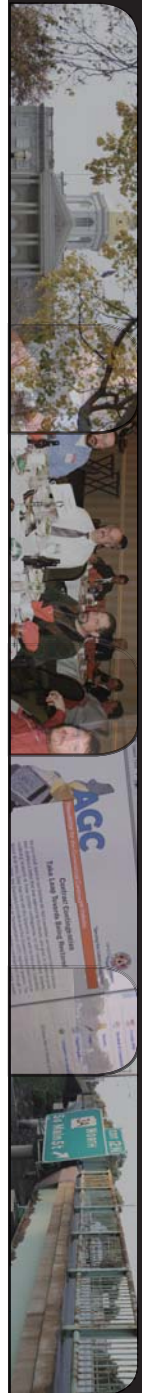
Four members of the AGC of NH, Alex Phelps, Derrick Hill, Mike Reilly, and Gary Abbott, joined approximately 400 other construction professionals from around the country for the 2008 Transportation Construction Coalition (TCC) Fly-In, which took place on May 20th – 21st in Washington, DC. The purpose of the event was for attendees from various states to meet individually with members of their respective Congressional delegations and present a multi-point message urging support of key transportation/infrastructure issues. AGC of New Hampshire members met with Representative Carol Shea-Porter and Governor John Sununu, and staff of Representative Paul Hodes and Senator Judd Gregg to discourage consideration of a "gas tax holiday" and to educate them on the financial status of the Highway Trust Fund. They emphasized to their representatives that if additional revenues are not found to offset the Highway Trust Fund deficit, states would face as much as a 34 percent reduction in federal highway funding in Fiscal Year 2009.

GOVERNOR LYNCH'S SPECIAL SESSION TO BALANCE THE BUDGET

Governor John Lynch took a number of steps to balance the state budget, including freezes on hiring, purchasing, and out-of-state travel. As a part of this effort to address the impact of the slowing economy, a new law authorized bonding of school building aid of up to \$40 million for FY 2009 if needed to balance the budget. This law was passed during a special session of the legislature called by the Governor and Executive Council for June 10, 2008.

DISCLOSURE REQUIREMENTS FOR BIDDERS

Senate Bill 438 stated that at the time of bidding on any state construction project, the general contractor must include in the bid packet to the awarding agency a list of all subcontractors and independent contractors that will be working on the job site, along with a record of the entity to whom that subcontractor or independent contractor is directly contracted, and by whom the contractor or subcontractor is insured for workers' compensation



LEGISLATIVE HIGHLIGHTS



purposes. The same information would be required to be posted on the jobsite and on the agency website. AGC actively opposed this bill by presenting a position paper and testifying to the House Executive Departments and Administrative Committee, making a number of points in opposition to the bill: it would require additional paperwork in order to bid on a project; require unnecessary paperwork after the project was awarded; and it would increase costs to the state. The Senate passed the bill, but then the House deemed it inexpedient to legislate, which killed it.

GROWTH MANAGEMENT ORDINANCES

House Bill 1260 permitted municipalities to adopt growth management ordinances when time is needed to provide services, and permitted municipalities to place temporary moratoria on building permits and site plans when time is needed to provide services. AGC supported this bill. It left up to each municipality the decision of whether to adopt a growth management ordinance. This would be a help to those who opt in and it would do no harm to those who opt out. This bill was voted ought to pass with amendment in the House and amended in the Senate to provide a procedure for the assessment of property subject to a housing covenant under the low-income housing tax-credit program. The House nonconcurred with the amendment and requested a Committee of Conference. The committee recommended that the House concur with the Senate, and that the bill be amended to take place upon passage. The bill passed.

WETLANDS TIME FRAMES

House Bill 1471 removed language from law that allowed the applicant to proceed with a project after the time for the Department of Environmental Services to respond to a permit request had elapsed. The legislation returned up to 50 percent of the applicant's fees if the department fails to process the application in accordance with the statute. DES requested this statute change in order to be in compliance with its audit, since the department has not met its turnaround time frames. Jim Gove and Gary Abbott worked with the Department of Environmental Services on this new language prior to

the session, so AGC supported the legislation throughout the process. The House passed this bill and it was then passed with a minor amendment in the Senate to allow an applicant additional time (120 days rather than 60) to respond to a Department of Environmental Services' question. The House requested a Committee of Conference. The recommendation of the committee was to amend the bill to reduce the 120 days back to 60, with the provision that DES could grant an extension to the 60 days upon the request of the applicant. The bill passed.

