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THIS WEEK

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REAL ESTATE SECTION
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California firm to build 230,000 sq. ft. senior living center in S. Jordan



Artist's rendering of Sagewood, an assisted living facility that Kisco Senior Living will construct in the Daybreak community.

By John M. Rogers
The Enterprise

Carlsbad, Calif.-based Kisco Senior Living will make its entry into the Utah market in a major way with a 230,000 square foot senior living facility at the Daybreak community in South Jordan.

Ground will be broken by the end of April for the center, to be located adjacent to the SoDa Row

commercial district at Daybreak. Move-in is anticipated for the summer of 2014.

"I couldn't have created a better list for an ideal elder housing setting than what Daybreak and Utah offer," said Mitch Brown, Kisco Senior Living chief development officer. "It's a rare privilege to work with a master developer like Daybreak"

see KISCO page 2

Freightliner of Utah to expand footprint by 40,000 square feet

Freightliner Utah is expanding its West Valley footprint by 40,000 square feet and hopes to occupy its addition by the start of the busy summer trucking season. Truckpro Inc., the holding company that owns the Warner Truck Center, is building the expansion for its tenant, Freightliner.

Bart Warner, an executive with both Truckpro and Freightliner, said that pressure created by increased business and the imminent seasonal bump has necessitated a fast track approach to getting the building ready for occupancy.

"Our goal is to handle the

increase so that our customers that come in here don't have to wait," Warner said. The current move-in target date is the end of June.

The new space will bring the total occupied area of Freightliner Utah to 200,000 square feet. Of the 40,000 square feet of additional space, 17,000 will be in the parts department and 24 new service bays will occupy the remaining area. Twelve to 15 new mechanics will be hired immediately, adding to the nearly 300 that Freightliner Utah already employs. The current complex includes a truckers'

see FREIGHTLINER page 2

Salt Lake electronics manufacturer sold to California company

Salt Lake-based Trident Manufacturing Inc. has been acquired by Probe Manufacturing Inc. (PMI) of Irvine, Calif. Terms of the deal were not disclosed, but PMI takes over 100 percent ownership of Trident as well as all operational assets.

Dennis Davis, who founded Trident with partner Danny Blackburn in 2005, thinks the PMI takeover bodes well for his former company.

"I'm glad this happened," said Davis. "I believe with us being

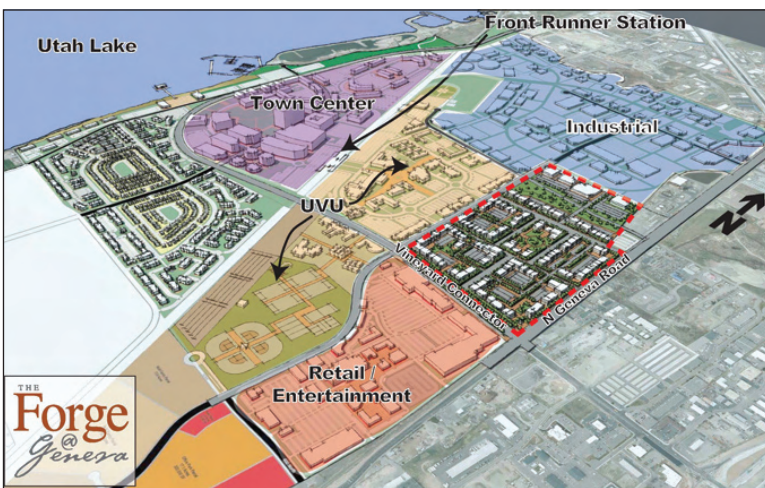
a part of PMI there is unlimited potential for growth here. We will now be able to deliver the end-to-end solutions, speed and scalability that our customers need."

Davis will remain in charge of local operations and assume the title of sales manager. He was formerly the CEO.

"Throughout the transition, customers will remain our top priority and we look forward to working with our new customers, employees and suppliers and are

see TRIDENT page 3

Development of former Geneva Steel site takes shape



A schematic of The Forge at Geneva, a mixed-use project on 123 acres in Vineyard. Cottonwood Partners is the developer.

By John M. Rogers
The Enterprise

Although a date has yet to be set for groundbreaking, Cottonwood Partners of Salt Lake City is moving ahead with plans to be the first to build on the former Geneva Steel site in Utah County. According to John West, Cottonwood CEO, his company has purchased and will develop approximately 123 acres at the site, located at about 800 North

on Geneva Road in the town of Vineyard.

West said he considers the project to be "middle of the fairway" in regard to his company's objectives.

"We generally look for projects which we believe will allow us to add substantial value to the community, and which we expect to be very successful

see FORGE page 2



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KISCO

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that understands elder housing and its importance in a community.”

Although Daybreak has developed senior-specific housing areas within the its complex, the Kisco facility, dubbed Sagewood, will be the first assisted living facility that will offer the full range of independent, assisted and memory care services. It will border on an existing active adult/independent living community. Kisco’s goal in building Sagewood is to have services available for each stage of senior care as it becomes necessary, according to Bob Ogle, Kisco team leader.

Sagewood will offer a choice of three levels of living. There will be 100 independent living units

with meal service, housekeeping and linen service, transportation, and social and recreational activities. Seniors who require help with the chores of daily living can live in one of 78 assisted living units, where trained employees will aid in activities such as medication management, bathing, dressing, eating and mobility.

Seniors with cognitive difficulties will live in an extended household environment in 23 memory care units, where additional security and around-the-clock assistance will be provided. In addition, the six-acre campus will include a bistro, dining room, full-service salon and fitness center.

Kisco will recruit locally and plans to employ 80 to 90 people immediately. The team will consist of a mix of professional and

service personnel that will include managers, credentialed caretakers for its assisted living and memory care units, culinary and dining staff and other service workers.

Sagewood is Kisco’s first Utah facility but Ogle says it may not be the last.

“As far as the future, Utah is a terrific state that offers the infrastructure, public transit, an educated workforce, stable economy and quality of life that we seek for our elder care dwellings, and we will be looking for other opportunities to open additional facilities,” he said.

Kisco operates more than 20 facilities in six states and is listed among the top 40 largest senior living center owners.

FREIGHTLINER

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lounge and cafe for drivers while their trucks are serviced.

“We run a 24-7 ‘truck hospital,’” said Warner. “It’s a nice place to stay, but these guys have hot loads and would just as soon be on the road.”

Freightliner has emerged in recent years as the dominant over-the-road truck manufacturer, reaching a 30 percent market share in 2012, according to “Transport Topics,” the online voice of the trucking industry. In February, Freightliner, a division of Germany’s Daimler AG, accounted for 46 percent of all class six through eight highway trucks sold. Freightliner Utah has doubled its number of engine technicians each of the past two years, according to Warner.

FORGE

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economically for Cottonwood,” he said. “We think the location of this project, with its three freeway exits, freeway exposure, FrontRunner stop, access to the Utah Lake front, spectacular views in all directions and its ultimate mixed use character will be ‘the place to live, work and play in Utah County.’”

Originally approved in January 2011 by the Vineyard Redevelopment Agency, the total project encompasses more than 1,700 acres. Master plan development is being done by Anderson Geneva Development. Vineyard City is completing the initial major infrastructure construction at the site and the main north-south artery, and Mill Road is nearing completion along with much of the associated utility work. The site is located on the eastern shore of Utah Lake within the fast-growing Provo-Orem metro area.

The Geneva Steel plant was constructed during World War II and after fits and starts during the 1980s and 1990s shut down permanently in 2002. Anderson Geneva purchased the property in 2005 and has been involved in the remediation of the site, making it suitable for development. Most of the cleanup cost were absorbed by the property’s previous owner, U. S. Steel Corp.

West expects his company to be able to access the site for its own infrastructure work in the first quarter of 2014, with building construction to begin shortly thereafter.

“Anderson Geneva is pleased to have a developer the caliber and reputation of Cottonwood Partners taking such a high profile role in the development of our site,” said Stewart Park, Anderson Geneva

project manager. “We are seeing increased interest in our project as the market picks up.”

Cottonwood is not a new-comer to projects of this magnitude, having completed similar developments in Salt Lake County, Dallas and Washington, D.C.

Cottonwood will call its first development “The Forge at Geneva” but has not settled on exact plans yet. However, West estimates the first phase to be approximately 70 percent office space, 25 percent residential and the remaining space split between retail and entertainment. West predicted that the eventual actual commercial and office space could be much more than the 2 million square feet cited in recent press reports. Cottonwood expects its traditional building partner, Big-D Construction of Salt Lake City, to be the general contractor when construction gets under way.

Anderson Geneva is working closely with Cottonwood and the town of Vineyard and planning director Nathan Crane on infrastructure planning, allocation of RDA funds and entitlements for the project.

The project’s high proportion of office space is in response to research showing a demand for this type of space in the area.

“I anticipate a high level of interest from successful high-tech companies who are in a growth phase, given the proximity to nearby universities, I-15 and the FrontRunner service,” West said. A marketing plan for the Forge is currently being developed, according to West, with targeted potential tenants being contacted immediately.