WETLANDS SETBACK REQUIREMENTS

House Bill 1579-FN established a 75-foot setback from wetlands requirement for structures and sewage disposal systems, and required notice to abutters before waivers could be granted for wetland setbacks. The commissioner could issue a waiver allowing placement of a sewage disposal system if evidence proves there will be no deleterious effects on the protection of wetlands, surrounding water, or on any abutter's property. Gary Abbott and Association members spoke in opposition to the bill at the legislative hearings. One issue was that "structure" should be defined. Another issue was whether different allowances should be made for different types of wetlands. Overall, there should be a balance between environmental concerns and development. The House Resources, Recreation, and Development Committee amended the bill to establish a commission to study issues relating to the 75-foot setback. The Senate proposed an amendment to establish a surcharge on certain documents related to real property for the Land and Community Heritage Investment Program (LCHIP). The full House passed the bill with the amendment and then the Senate passed the legislation with the LCHIP property fees. Jim Gove is serving as the AGC representative on the study committee.

HAZARDOUS MATERIALS FEES AND REPORTING

House Bill 1594-FN created a hazardous material fees and reporting procedure for storage of hazardous materials. Employers and facilities that are required to prepare material safety data sheets and that exceed the TPQ or 500 pounds would be required to submit an annual report to the fire marshal's office and would have to pay a \$50 annual registration fee as well as a fee ranging from \$75 to \$1,000 for the total reported maximum daily amount of hazardous chemical or substance per facility per year. AGC presented a position paper and gave testimony to the Senate Energy, Environment, and Economic Development Committee opposing the bill. AGC's concerns were that the proposed legislation focuses on petroleum products, which is not the primary focus of the statewide Hazmat teams; this fee would burden those facilities with storage tanks that may never have a spill or who already have insurance to cover the costs for spill cleanup; this bill also adds a reporting burden to companies storing petroleum; and there is no apparent plan as to whom

and what the fund would pay for, who would control it, and whether there would be future constraint on fee increases. This bill was passed by the full House. The Senate Energy Committee amended the bill to remove fees and reporting requirements, and leave in the study commission. Funding of the program would continue to be the responsibility of the Department of Environmental Services. The full Senate reported the bill ought to pass with amendment, and referred it to the Senate Finance Committee. The Senate committee then passed the bill with another amendment to add additional individuals to the study commission. The House requested a Committee of Conference. That committee's recommendation was for the study commission to additionally study the organizational structure of the regional hazardous response teams and their relationship to the state fire marshal's office. There will also be five instead of four members of the business community on the study committee. The bill passed.

INDIRECT IMPACTS ON WETLANDS

Senate Bill 435 stated that in determining whether to grant or deny applications for wetlands permits, the Department of Environmental Services would consider indirect impacts on wetlands outside of the project. At the first hearing on the legislation, Association members opposed the bill as being too vague in defining "indirect impacts." In later hearings, SB 435 was amended to be more specific regarding indirect impacts, because even the Department of Environmental Services had concerns with the bill's language. The bill was referred to interim study.

WETLANDS PERFORMANCE STANDARDS

House Bill 1535 required the Department of Environmental Services to develop a statewide wetland performance standard to objectively differentiate wetland performance in a numerical manner. AGC was monitoring this bill. It was voted inexpedient to legislate, because currently, DES uses a science-based method that applies objective criteria to site hydrology, plant, and soil types in delineating wetlands. In addition, any change in methodology could jeopardize the single-permit agreement with the U.S. Army Corps of Engineers whereby the state permitting process fulfills federal permit requirements.

GASOLINE TAX

House Bill 1445-FN would have increased the gas tax by 6¢, from 18¢ to 24¢, with 88 percent of the total increase going to a separate account called the Highway and Bridge Betterment Account, and the remainder being divided among NH municipalities. AGC of NH supported this bill, testifying before the Public Works and Highways Committee, and distributing the Safer Roads DVD "The Right Road to a Sound Future" to all committee members. In spite of the efforts of AGC, the House Public Works and Highways Committee voted

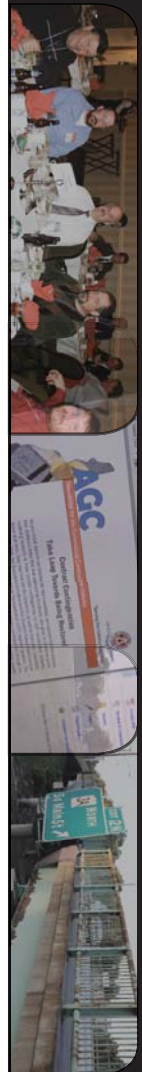
the bill inexpedient to legislate. Representative David Campbell explained his concerns with the tax. "The committee fully realizes the near catastrophic state of New Hampshire's bridges and roads, which are funded almost exclusively by dwindling federal funds and the state gas tax. The majority of the committee believes that we should not consider asking the public to support raising the gas tax until (1) the diversions from the Department of Transportation to other agencies are carefully examined, (2) House Bill 1493 continues a House/Senate study committee of the Highway Trust Fund to determine the exact funding needs and funding options, including our bonding capacity, (3) we look at innovative funding mechanisms such as public/private partnerships, and (4) we get input from the new Department of Transportation Commissioner."

ALLOCATING GROSS HIGHWAY FUNDS

House Bill 1618-FN established the allocation of gross highway fund appropriations to the Department of Transportation and Department of Safety budgets. The bill incrementally increased the yearly percent of revenue allotted to the Department of Transportation to 68.5 percent in 2009, 70.75 percent in 2011, and 73 percent in 2013. The bill decreased the percent that went to Department of Safety to 30 percent in 2009, 28 percent in 2011, and 26 percent in 2013. AGC supported this bill, because it serves the important function of limiting future highway fund diversions by other agencies. The House Finance Committee recommended this legislation be passed, as it was intended to restore funds that years ago went to the Highway Fund, but since then have been allowed to be transferred elsewhere. The bill restored title and registration fees to the Highway Fund, and an amendment added the traffic fines that the Department of Safety collects to the Highway Fund. The full House and Senate passed the bill.

10 YEAR PLAN

House Bill 1646 updated the Ten Year Transportation Improvement Plan which serves as a guideline for New Hampshire's transportation projects for the next decade. The plan closely adhered to the estimated funding available for transportation projects for 2009 to 2018. AGC supported this bill. Gary Abbott testified in favor of HB 1646 at both the House and Senate hearings, saying that this is the first time the Ten Year Plan not only makes a list of improvements, but also presents a financial plan to fund them. After the House voted ought to pass, the Senate passed the bill with two major amendments: an \$80 million bond for school building aid and an amendment to the statewide transportation policy that the House sent to interim study. The House did not concur with the amendments, and requested a Committee of Conference. The recommendation submitted by the committee was that the Senate recede from adopting its amendments to the bill. It did, and the bill passed.





LEGISLATIVE HIGHLIGHTS

ALTERNATIVE FUEL VEHICLES

House Bill 1220-FN established an 11-member commission to study the taxation of alternative fuel and electric powered motor vehicles for the purpose of funding the state's highways and bridges. The committee would be made up of one member each from the Senate, the Department of Revenue Administration, the Department of Safety, the Department of Environmental Services, and the Department of Resources and Economic Development. It would report its findings on or before November 1st, 2008. AGC supported this bill. The House voted ought to pass, then the Senate passed it with an amendment to study taxation of all vehicles rather than just alternate fuel vehicles. The House nonconcurred and requested a Committee of Conference. The committee recommended that the Senate recede from its position of adopting the amendment; that one member of the Senate be on the committee; and that language be added about a chairperson for the committee and the number of members necessary for a quorum. The bill subsequently passed in the legislature, but the Governor vetoed it. Governor Lynch justified his veto by saying in his veto message, "While I appreciate the efforts of the sponsors of this legislation, I am concerned that this may send the wrong message about our commitment to developing alternative fuels and alternative vehicles. Over the long term, alternative fuels and electric powered motor vehicles will help New Hampshire families and businesses lower their fuel costs, make our air and water cleaner, and provide new economic development opportunities. These products and technologies are still in their infancy, and I am concerned that the consideration at this time of new taxes on this class of fuels and vehicles will harm the growth of this important new technology."