Original master plans presented by Anderson Geneva include an intermodal hub providing both freight and commuter rail access. Utah Transit Authority’s FrontRunner commuter service will have a scheduled stop within the project.



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Online business network site a success for Intermountain Healthcare worker

By John M. Rogers

The Enterprise

As a supply chain manager at Intermountain Healthcare (IHC) in Salt Lake City, Curtis McEntire repeatedly ran into brick walls trying to connect with the more than 5,000 health care suppliers used by his employer. An idea began to form in his head, and in November 2012 — with the full support of his managers at IHC — McEntire launched Mazree, which he bills as “a Facebook for business.”

Four months later, membership is snowballing for the online business networking site, with companies such as Microsoft, Dell, Bayer Healthcare, Cisco Systems and Staples joining more than 450 current users. Mazree has subscribers from across the nation, with heavily populated states such as California, Texas, Massachusetts and Illinois attracting the most.

IHC, one of 140 Utah-based members, has become the prototype user, employing Mazree to connect and communicate with numerous suppliers. As with consumer-driven social networks, a user like IHC can immediately connect and communicate with its supply base; conversely, suppliers can post updates of product changes, news and other information for the benefit of their customers.

“The health care supply chain has many participants that don’t communicate or collaborate very effectively,” said Brent T. Johnson, chief purchasing officer at IHC. “Mazree is a tool that has great potential to add significant value to the health care supply chain.”

IHC has no financial interest in Mazree.

Currently, businesses sign up for Mazree at no cost, but McEntire anticipates a future subscription model for companies with large numbers of users. “However,” he adds, “Mazree will continue to be free for companies that have just a few users.”

McEntire is a 2006 finance graduate of the University of Utah and later added an MBA. A native of Woodland, Utah, he continues his employment at IHC but plans

“The health care supply chain has many participants that don’t communicate or collaborate very effectively. Mazree is a tool that has great potential to add significant value to the health care supply chain.”

to transition to Mazree full time in the near future. His position as senior manager of supply chain solutions puts him in the unique position of being one of his own customers. Although initial funding for Mazree came from family and friends, the current subscription success should put the firm in a position to seek other funding.

Although McEntire’s primary focus at startup is on the health care industry, he sees Mazree as benefiting any business.

“In the long run, Mazree is the future for all companies,” he said. “Imagine one network where every company had a profile, companies could connect to other companies they do business with or may do business with, and could post content to each other.”

McEntire said future targeted industries include construction and professional services. Among local users, Mazree already counts several construction companies, including Okland and Big-D.



Construction is well under way on a major addition to the Minuteman Office Plaza complex in Draper. The new five-story building is being built just east of three currently occupied three-story Class A office buildings at the site, located east of I-15 on Minuteman Drive. L.D. Bowerman Investments is the complex owner and Daw Construction Group is the general contractor. Bowerman is the majority owner of Daw. According to Daw general manager Mike Skalla, Reynolds Excavating completed the site work and footings last fall and foundation work is now nearing completion. The 110,000 square foot building is scheduled for completion and occupancy in March 2014. Designated Minuteman Office Plaza IV, the new structure was designed by Beecher Walker Architects. Coldwell Banker Commercial of Salt Lake City has been contracted as leasing agency for Minuteman while Daw will handle property management. Negotiations are currently under way with several potential tenants.

assembly. Davis expects the chassis assembly aspects of Trident’s capabilities to increase with the change in ownership. There should also be an increase in the manufacturing of military-style cable harnessing at the company. Davis anticipates PMI will bring an improvement in Trident’s ISO rating for quality management.

The growth will mean additional technical employees as well as quality control inspectors, said Davis. Trident had 17 full-time employees at the time of

the purchase by PMI. Some infrastructure changes will also be made to accommodate additional processes and employees. The Salt Lake facility occupies 16,000 square feet of manufacturing space at 440 Lawndale Dr.

Probe Manufacturing is a global electronics design and manufacturing company and is publicly held, trading on the OTC Market QB. Founded in 1994, it serves industrial, medical, automotive, aerospace and defense industry customers.

TRIDENT

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committed to achieving a smooth transition,” said PMI president and CEO Kam Mahdi. Trident will continue to operate under the Trident name as a subsidiary of PMI.

Trident is an electronics manufacturing company specializing in printed circuitboard assembly, assembly of cable harnesses and electronic chassis

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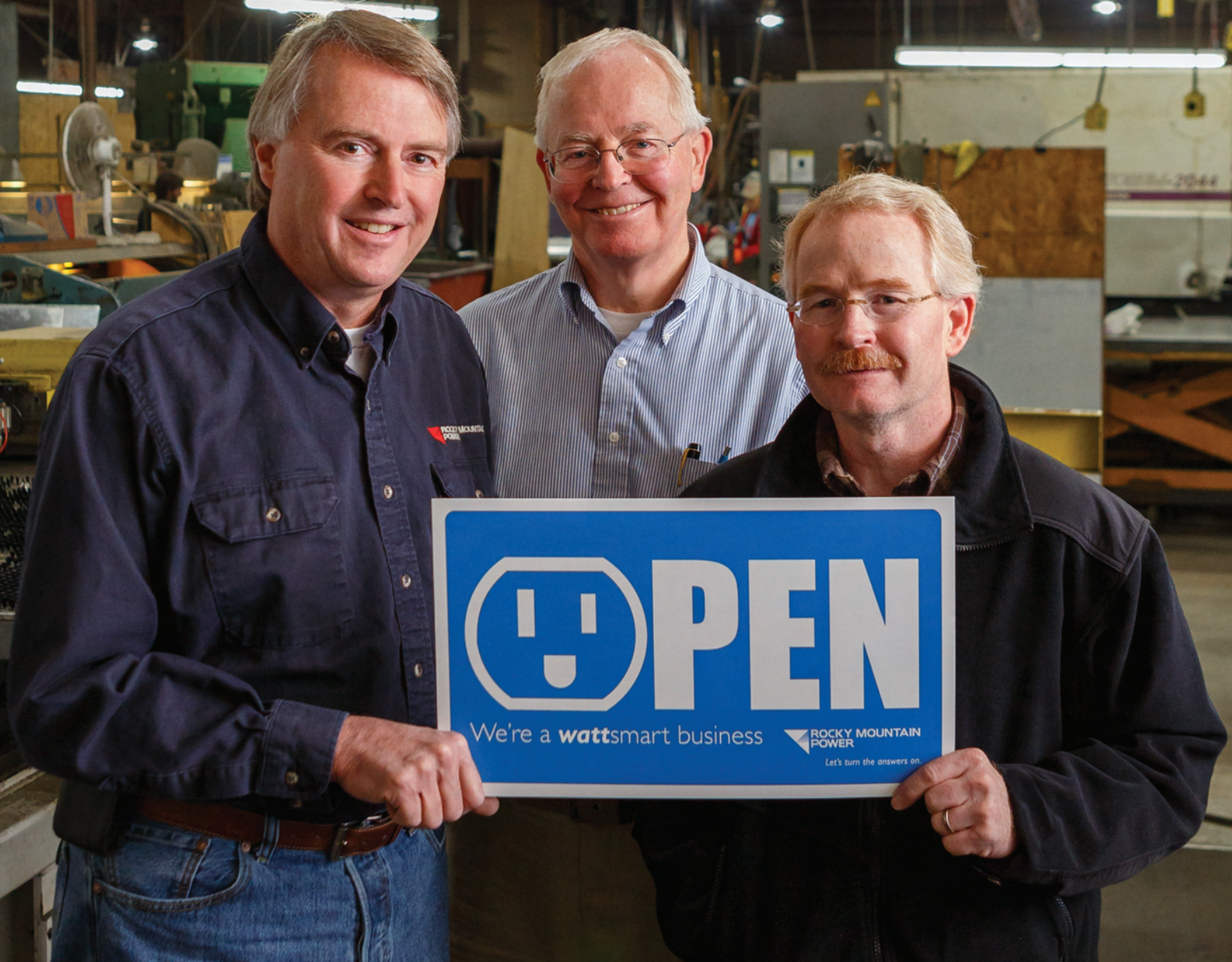
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Let's turn the answers on.

Pictured from left: Dave Spalding, Rocky Mountain Power community manager with Stan Tschaggeny and Ross Tschaggeny, Metals Manufacturing Company.

• Industry Briefs •

BANKING

• **Utah Community Credit Union**, Provo, has been given the highest five-star rating, Superior Five-Star, by **BauerFinancial Inc.**, the nation's leading credit union rating and research firm. The rating indicates that Utah Community Credit Union excels in areas of capital, asset quality, profitability and more. The credit union has earned Bauer's recommended rating (5-Stars or 4-Stars) for the latest 90 consecutive quarters.

• **Bank of American Fork's Murray branch is being relocated** to 5824 S. State St. effective July 1. The branch is currently at 195 E. 6100 S. and was opened in 2003. This move will allow Bank of American Fork greater visibility and give customers easier access to the bank.

• The nation's leading independent bank rating and research firm, **BauerFinancial Inc.**, recently gave **Bank of Utah** a five-star superior rating, its highest rank. The rating is based on the bank's overall financial picture and indicates, according to Bauer, that Bank of Utah is one of the strongest banks in the nation. Bank president Douglas L. DeFries said Bank of Utah's current capital

levels have never been higher, and during the economic downturn over the past five years, the financial institution never experienced a losing quarter.

• Mountain America Credit Union president and CEO **Sterling Nielsen** has received the **Visionary Award** from the **Utah Credit Union Association**. The Visionary Award recognizes the person who can look into the future at industry changes and trends, and plan accordingly. According to the UCUA, since becoming president of Mountain America Credit Union in 2008, Nielsen has cast a short- and long-term vision for Mountain America that focuses on the needs of members and how the Utah-based credit union can help them weather economic uncertainties. Through increased efficiencies, online distribution channels, more branch locations and employee engagement efforts, Nielsen has led Mountain America through the recession and slow recovery.

COMPUTERS/ SOFTWARE

• Due to its technological contribution in the field of digital analytics, website analytics and tag auditing technology company **ObservePoint**, Provo, has

been named as a **Technology of the Year finalist** by the **Digital Analytics Association (DAA)**. ObservePoint's simulation engine allows web analysts to test, from a measurement perspective, how traffic and its specific pathing and conversions will be reported. Its products search out and find tags that aren't firing correctly despite them being visible in the code and pages where multiple versions of the same vendor's tags are causing data to be inflated. ObservePoint is the latest venture by Omniture co-founder John Pestana.

• Orem-based **Fibernet Corp.**, provider of customizable colocation, dedicated hosting and professional virtual hosting, has formed a partnership with design and marketing company **Red Olive**, South Jordan. Red Olive has begun to migrate all of its clients' hosting accounts to servers within Fibernet's in-house Class A data center.

• Austin-based **CMIT Solutions**, a provider of IT services to small and medium sized businesses, **plans to add up to three more eight-person franchised offices** in the greater Salt Lake City area, where it already has two offices. Potential franchisees should have \$65,000 to \$80,000 in working capital, plus

\$49,950 for the franchise fee. CMIT franchisees are given a sizable territory based on ZIP codes, and can expect to have 2,000 to 3,000 prime target businesses in their protected territory.

CONSTRUCTION

• **BHB Engineers**, Salt Lake City, has promoted **Dallin Pedersen** to associate. Pedersen has been in the AEC industry since 1999 and joined BHB in 2006. He holds B.S. and M.S. degrees in civil engineering from the University of Utah. He became a licensed professional engineer in 2011. Also, **BHB** is hosting its **bi-annual seminar for architects**

studying for the structural portion of the Architect Registration Examination. The event will be held April 23-26. Multiple engineers from BHB will present for the three day seminar at no charge to the attendees. Please email Amber Craighill to make a reservation: amber.craighill@bhbenigneers.com.

HUMAN RESOURCES

• Utah's **nonfarm payroll employment estimate** for February 2013, as generated by the U.S. Bureau of Labor Statistics, **grew by 4 percent** compared against the employment level for February 2012. This is a 12-month increase of 49,200 jobs and raises total payroll employment to 1,267,900. The seasonally-adjusted unemployment rate is Utah's other primary indicator of current labor market conditions and registers 5.2 percent. Estimates show that approximately 71,600 Utahns are unemployed and actively seeking work.

LAW

• **Parr Brown Gee & Loveless** has hired **Rachel Lassig Wertheimer** as an associate lawyer in the commercial law firm.

continued on next page



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from previous page

As part of Parr Brown's litigation group, Wertheimer will join the firm's team of trial lawyers, representing companies and individuals involved in complex business disputes. She will prosecute and defend cases in state and federal courts as well as through alternative dispute resolution, where appropriate. Wertheimer joins as a full-time associate with Parr Brown following three terms as a summer associate with the firm in 2009, 2010 and 2011 and receiving her juris doctor from the University of Utah S.J. Quinney College of Law.

REAL ESTATE

• **Cushman & Wakefield Commerce** has brokered the sale of the office building in Provo that serves as the headquarters for Vivint, one of the largest home automation companies in North America. The 125,225 square foot, two building, single-tenant office building was sold by Gardner Co. of Salt Lake City to Reit Management & Research LLC of Newton, Mass. Reit Management & Research is a large real estate management company that manages a large real estate portfolio consisting of approximately 1,700 properties in 46 states; Washington, D.C.; Puerto Rico; Canada and Australia.

• **Free and Associates**, a Salt Lake City real estate appraisal firm with offices in St. George and Pleasant Grove, has joined forces with **Valbridge Property Advisors**, which provides independent valuation and advisory

services to local, regional, multi-market and national clients. The local firm is now known as Valbridge Property Advisors/Free and Associates. Valbridge ranks among the top three commercial real estate valuation and advisory services firms, with 45 MAIs, 59 office locations and 600 staff across the U.S. Valbridge is based in Naples, Fla.

• Utah commercial real estate services firm **NAI West**, a former affiliate of NAI Global, will do business as **Newmark Grubb ACRES** effective immediately. Newmark Grubb Knight Frank is one of the world's leading commercial real estate advisory firms. Together with its affiliates and London-based partner Knight Frank, Newmark Grubb Knight Frank employs more than 11,000 professionals, operating from more than 340 offices in established and emerging property markets on five continents. Established in Salt Lake City in 1998, Newmark Grubb ACRES is led by founding partner Michael B. Falk, president. With four offices, over 100 professional brokers and more than 80 staff members, the firm provides a full suite of services with a focus on tenant and landlord representation, property management, corporate services, land and investment sales for office, industrial and multifamily property.

RETAIL

• New Jersey-based **C&A Marketing Inc.** has chosen to retain the **Inkley's Camera & Image** store at 2150 S. State St., Salt Lake City. C&A, a global distributor of digital cameras, cam-

orders and related accessories, acquired portions of Ritz Camera and Image LLC, of which Inkley's was a part, at bankruptcy auction last September. The Salt Lake City store has increased inventory and also includes the online specialty imaging business RitzPix.com. C&A said it chose the 13 stores because they are in key markets across the country that need a personal, knowledgeable photo speciality shop.

• The **Larry H. Miller Group of Companies**, Salt Lake City, has promoted **Clark Whitworth** to the positions of chief financial officer for Larry H. Miller Group of Companies and also president of Larry H. Miller Management Corp. Whitworth has been with the Miller organization for more than 25 years and most recently served as chief financial officer for Miller Automotive Operations and Miller Family Real Estate. The Larry H. Miller Management Corp. is the service company for Miller Automotive Operations, Prestige Financial Services, Total Care Auto, Miller Family Real Estate, Miller Sports Properties and Miller Retail Properties. The Larry H. Miller Group of Companies includes 80 businesses and properties and conducts business in 43 U.S. states, consisting primarily of automotive dealerships and related companies, sports and entertainment properties as well as retail operations. The company employs more than 9,000 full and part-time people.

• The **Golden Braid**, a Salt Lake City retailer of books, gifts, body products and personal growth/self discovery items, is

celebrating 30 years in business this year. The store was originally owned by Jackie Pratt. After 14 years at its original location on 300 South and 200 East, Pratt and her partner, Steve Paul, expanded the concept to include Oasis Cafe at 151 S. 500 E. In 2002, the LaSalle family took over the business and has been continually expanding and improving it. To celebrate the anniversary, during April Golden Braid will offer a selection of over 200 titles of books for \$5 each, and jewelry, body care, and home and garden products have been selected for a 75 percent reduction.

• **SupplyFORCE**, a Phoenix-based national MRO (maintenance, repair and operations) commodity management and procurement services company, named **Industrial Supply Co.**, Salt Lake City, the **2012 Owner-Member of the Year**, Industrial Supply Division. The Commitment to Excellence Awards recognize industry leadership, extraordinary contributions to the success of supplyFORCE agreements and excellent overall performance across their membership. Three specific categories were presented: Excellence in Sales Leadership (by division), Owner-Member of the Year (by division) and Best Conversion Award (by division).

SERVICES

• **Photographic Solutions**, an Orem-based provider of custom aerial and architectural photography and video, won several awards at the recent **Professional Aerial Photographers Association International conference** in Baton Rouge. Staffer Allen MacBean won the Epson Aerial Photographer of the Year Award and the first place People's Choice Award (scenic category) for a photo of Monument Valley. Colleague Stan Macbean took home the first place Judges Choice Award (air-to-air category) for a shot of a plane over the Green River. In addition, Stan Macbean won the Master Aerial Photographer Award for participation and print awards over time, and the Lifetime Achievement Award for more than 45 years of aerial photography.