PUBLIC/PRIVATE PARTNERSHIPS

House Bill 1626-FN originally would have authorized the Department of Transportation to enter into a long-term lease and concession agreement with a private entity for the design, development, regulatory permitting, financing, construction, operation, and management of a roadway servicing and bridge across the Merrimack River. AGC was monitoring this bill. While the sponsors and the House Public Works and Highways Committee opposed the proposed location, the committee was intrigued with taking a full look at public/private partnerships in general as they relate to highway and other projects, and so the committee voted unanimously to take out "Merrimack River Bridge" and turn the bill into a public/private partnership study. As such, the bill was sent to interim study.

WORKERS' COMP. ON STATE PROJECTS

House Bill 1156 required proof that a compensation premium is reasonably related to the portion of remuneration for on-site work. House Bill 1597-FN required that any

person engaged in on-site work must provide a certificate of insurance of his current workers' compensation coverage or evidence of a current health insurance or disability policy, a sworn statement that this coverage will remain in effect for the duration of employment on the project, and a copy of the contractor's compliance with a current written safety program. AGC opposed these bills, as neither corrected the problems raised last year with the passage of House Bill 471 which mandated workers' compensation on all state projects. AGC proposed changes for House Bill 1156 and House Bill 1597, but the committee decided to wait until they got Senate Bill 501 from the Senate that had AGC's preferred language. House Bill 1156 and House Bill 1597-FN were deemed inexpedient to legislate by the full House.

REQUIREMENTS AND PENALTIES FOR NONCOMPLIANCE

Senate Bill 501-FN was entirely amended with many recommendations presented by AGC. One recommendation was to exclude deliveries to a state transportation project from the workers' compensation requirement. Another was that the Department of Transportation may develop procedures to obtain requirements on an annual basis or by prequalification rather than on a project-by-project basis. Finally, the committee agreed to add "knowingly failed to comply with" [requirements] to the penalty portion of the bill that specifies debarment for noncompliance. AGC presented amending language to the Senate Commerce, Labor, and Consumer Protection Committee to make the workers' compensation requirements and penalties fairer. The Senate passed this bill. The full House voted ought to pass with amendment. The amendment would allow delivery to and from a project and give Administrative Services the same language on their projects. The bill ultimately passed in both the Senate and the House.

INSURANCE FRAUD

Senate Bill 500-FN was intended to specify insurance requirements, and to increase penalties for workers' compensation insurance fraud. If an employer misrepresents the relationship between himself and a person providing services (employee vs. independent contractor), he may be assessed a monetary penalty and be guilty of a Class B felony. AGC opposed a number of sections in the original legislation which were subsequently removed in the Senate. The Association supported language clarifying the information contained on a workers' compensation certificate to be sure contractors and subcontractors have appropriate coverage. The Senate passed the bill, and the House voted ought to pass with an amendment, which clarified that an individual must have purposely misrepresented the relationship to be guilty of a Class B felony. The legislation also formed a study committee.

DINNER & BREAKFAST MEETINGS

The AGC of NH hosted two breakfast meetings this year. The first, in April, featured presentations on Workers' Compensation and LEED. The second meeting was held in May, and it featured the NASA and Ethics Award presentations, as well as speakers from the New Hampshire Department of Transportation and the New Hampshire Department of Public Works. In addition to those breakfasts was the Annual Meeting, a dinner which was one of the highlights of the year. It took place on the cusp - December of 2007. It marked the end of that year, but also a beginning of 2008.

The Workers' Compensation and Leadership in Energy and Environmental Design (LEED) Breakfast was held on April 15th at the Holiday Inn in Concord. Gary Abbott of AGC of NH and Ron Ciotti of Hinckley, Allen & Snyder reviewed workers' compensation changes and requirements. Then, Ed Murdough of the New Hampshire Department of Education and Ingrid Moulton of Banwell Architects explained LEED, and spoke about state incentives for LEED projects, and presented sample projects. Attendees received a workers' compensation handbook of current state laws, and the Department of Education handed out "Northeast Collaborative for High Performance Schools Protocol."

On May 22nd, the AGC of NH held its first-ever breakfast meeting/award ceremony at the Derryfield Restaurant in Manchester. After a time of eating and socializing, the audience of over 50 AGC members heard three speakers: DOT Commissioner George Campbell, Chief Project Manager Bill Cass, and Administrator of the Department of Public Works Mark Whittemore. After they spoke, the awards were presented: the New Hampshire Industry Ethics Award and the National AGC Safety Awards (NASA).

The Ethics Award honors the individual, business, or organization that, through its words and deeds, best demonstrates a commitment to upholding the highest ethical standards in construction. This year's recipient of the 12th Annual New Hampshire Construction Industry Ethics Award was Ron Severino, president of Severino Trucking Co. in Candia, NH. Ron received a plaque and an award of a \$1,000 donation to his charity of choice. Presenting the award was David Wood of Deering, publisher of Construction Break Newsletter.

The second group of awards, The National AGC Safety Awards, has two categories. One is the AGC Member Award which is given to members who have an incident rate 25% below their division's. These awards are based on a weighted average of hours and incidents. Pike Industries received the AGC Member Awards for 25 percent below division incident rate. The second category is given to those firms who have a zero incident rate in their division. There were 4 companies that received the Chapter Safety Award for a zero incident rate: Baybutt Construction, Harvey Construction, The MacMillin Company, and Weaver Brothers Construction.

Going backward in time, the 58th Annual Meeting was held on December 13, 2007 at the Grappone-Marriott Center in Concord. Remember the paralyzing snowstorm that covered southern New England? Over 150 members and guests braved that storm to attend the dinner and watch the installation of the new president and the board of directors. Mark Bates of Weaver Brothers, the AGC of NH's 2007 president, handed the gavel over to Dan Messier of Pro Con. He would be AGC of NH's 2008 president. The evening included dinner and closed with entertainment by humorist Thomas Hayes who amused the audience with gentle anecdotes about the ways of New Englanders.



PUBLICATIONS

The AGC of NH keeps its members updated and informed throughout the year with several publications: the bi-weekly newsletter; the Legislative Report; the Construction Industry Directory; and new this year, the Workers' Compensation booklet.

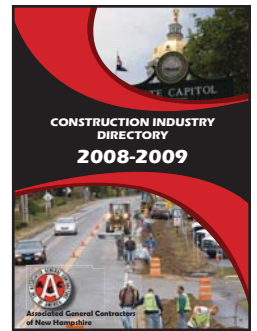


The AGC newsletter has been a member favorite for years. It is sent out every two weeks and is filled with informative articles; legislative and political updates; job announcements; flyers for trainings, events, and special offers; and advertisements. We have continued to offer it in two formats: paper, which is sent via USPS, and as a full-color PDF

attachment to an email to those who have requested it. The PDF version gives the added convenience of live links.

The Legislative Report was included in the June 2nd issue of the newsletter. It is an overview of the top 20 bills of the 2008 legislative session as well as their status at the close. The report, always eagerly anticipated by members, focuses on bills that changed the rules, regulations, and procedures that affect contractors and the industry.

The 2008-2009 Construction Industry Directory was mailed to members and NH cities and towns. The Directory contains a complete listing of our commercial building and highway contractors, suppliers, subcontractors, and industry affiliates. The classified index aids in quickly locating these firms by the services they provide, and the alphabetical index helps find the company by name. There is also a Construction Reference Guide in the Directory to help you contact various government agencies and personnel.



Lastly, AGC of NH published a booklet which describes the workers' compensation bills introduced in 2008 and their progress through the legislative session. The bills that are summarized and analyzed in the booklet are 2007's House Bill 471, which required workers' compensation for all on-site workers; House Bill 692, which was intended as a fix for HB 471; Senate Bill 501, which exempted deliveries to and from work sites from workers' compensation; and Senate Bill 500, which defined insurance fraud and imposed penalties. The booklet also explains the proactive measures AGC of NH took to try to make these bills clearer and more reasonable for contractors.

ANNUAL GOLF TOURNAMENT

The 2008 AGC of NH Annual Golf Tournament was held at the beautiful Sky Meadow Country Club in Nashua, NH on August 27th, 2008. What a perfect day: clear blue sky, bracing morning air. Over 130 participants played in the friendly competition, and enjoyed the fast greens, narrow fairways, and challenging water hazards.