• Lehi-based **Lingotek/The Translation Network** has appointed **Yvan Hennecart** as executive vice president of operations. He has 20 years of operational and localization expertise. Most recently, Hennecart worked for SDL, a global provider of translation services, where he served as vice president of operations.

TRANSPORTATION

• **Central Refrigerated Service Inc.**, a Salt Lake City-based temperature-controlled truckload carrier, received the **2012 Carrier of the Year award** from **Kraft Foods Group Inc.**, at its annual meeting in Chicago. Kraft, North America's fourth largest consumer packaged food and beverage company, honored Central Refrigerated Service for excellence in food transportation with the organization's most prestigious carrier award. This is the second time in the last seven years Central has received the Kraft's Carrier of the Year award.



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- David Wadman, CEO Wadman Corporation



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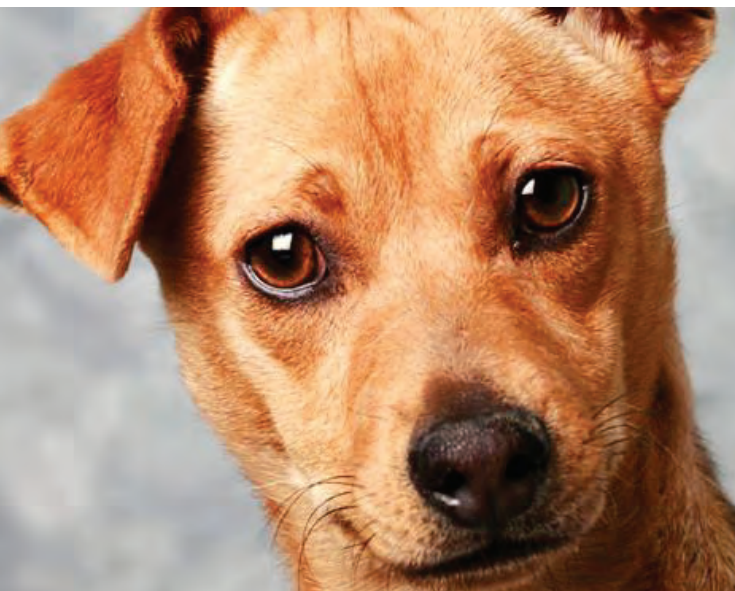
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On Friday, June 7th, 2013, the Humane Society of Utah will hold its “Wags to Wishes” First Annual Gala to celebrate the growth of our shelter, including the new state-of-the-art “Kitty City” cat adoption area and the upcoming “The Wait is Over Rover” dog adoption area. This event will raise money to directly support our mission and programs.

All sponsorship levels include:

- One table of eight at the Gala
- Company name and logo identification on the table
- Gift bag for all guests at the table

Presenting Sponsor - \$10,000

- A representative from your organization will speak for a few minutes during the live program about its support of local animal shelters.
- From April to mid-June 2013, your organization’s name and logo will appear on our two Interstate-15 electronic billboard signs as a sponsor.
- On the event website, signage, programs, invitations and videos: “Wags to Wishes’ First Annual Humane Society of Utah Gala, Presented by [Your Organization]” with a large logo.
- Full page advertisement in the event program.
- Dedication opportunity for one year on a cat Villa in “Kitty City,” or on a dog Lounge in “The Wait is Over Rover” dog adoptions area.

Supporting Sponsor - \$5,000

- Under “Supporting Sponsor(s)” on the event website, signage, programs, invitations and videos: your organization’s name and logo will be featured with any other supporting sponsors.
- Half page advertisement in the event program.
- Dedication opportunity for one year on a cat Condo in “Kitty City,” or on a dog Run in “The Wait is Over Rover” dog adoptions area.

Event Sponsor - \$2,500

- Under “Event Sponsor(s)” on the event website, signage, programs, invitations and videos: your organization’s name and logo will be featured with any other event sponsors.
- One-fourth page advertisement in the event program.

Table Sponsor - \$1,250

- Under “Table Sponsor(s)” on the event program: your organization’s name will be featured with any other table sponsors.

Your tax deductible donation will allow the Humane Society of Utah to continue rescuing unwanted and homeless animals in Utah. Please make a financial gift to help us to eliminate pain, fear and suffering in all animals.

For more information, contact **Jamie Usry** at 801-261-2919 ext. 207 or jamie@utahhumane.org.



HUMANE SOCIETY OF UTAH

The difference between presentation and communication

How do you communicate? How good of a communicator are you?

If you want to make a winning sales pitch, it takes a combination of your presentation skills and your communication skills. It's the little-known sales skill: How to get others to listen to you. Or better stated, want to listen to you.

Sales training reality: Time is spent on presentation skills and the presentation itself, but very little or no time is spent on communication skills. Until now.

All your life you heard the lesson: *It's not just what you say, it's how you say it.*

Presentation is *what you say*.

Communication is *how you say it*.

The best way to clarify communication skills is to ask you to think about the teachers and professors you had in school. Sometimes the most brilliant ones were the worst communicators, and as a result, left you short of both education and inspiration.

Then think of the teachers you loved. You couldn't wait to get to their class, and you hung on their every word. In fact, you still remember him or her and you talk about them. They were great communicators.

In sales, great communication skills are one of the lost secrets of success. Sales messages focus around "value prop" and "value add" and other sales drivel. You get a slide deck form marketing, that's both boring and repetitive with not one word on how to communicate your message.

Here are several "wake up" questions to get you thinking about your communication – and I'll throw in a few challenges:

- What is the clarity of the meaning behind your message? What's your motive?
- How clear is your delivered message? Not clear to you, clear to them.
- How understandable is your message? Would I get it, and agree with it?
- What's the attitude behind your spoken words? What's the tone of your words? How do they sound?
- Are your gestures in harmony with your words and your delivery? Do your gestures indicate and confirm a relaxed, confident style?
- How succinct is your message? Short and sweet or way too long?
- Do your message or your words sound scripted or insincere? Conversational is the best communication strategy.
- How organized is your message? Are you fumbling or on a roll?
- Does your message have a start and a finish? A finish that ends in a commitment from the prospective customer?
- Do you make solid and consistent eye contact? Especially when asking for the sale or confirming the offer?
- Are you making statements or asking questions? Who are the questions in favor of? Note well: Questions create interactive dialog, and will tell you, both by body language and gestures, the level of genuine connection – the smiles, the willingness to talk and tell the truth.

• How transferable is your message? Does the prospect "get it" and agree with it?

• Are you asking for confirmation that what you're saying is completely understandable?

• Can anyone/everyone define exactly what you mean to say?

• Do you talk too fast? Only your recording will tell you that.

• Are you using industry buzzwords that could create misunderstanding?



Jeffrey Gitomer

Classic example of miscommunication.

• Are you using acronyms that everyone understands, or are you just showing off? Another classic example of miscommunication.

And the ultimate self-tests of communication:

• Have you ever recorded your message so you can hear your own communication skill level? Most salespeople have not.

• Have you played your message for others? A huge opportunity for coaching and improvement of your communication skills.

The object of communication, especially sales communication, is for others to understand your message, agree with your message, and then take the correct action. Buy.

If you're really interested in better communication skills, take a course in it. Dale Carnegie (www.dalecarnegie.com) offers the best programs. All of them are based around the 75-year-old business book classic *How to Win Friends, and Influence People*. It doesn't get any better than that.

If your communication skills are the heart of your sales message, maybe it's time to uncover just how strong they are.

Jeffrey Gitomer is the author of *The Sales Bible*, *Customer Satisfaction is Worthless*, *Customer Loyalty is Priceless*, *The Little Red Book of Selling*, *The Little Red Book of Sales Answers*, *The Little Black Book of Connections*, *The Little Gold Book of YES! Attitude*, *The Little Green Book of Getting Your Way*, *The Little Platinum Book of Cha-Ching*, *The Little Teal Book of Trust*, *The Little Book of Leadership*, and *Social BOOM!* His website, www.gitomer.com, will lead you to more information about training and seminars, or e-mail him personally at salesman@gitomer.com.

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How do reputations evolve?

At a recent event that I was hosting, one of the attendees asked me if I was "good at everything I did." My initial response was to affirm his speculation, of course, because such a compliment should never be argued, right? Kidding aside, I thought for a while after the event about what actions and attitudes could have induced such an interesting inquiry. Following is what I think might be the prime culprits.

Good or bad, I have spread my focus of interests among many things throughout my life. Whether it be in a variety of sports, music, theater, speaking engagements, coaching, client relations or professional networking endeavors, there have always been two natural elements to each of these activities that I believe have helped the most.

The first comes from my Dad. He was one of those that actually was very good at everything he did. Case in point: he started playing golf at the age of 45 and won his club

championship three years later. He was so focused and passionate about golf (among other things in his life) that he wanted to be the best he could be – and worked diligently to do that. He was such a great example for me as I was learning to play. Dad did his thing quietly and with an old-school dignity that made it that much more respectable. Though I haven't quite figured out how to be as quiet and dignified as Dad was, it has been ingrained in me that if you work hard to be good at something you enjoy, you will be successful. The driver is this: try to be better or more effective than you were yesterday.

The other element that has enhanced my journey has been a genuine affinity for interpersonal communications. The joy of meeting new people. The joy of helping people. The joy of inspiring people. The utter joy of making people laugh. Not that this is a rare commodity, but it is something that I believe can't take a day off. I've tried to be that person who brings energy and/or a bit of fun to any engagement. Though I really try to stay away from clichés, life is definitely too short to not enjoy what you're doing or with whom you are associating. When you bring positive energy to a room of clients, colleagues, peers, friends or family, it is typically felt or at least noticed by all. When you bring laughter to a room, it lightens everyone's soul, even if just for a moment.

In turn, I have found that these efforts

can sometimes transfer to a perception of confidence and leadership. With confidence and leadership come responsibility and the opportunity to achieve – and the position to support or enhance the success of others around you. Isn't being part of a strong team, whether as a leader or simply an integral piece, full of meaningful moments? Be that person who people want to work with or simply be around, and let your enthusiasm be infectious. Not that everybody will, but when others do genuinely enjoy your company, it matters.

As professionals, we all have the opportunity every day to make something good happen, and that can come from myriad different avenues. As previously mentioned, one strong way is to consistently question yourself on how to improve. Teachers, doctors, attorneys, administrators, builders, architects, engineers, marketers, real estate agents, brokers, restaurant managers,

dance instructors, keynote speakers – whatever – we should all push ourselves (and each other) to grow, learn and be better each time out. I have often shared that the greatest value of past experiences are the lessons learned from them, and what you do about it. Both good experiences and bad experiences should have some kind of impact on your decisions afterward. If we are not learning and listening and then applying and growing, what are we doing?

So, it seems that if you want the reputation of being a good at all the things you choose to do, you must put in the work and want to get better every day; never allow yourself to be complacent and simply "go through the motions." Spend your time doing what you enjoy and always maintain a proper level of courtesy and professionalism. As well, you must know that engaging with positive people in a way that makes them feel valued can be inspiring and sometimes even reciprocal – whether you are a card-carrying introvert or a chronically enthusiastic communicator.

Michael T. Buell, FSMPS, CPSM is the marketing/client development director at Salt Lake-based MHTN Architects Inc., which provides vision-focused design engagements to education, health care, civic, corporate and cultural clients locally, regionally and around the world.



Michael Buell

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To apply, please submit resume to JOBADS@symantec.com and reference job title and job ID.

Help wanted: the R.E.A.L. battle is on

After several years of a very difficult economy and several months of just getting by, small business is putting out the help wanted signs again. You see billboards announcing jobs, now-hiring signs on utility trailers and Utah's Department of Workforce Services' page listing 16,056 open jobs. The latest stats show employment in Utah up 3.1 percent to an unemployment rate of 5.4 percent.

This means it is time to prepare for another "War for Talent." The war for talent is a term coined by Steven Hankin of McKinsey & Co. in 1997 and a book by Ed Michaels, Helen Handfield-Jones and Beth Axelrod. The war for talent refers to an increasingly competitive landscape for recruiting and retaining talented employees. The book describes not a set of superior human resources processes, but a mindset that emphasizes the importance of talent to the success of organizations.

While many small businesses are justifiably wary about hiring, leaders must begin by protecting the talent they have. The prize fighter Jack Dempsey is credited with the quote, "The best defense is a good offense." This adage is key to your human capital strategy as well. Look around: the people surrounding you are most likely keepers, battle-tested and loyal warriors. You need to create strategies to keep them and make them into even stronger advocates for your company. Retention of talent is a wise frugal strategy and much less risky than talent acquisition. The Society for Human Resource Management estimates the cost of replacing an employee — recruiting, on-boarding and ramping up productivity — can exceed 50 percent of the employee's annual compensation.

Surveys show that while employees get more money when they leave a job, they do not leave for more money. They leave due to dissatisfaction with their job, workplace or their boss.

So here is a R.E.A.L. strategy for employee retention:

Recognition: Pay for performance and cash are an important part of the equation. But non-cash recognition actually goes further for retention purposes. Public recognition, plaques, trophies, training and good old-fashioned handwritten thank you notes. My favorite is a date night gift package delivered directly to the spouse with a hand written note of appreciation. Mary Kay Ash has said, "There are two things people

want more than sex and money ... recognition and praise."

Engagement: Employees want to own their jobs and are committed when they understand the job expectations and their authority to perform. It is vital that you clearly communicate how they contribute to the success of your company. From Ian Hutchenson's book *People Glue*: "As far as engagement goes, the fish always rots from the head. People leaders need to be the catalyst to improving productivity and performance, but they can't if their teams are not first engaged. Engage and motivate your people to get As not Zzzzzz's."

Affiliation: Your employees want to be a part of something larger than themselves. Anthropologically, humans are tribal and need to belong. The company vision, consistent image and orientation are tools to establish this. Service awards, uniforms and logo wear are tangible methods. The company branding efforts should extend to the employees as well. A hundred dollars in branded clothing gifts could be a better investment than any pay raise.

Leadership: This is the most important piece of the equation. You need to be visionary and positive about the future of your company. You must be decisive and certain. Finally, you must be clear and consistent about the direction you are asking others to go. Are you the type of leader you would follow?

Russell Lookadoo is the president and chief strategist for HRchitecture, a consulting firm specializing in helping business leaders accomplish their goals by effectively using their teams. He owns The Alternative Board practice locally, which establishes and facilitates peer advisory and coaching solutions to leaders of privately held businesses in the Salt Lake area. Internationally, The Alternative Board has over 3,000 member companies and 225 facilitators. Lookadoo is a TAB-Certified Facilitator and SBL-Certified Coach.



Russell Lookadoo



Disability insurance: the 60 percent myth

By Gary F. Terry

When discussing disability insurance, particularly as it refers to highly compensated employees and professionals, there appears to be a distinct lack of understanding of the mechanics of disability income insurance coverage. Whether it's an office worker or an executive, almost everyone says, "I didn't realize that."

Corporate executives, business owners, money managers, lawyers and others firmly believe that they are adequately protected and that their company's disability income plan provides them with 60 percent coverage. In other words, they are firmly convinced that should they become disabled, they will receive 60 percent of their annual compensation. That is the perception they hold. Unfortunately, in the world of disability benefits for highly compensated individuals, perception is definitely *not* reality.

Recently I met with the head of the human resources department of a large public company, and soon the conversation turned to a discussion about their disability insurance coverage.

"So," I asked, "how much disability insurance does the company provide for its employees?" He replied, "We offer 60 percent income replacement to a maximum of \$20,000 per month of benefit, so our employees earning up to \$400,000 are *fully* protected."

I thought about his response for a moment, and then asked, "So, if I earn \$250,000 of base salary and \$150,000 in bonuses for a combined total of \$400,000, I would be protected at 60 percent. Correct?"

He thought about my question and answered, "No, actually, only base salary is covered under our group disability plan."

His response just further solidified what I've discovered after talking with a number of companies. And that is the disturbing fact that for many companies, their group disability coverage only provides 60 percent of base salary, with *no* protection for bonus income. So in reality, an employee has significantly *less* coverage than they think because they are receiving only 60 percent of their base salary, not their total income (including bonuses).

Let's look at a hypothetical example. The vice president of sales for a consumer products company makes \$400,000 per year, which includes a base salary of \$250,000 and a bonus of \$150,000. He is suddenly hospitalized for complications from diabetes and he goes out on long-term disability. It's his belief that his monthly disability income will be \$20,000 per month (\$400,000 x 60 percent divided by 12 months). But think of his surprise when a monthly check shows up in the amount of \$12,500 (\$250,000 x 60 percent divided by 12).

In this case, the key question that employees need to get answered is: "60 percent of what?" Is it 60 percent of base salary? Is it 60 percent of base salary, plus the annual bonus? Is it 60 percent of base salary, plus annual bonus and long-term bonus? Are the benefits taxable or tax free? What is the monthly benefit cap? Is it \$15,000, \$20,000, \$25,000 or \$30,000?

There are many different ways benefits are calculated so this can be both complex and confusing. Some employees are covered at 60 percent of compensation while others are actually covered for as little as 20 percent to 30 percent of their net take-home pay after taxes.

Let's look at another scenario.

Bob is the vice president of development at a software company, earning a \$250,000 annual sal-

ary and \$150,000 bonus, and suffers a stroke. The company's group plan provides 60 percent of annual salary and *the benefit is taxable*. His original pre-disability, after taxes take home pay was \$21,667 per month or \$260,000 (\$250,000 + \$150,000 minus 35 percent tax). Now his disability after tax benefit is \$8,125 (\$12,500 minus 35 percent tax) or \$97,500 annually. Bob must now live on 37.5 percent of his pre-disability take home pay.