After a quick continental breakfast, the players took to the greens for the 7:30 shotgun start of the scramble-format tournament. The big surprise of the morning was Marcus Aho of Hutter Construction, who hit a 190-yard hole-in-one at Hole #11. His prize, a choice of \$20,000 or a Ford F210, was sponsored by Enterprise Fleet Management. The staff at Sky Meadow said that this was only the second hole-in-one at the club this year.



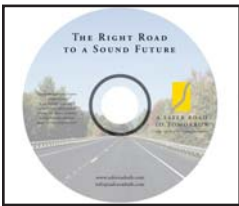
After the game, players rolled back to the club house for BBQ lunch. They enjoyed chicken, ribs, beans, corn on the cob, and potato salad. The day's awards ceremony took place after the meal. Marcus Aho chose the \$20,000 hole-in-one prize sponsored by Enterprise. There were also four special contests. The winner of the Straightest Drive on Hole #7 was Dave Bissonnette of Redimix Companies. Alex Phelps of Pike Industries won the Closest to the Pin Contest at Hole #6. The winner of the Longest Drive Contest at Hole #15 was Mark Douglas of The Rowley Agency. These winners all received a \$100 gift certificate from the club's pro shop. The winning team of the Skins Game was the Hutter Construction Team, which consisted of Marcus Aho, Al Traffic, Lars Traffic, and Richard Upsall.

The Second Place Scramble Winner was team EnviroVantage whose players were Tyler Kelly, Griff Richard, and Scott Sansoucie. Each team member won a \$50 gift certificate. The First Place Scramble Winner and the winner of the Company Challenge Trophy was team Acadia Insurance, with a score of 57. The players were Mike Lee, Kerry McGrath, Sean Parcell, and Chris Young.

SAFER ROADS EFFORT

A Safer Road to Tomorrow coalition completed 3 large projects this year, all aimed at educating the public about the condition of New Hampshire's roads and bridges. In 2008, Safer Roads distributed its 3rd annual calendar, a DVD, and a booklet to help get the message out. In May, Safer Roads partnered with the Business and Industry Association members to present "The Long and Winding Road: Transportation Planning in New Hampshire," a luncheon program focusing on New Hampshire's current and future highway and transportation infrastructure needs.

The 2008 calendar's scope was statewide, informing recipients with pictures and statistics about the nature and scope of deficiencies in the state's highways and bridges, and their immediate and long-term impact on public safety, the economy, and quality of life. The calendar was sent to members of the Legislature, Road Agents, the Regional Planning Commissions, the Executive Council, and the Governor. Hopefully, if these people understand the transportation problems, then they can thoughtfully evaluate them and contribute to effective solutions.



The next Safer Roads' effort was the 10-minute DVD entitled, "The Right Road to a Sound Future," distributed in January of this year. Again, this DVD was a transportation campaign to raise public and legislative aware-

ness about the poor condition of New Hampshire's roads and bridges, and the funding shortfall. The production involved AGC's collaboration with TRIAD, Inc. to produce text and footage that documented the deteriorated condition of New Hampshire's infrastructure. The DVDs were distributed to the Governor and Executive Council, Congressional delegates, House and Senate members, the Regional Planning Commissions, the Department of Safety, the Department of Transportation, Road Agents, other industry associations, and various media – over 900 copies were sent out. The purpose of the DVD was to motivate each recipient, each viewer, to do his part to ensure thoughtful investments are made to improve the safety and capacity of the roads and bridges of New Hampshire.

In May, Safer Roads released the booklet, "Caution: Rough Roads Ahead for New Hampshire." This booklet reinforced the coalition's mission to educate residents and lawmakers about why increased demands on the state's roads and bridges should be of concern to them both now and in the future, and to ensure that appropriate investments are made to maintain them. The booklet used text and graphics to explain that the current transportation plan will not take the state where it needs to be in the years ahead. It was distributed to the state Legislature, state agencies, and associations to make clear to them that failure to provide careful planning and adequate

funding now will be even more costly in the future.

In addition to these special publications, Safer Roads also distributes a quarterly newsletter that updates its recipients on the latest concerns and progress on issues related to New Hampshire's infrastructure.