Fortunately, there are supplemental disability insurance products available to solve the problem, and they can either be firm-paid or voluntary. In the case of law firms, consulting firms and investment firms, there are other issues to face. In these types of businesses, it's not uncommon for partners to earn well in excess of \$1 million per year, with most benefits already structured as tax-free.

For these companies, the biggest problem is the benefit cap, which is usually \$25,000 to \$40,000 per month. This is either group only or a combination with traditional individual supplemental coverage.

John is a law firm partner, earning \$1.2 million a year. He has multiple sclerosis and goes out on disability indefinitely. He has \$35,000 per month of coverage (group limited \$25,000 and supplemental coverage of \$10,000). This means his original pre-disability, after tax take home pay of \$780,000 (\$1.2 million - 35 percent tax) is now \$420,000 (\$35,000 per month). Now that he is disabled, he must now live on 46 percent less after tax income. Again, not a pleasant situation once you've established a certain lifestyle. But there are ways to avoid this happening.

The London insurance market, specifically Lloyd's of London, has been proactively involved with developing specialty insurance products for more than 300 years. About 10 years ago, Lloyd's recognized the opportunity to develop multi-life supplemental disability insurance coverage for the U.S. market to protect highly compensated employees that are otherwise limited by the benefit cap provided by the U.S. disability insurers. Now the highly compensated employees can obtain the additional coverage they need to more adequately protect their income, so John would receive an additional \$25,000 per month from Lloyds' for a total combined benefit of \$60,000 per month (\$720,000 per year), representing 60 percent income replacement, (group \$25,000 - traditional supplemental \$10,000 and Lloyds' \$25,000).

However, this new coverage has created a lot of confusion. The problem is that people are starting to refer to Lloyd's disability products generically, like Kleenex tissue, when in fact, Lloyd's of London is actually a marketplace that consists of over 50 separate underwriters writing insurance coverage on Lloyd's paper with 85 different syndicates sharing the risk. The result is, that now there are several different products, some of which are dramatically better (more comprehensive) than others.

Employers should review their disability programs to determine how best to solve the problem and they should be educated in the limitations of their current disability programs, as well as the supplemental products and strategies available to fill the gaps in coverage. Therefore, it is important to work with a firm that has the knowledge to obtain Lloyds' of London coverage with the structure and definitions of disability that best meets your firm's needs.

Gary F. Terry is executive vice president and managing director of The Westport Group in Braintree, Mass., and has more than 30 years of corporate planning expertise associated with executive benefits.

Focus CONSTRUCTION

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Alternatives to BONDS

By Andrew Haley

The Enterprise

In the wake of the financial meltdown, construction companies are turning to surety bonds and other financial protections like never before. General contractors are seeking out traditional performance and payment bonds when they previously hadn't, and in some cases are looking for alternatives to bonds, with varying measures of success.

According to Phil Walter, a sales executive in the surety division at Moreton & Co., one of the newer bond alternatives is Subguard, a type of subcontractor default insurance that indemnifies general contractors from the costs of a subcontractor defaulting on performance obligations.

"There are some alternatives to bonding. The most interesting is Subguard. That's an actual insurance policy versus a bond," Walter said.

Walter said Subguard, a product of Zurich Insurance, offers opportunities to the right companies but significant risk to the wrong ones. Whereas traditional performance and payment bonds create what Walter characterized as a triangular relationship between owner, contractor and bonding company — or contractor, subcontractor and bonding company — depending on the type of bond, a product like Subguard leaves the contractor with significant responsibility and risk.

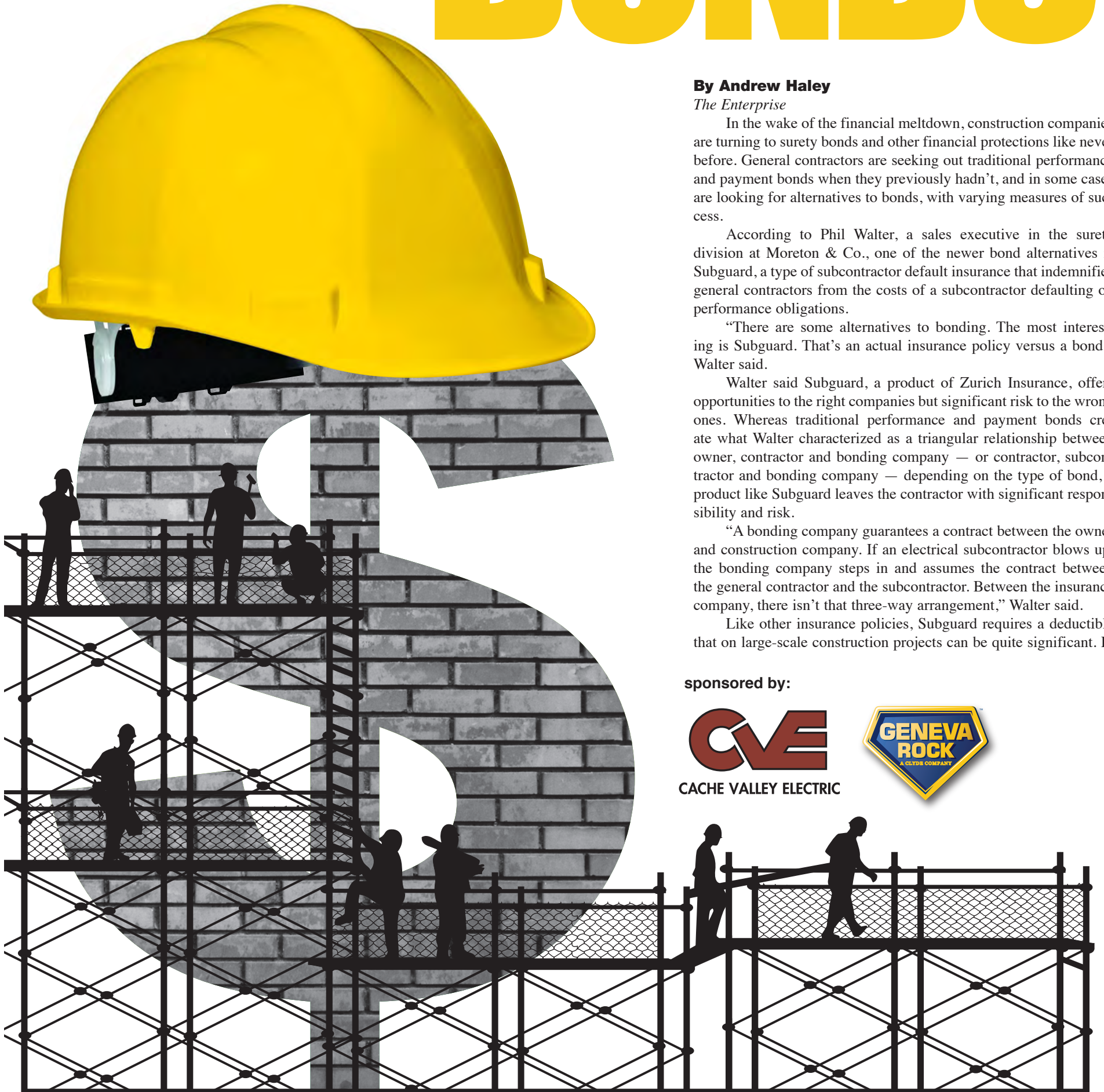
"A bonding company guarantees a contract between the owner and construction company. If an electrical subcontractor blows up, the bonding company steps in and assumes the contract between the general contractor and the subcontractor. Between the insurance company, there isn't that three-way arrangement," Walter said.

Like other insurance policies, Subguard requires a deductible that on large-scale construction projects can be quite significant. In

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the event of a subcontractor default, holders of subcontractor default insurance must be able to absorb the financial hit of both the deductible and the cost of delays before the subcontractor default insurance is paid. With bonds, on the other hand, there is no deductible.

"If you have a \$1 million electrical contractor and they end up causing you a lot of financial distress, the bonding company steps in at dollar one, and doesn't have a deductible, like Subguard," Walter said.

"Because the deductible on that policy can be significant, you have to be large enough to financially absorb the hit. If you're not of significant girth, so to speak, [Subguard can be problematical]. Financially, the general contractor has to assume the financial risk until an insurance policy like Subguard steps in. That might be a while, whereas a bonding agent steps in right away."

Walter said Subguard is not that useful for smaller companies, being more geared toward "ENR 400" companies, or those listed by *Engineering News-Record* as the 400 largest general contractors by revenue.

Utah construction companies Clyde, R&O, Jacobsen, Big-D, Okland and Layton made the 2012 list, coming in at 197, 194, 145, 99, 90, and 85, respectively.

"I don't want you to think that Subguard is a bad policy or a bad product. At the end of the day, it performs, but it's definitely not for the average guy," Walter said.

According to John Paulsen, of Paulsen Construction, the financial collapse completely reordered the way companies like his do business. Hunger brought about by frozen credit markets, project failures and

One of the newer bond alternatives is Subguard, a type of subcontractor default insurance that indemnifies general contractors from the costs of a subcontractor defaulting on performance obligations.

bankruptcies led numerous subcontractors to underbid projects out of desperation. Those untenable bids led to cost overruns and, in many cases, subcontractor defaults that left general contractors eager to protect themselves, Paulsen said.

"The cost to build in 2008 was far less than what we expect in 2013. Fuel prices are up, steel prices are up, copper prices are up. Contractors are desperate. A lot of these prices out there are not covering labor and materials costs. You get to 90 percent completion and problems happen," he said.

"There were a lot of projects that defaulted after the crash. There was an atmosphere of 'just get out, everybody run, we're all going down.' The surety industry was really inactive up through 2008. Ten percent of our projects in 2008 were bonded projects. Right now, we're probably at 90 percent bonded projects. Most private contracts now are demanding it over \$50,000," Paulsen said.

According to the U.S. Miller Act, all

federal construction contracts worth more than \$100,000 must be bonded.

According to Paulsen, the demand for bonded projects is bringing about a new level of scrutiny and oversight.

"When you get to the underwriting, what the bonding agency will say is, 'Who's your team? Who's your mechanical guy? Where's the money coming from?' They ask real detailed questions. It goes back to knowing who your guys are," he said. "We're a fourth generation construction company. Things were done on handshakes. Ten years ago things were done on contracts. Now you cannot cover yourself enough. It's challenging to actually do a construction project nowadays in this market. It's getting very cumbersome to build. Building is becoming a small part of the construction business."

With the pressure ramped up on contractors to cover themselves against risk, products like Subguard, which comes at a lower percentage rate of overall project cost

than traditional payment and performance bonds, have piqued considerable interest. According to Paulsen, general contracting companies operate with a 3-4 percent profit margin and bonding against the risk of subcontractor default eats into that margin painfully. Institutions offering subcontractor default insurance at half the rate of traditional bonds are almost impossible to resist, he said.

"Subcontractor bonds are in great demand, but nobody wants to pay for them," Paulsen said.

A new product may supply that demand. XL Insurance is marketing its CapAssure subcontractor default insurance as a competitor to Subguard. According to *ENR*, CapAssure combines both contractor and subcontractor default insurance, eliminating overlap, with sureties charging contractors between 0.5 and 2 percent, depending on contractor's credit history.

"[XL] is a policy that is for smaller guys. They're trying to bring in a competitive product to Subguard," Walter said.

Whether CapAssure reaps the benefits of the whirlwind of the "new normal" remains to be seen. Innovative financial products come and go.

"Years ago, there was a company named St. Paul that was basically a mirror of Subguard and it turned out to be a financial disaster and they decided they didn't want to put that out anymore," Walter said.

"I'm going to say it flat out," Paulsen said. "There's no way you're ever going to cheat a surety company. Those guys have covered themselves from left to right. Traditional payment/performance bonds aren't going anywhere."



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Debate over project labor agreements heats up

By Andrew Haley

The Enterprise

The recurring argument over project labor agreements (PLAs) has heated up again with the introduction of a bill in the U.S. House of Representatives that would block Executive Order 13502, signed by President Obama in February 2009, encouraging the use of PLAs on construction projects paid for with federal funding. Rep. Andy Harris (R-Md.) introduced HR 436, the Government Neutrality in Contracting Act, on Jan. 29. Utah Rep. Rob Bishop was one of 76 co-sponsors of the bill.

Further fanning the flames over PLAs was passage in mid-January of fast-tracked legislation by the New Jersey Senate expanding the use of PLAs in the \$30 billion Hurricane Sandy cleanup. The legislation paints Gov. Chris Christie, anticipated to run for president in the 2016 Republican primary, into a political corner, as PLAs are anathema to a national conservative base skeptical of Christie's credentials, but are seen favorably in New Jersey, where union loyalties run deep and recovery from Sandy has been tangled in red tape. Christie has yet to say whether he will sign or veto the bill.

PLAs are project specific, temporary labor agreements with one or more unions, the details of which are hammered out before work starts. In theory, they prevent work stoppages by unionized work crews because wages and benefits are negotiated in advance, though critics contend they drive up costs. HR436 would prohibit executive agencies from requiring contractors on federally funded projects to enter into a PLA, effectively defanging Executive Order 13502, which encourages executive agencies to consider mandating PLAs on a case-by-case basis.

"[President Obama] is trying to shift funds over to unionized labor," said Chris Hipwell, president of the Utah chapter of the Associated Builders and Contractors (ABC).

Hipwell said federal policy regarding PLAs changed frequently, depending on which party controlled the White House. Though the use of PLAs dates back to the construction of the Grand Coulee Dam in 1938, with subsequent use on major government and private sector projects like NASA's launch facility at Cape Canaveral, Disney World and the Trans-Alaska Pipeline, in 1992 President George H.W. Bush banned by executive order the use of PLAs on federally funded construction projects. The ban on PLAs on federal projects was revoked by President Clinton in 1993, reinstated by President George W. Bush in 2001, and revoked again by Obama in 2009.

Hipwell said expensive fringe benefits such as health care for workers drive up costs on projects governed by PLAs, even in right-to-work states like Utah. Because unionized labor pays higher wages and offers benefits to workers, mandating even temporary union contracts on federally funded projects can dramatically alter the profitability of large construction projects. On its national website, ABC calls PLAs "special interest schemes that end open, fair and competitive bidding on public works

projects."

"PLAs drive up the cost of construction. It could be very damaging [to Utah's economy]," Hipwell said. "PLAs push up the cost of a project anywhere from 15 percent to 20 percent because of those heavy loads they have to carry on the fringe benefit side. The damage is if it filters down to

"PLAs push up the cost of a project anywhere from 15 percent to 20 percent because of those heavy loads they have to carry on the fringe benefit side. The damage is if it filters down to any municipal project with federal dollars attached."

any municipal project with federal dollars attached."

Dale Cox, president of the Utah chapter of the AFL-CIO, said the higher costs of doing business using a PLA are worth the benefits that come with union labor.

"The upside to PLAs is you get protections from work stoppages, and the guarantee of quality labor. I'm not saying everyone who comes out of a hall is going to be a crack worker, but most of them will," he said.

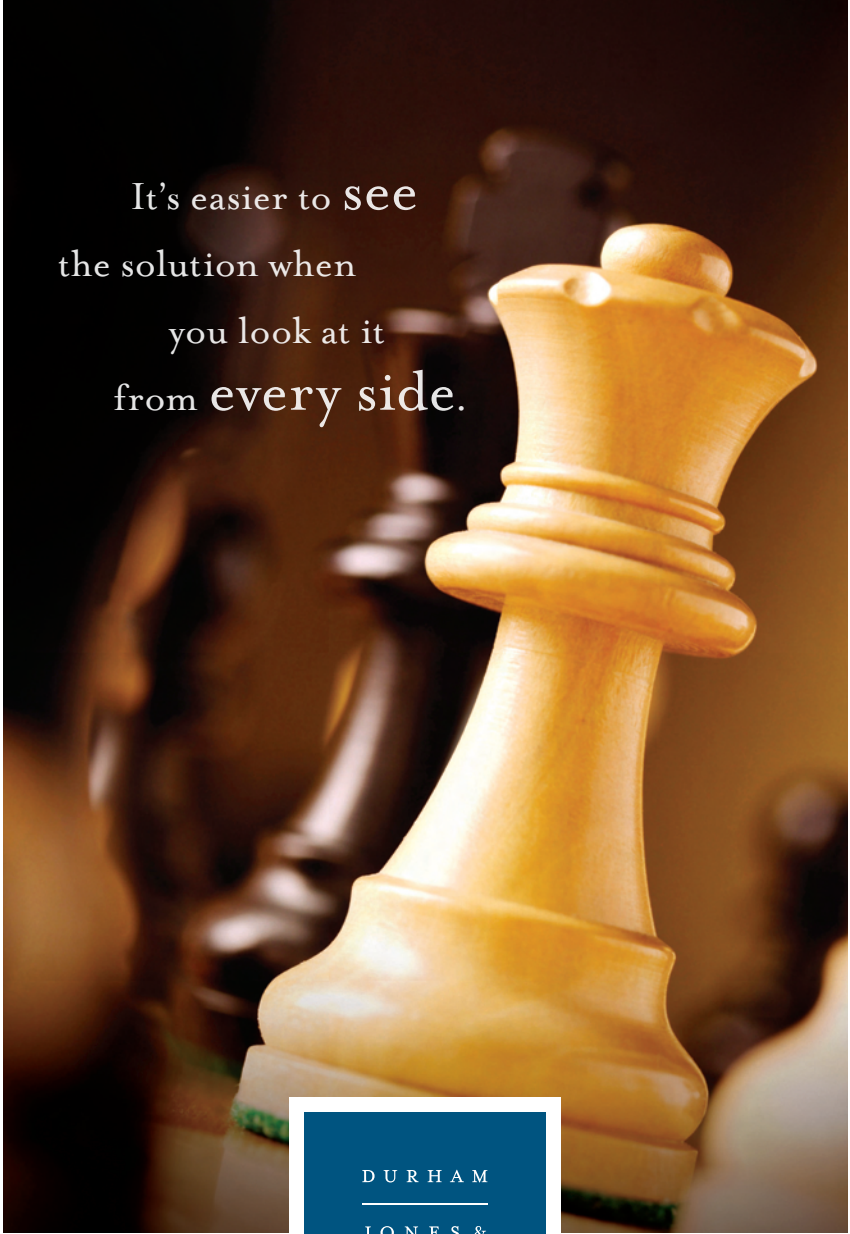
Cox credited the state's leering of federal meddling for the latest flareup over PLAs, noting that many of the recent large-scale public works projects Utah's leadership has backed and taken credit for were built with union labor.