On May 13, the Business and Industry Association, in partnership with A Safer Road to Tomorrow Coalition, presented "The Long and Winding Road: Transportation Planning in New Hampshire," at the Center of New Hampshire in Manchester.

The luncheon, which hosted about 70 attendees, included a panel of transportation experts from the construction industry, users of the system, and transportation policy makers from the New Hampshire Legislature and New Hampshire Department of Transportation. Panelists included Senator Robert Letourneau, chair of the Senate Transportation Committee; Representative Candace Bouchard, chair of the House Public Works and Highways Committee; George Campbell, Jr., Commissioner of the New Hampshire Department of Transportation; and Christian Zimmermann, president of Pike Industries.

Panelists addressed and discussed the current state of New Hampshire's infrastructure, the planning needed to ensure adequate road and bridge networks for the future, the role of public transit and commuter rail, and the ways to finance infrastructure improvements and upgrades to the state's transportation system.



EXECUTIVE VP'S MESSAGE



The year-end annual reports are a good opportunity for me to pause and reflect on the year gone by, as I complete my 25th year at AGC. I mark the passing of each year with the insertion of a new president's picture in the presidents' wall in the AGC Board Room. This year we put up a new wall frame to hold 20 more portraits. I wonder if construction concerns will be the same when the last slot in the new frame is filled 20 years from now.

The new picture frame was just one of several improvements made here at the AGC office. We were able to take advantage of two new opportunities for member benefits and we undertook some capital improvements on and in the building.

AGC of New Hampshire partnered with Verizon Wireless to offer Association members a special discount program. The agreement with National Purchasing Partners, which was finalized on April 1st, enabled AGC to receive impressive Verizon discounts and saving on phone equipment. AGC also partnered with Enterprise Fleet Management to offer members great rebates, incentives, and volume discounts on managing their autos and light trucks.

Our headquarters benefited from several improvements in 2008. In January, in spite of all the snow we had by then, the shingles on the roof were replaced and a new layer of insulation was laid in the ceiling. Inside, the thermostats were upgraded. The immediate gain was a noticeable decrease in the cost of heating the building. We also began the two-year process of upgrading our computers in the office and have redesigned the Safer Roads website. Our focus next year will be on the AGC website for a redesign. The Chapter applied for an EPA diesel retrofitting grant available through the New England Collaborative. This grant would help members finance a voluntary retrofit of their off-highway construction vehicles and improve the state's air quality. The AGC staff worked very diligently to gather, organize, and format materials, and then write the grant. Later in the year, we learned that EPA did not select our proposal.

It was a busy year outside the office, too. Legislative issues at the state's Capitol revolved around the gap between the cost of necessary highway projects and the money available to fund them, the environment, and the procedural requirements placed on contractors by legislators. My goal for 2009 is to have a stronger voice and have more individuals contacting legislators regarding these ongoing issues. I would like to be able to use email links, addresses, letter templates, and phone numbers provided by us to enable members to tell lawmakers what New Hampshire contractors consider is fair and reasonable legislation.

We are a strong organization, and we have the potential to be even stronger. Perhaps in 20 years, when the last picture frame is filled, roads, bridges, and the environment will be fine, and the state's yearly transportation budget will close with a surplus and the state's economy will be strong for the builders of the future.

Respectfully,

Gary A. Abbott, Executive Vice President

AGC STAFF



Gary Abbott
Executive Vice President

Gary has been a lobbyist and the Administrator for the AGC for over 20 years. Gary works actively with the staff, the legislature, other organizations, and the Board of Directors.



Andrea Johnson
Publications Coordinator

Andrea has been with the AGC since June of 2005, designing publications, flyers, newsletters and maintaining membership. Andrea is the contact for the Safer Roads effort, PR Committee, and Legislative Committee.



Bobbie Caradonna
Bookkeeper/Functions

Bobbie has managed the AGC functions and trainings, and bookkeeping for the last 4 years. Bobbie is the contact for the Human Resources, and the Highway Specification Committee.



Cynthia Wheelock
Administrative Assistant

Cynthia joined the staff in October of 2007. Her duties include writing newsletter articles, low bids, and the plans room. Cynthia is the contact for both the Building Committee and the Environment Committee.