"A lot of these projects the governor is touting — the I-15 rebuild, light rail, commuter rail — not 100 percent but a large majority of them were built by union labor. They all came in under budget and ahead of schedule, because you have quality men and women doing the work so you have less rebuilds," Cox said.

Cox said the last public works project in Utah to use a PLA was the expansion and modernization of I-15 in advance of the 2002 Olympics. He said that project also came in ahead of schedule and under budget. Cox called the emphasis on profits over quality work and employee well-being "a race to the bottom."

"When you have men and women making good wages, with health care [coverage], it's good for the state. When did the teacher become the enemy? The firefighter? Police put their lives on the line every day but because they want to work as a unit they're stigmatized," Cox said. [Union workers] pay more taxes, and are covered medically, so they're not a burden to the

see PLAs page 15



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PLAs

from page 13

health care system. They have more disposable wealth, more money for education. When a family is doing well, they can make house payments, go to the doctor, get their teeth fixed.

"We have to work together to move forward. That's not to say there aren't disagreements, but we have to work together to both be profitable. The unions get punished because they want to be responsible for taking care of their people. At the end of the day, we all want good product and good product is made by skilled and content workers."

Rich Thorn, president of the Associated General Contractors [AGC] of Utah, said the PLA issue is not about unions but about bidding. He downplayed ABC's characterization of a looming threat from federal PLA guidelines as "saber-rattling to create a bit of panic or a rallying cry."

"These rotten unions are trying to take over the world! We don't believe that. They're not the Antichrist. We just don't think PLAs are good for contractors, owners or workers," Thorn said.

Thorn contrasted his organization with ABC, which he characterized as an anti-union organization. AGC represents both union and non-union outfits and takes a liberal stance on its members' personal choice whether to join a union or not, he said. Despite its neutrality on the union issue, Thorn said AGC had determined that PLAs are disadvantageous to the construction industry as a whole.

"We don't feel [PLAs] will do anything to enhance project delivery. We don't think they serve a purpose," he said.

Thorn said market forces demand successful construction companies provide their workers the benefits, apprenticeship programs, good wages and safety procedures advocated by unions. Without them, companies would not produce competitive workers, he said. Furthermore, in Utah, where the majority of workers choose not to join a union, Thorn said AGC backed the right of workers to decide for themselves whether to organize or not.

"There's already a lot of government regulation. We just don't think we need another layer of government looking over our shoulder," he said.

Thorn also downplayed the severity of Obama's PLA stance. His 2009 executive order did not mandate PLAs on federally funded projects, but merely encouraged agency heads to consider using them, Thorn noted. Compared to the outright bans on PLAs instituted by both presidents Bush, current PLA policy is relatively moderate.

HR436 is currently in the House Committee on Oversight and Government Reform. According to govtrack.us, a privately operated research tool operated by Civic Impulse LLC, HR436 stands an 8 percent chance of surviving the committee process, with a 1 percent chance of being enacted. In the rare event it is passed by Congress, a bill countermanning a standing executive order would almost surely be vetoed by the president.

Neither Gov. Christie's nor Rep. Bishop's office responded to efforts made by telephone and email seeking comment.

Layton Construction marks 60th anniversary

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• *We pay our bills on time.*

• *Employ quality employees and work with skilled subcontractors.*

• *Stay clear from lawyers and legal entanglements. Compromise is better than a courtroom confrontation.*

• *Maintain a sound financial base.*

• *Get involved with all employees. Let them know you care about their well-being.*

• *Safety is good business. Insist on a clean, safe workplace.*

• *Act instead of being forced to react.*

• *Cultivate good relationships with architects.*

• *Modern tools and equipment, well maintained, complement a tight schedule and a good job.*

• *Every project must carry its own weight. Volume means nothing without a fair profit.*

.....

The above words were penned from afar, while serving a mission for The Church of Jesus Christ of Latter-day Saints in 1985, by Alan W. Layton, founder of Salt Lake City-based Layton Construction Co., which celebrated its 60th anniversary last month. The letter was directed to a pair

of sons and "everyone at the office," and the 12 "timeless values" continue to be the foundation from which the organization operates today.

.....

Alan W. Layton, a decorated World War II veteran, returned from the war to recover from injuries sustained in the Battle of the Bulge. The war had interrupted Layton's engineering studies at the University of Utah. Faced with the pressures of providing for a young family, Layton took a job with the Bureau of Reclamation. Over four years, he worked in the design and construction division doing contract administration work. While at that job, his knack for construction was tapped on several occasions, providing him the means to earn extra money as a moonlighter building a drive-in restaurant and a couple of homes, including his own.

On an early winter day in 1952, Layton announced to his wife Mona that he wanted to leave his government job, telling her, "I think I would like to start my own construction company." On Feb. 13, 1953 Layton Construction Co. was officially organized, funded by Alan Layton's Bureau of Reclamation retirement savings.

Specializing in commercial projects, Layton got his first big break and stable

see LAYTON page 34

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Staker Parson Companies 2350 S. 1900 W. Ogden	801-731-1111 801-731-8800 stakerparson.com	1,850	154 2 255	DND DND DND	Sand, rock and landscape products, ready-mixed concrete, asphalt, paving and construction services	Scott Parson
Geneva Rock Products 1565 W. 400 N. Orem	800-464-2003 801-765-7830 genevarock.com	950	115 40 306	7,000,000 752,000 1,093,857	Aggregates (sand and gravel, asphalt, concrete, concrete paving, construction, ready-mix concrete, asphalt paving, micro surfacing)	Clyde Companies, Inc.
Kilgore Contraction 7057 W. 2100 S. Salt Lake City	801-250-0132 801-250-0671 kilgorecontractiog.com	500	125 30 DND	DND DND DND	Asphalt materials and products, sand, gravel, asphalt paving, earth work, underground, asphalt maintenance	Jason Kilgore
Altaview Concrete 7057 W. 2100 S. Salt Lake City	801-850-0132 801-250-0671 altaviewconcrete.com	150	5 5 100	DND DND DND	Ready mix products and delivery	Scott Reynolds
Westroc Inc. 670 W. 220 S. Pleasant Grove	801-785-5600 801-785-7408 westrocinc.com	86	7 5 42	955,000 0 208,000	Concrete and aggregates	Ky Spurlino
Metro Ready Mix LLC 343 W. 400 S. Salt Lake City	801-456-2400 801-456-1630 metroreadymix.com	66	DND DND 54	DND DND 248,000	Ready mixed concrete	John Dunn



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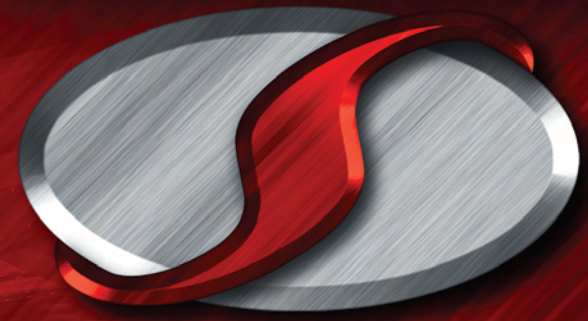
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 André Olson, Regional Sales Manager

Top Structural Steel Fabricators in Utah

Ranked by Gross Sales Volume in 2012

Company Name Address	Phone Fax Web	Gross Sales Volume in 2012 Average Size of Projects	Notable Projects in 2012	Specialties	Services Offered	Top Local Executive
SME Steel Contractors Inc. 5801 W. Wells Park Rd Salt Lake City	801-280-0711 801-280-3460 smesteel.com	\$200 million \$5-\$50 million	Santa Clara Stadium (San Francisco 49ers), Salt Lake City Courthouse, Newport Beach Civic Center, Salt Lake Public Safety Building	Structural steel fabrication and erection, miscellaneous metals, metal stairs, ornamental metals, metal deck, and Bucking Restrained Braces (BRBs)	Structural steel fabrication and erection, complete division 5 turnkey steel construction services, design assist services consultation, detailing, and seismic protection	Wayne Searle
Petersen Inc. 1527 N. 2000 W. Salt Lake City	801-732-2000 801-732-2098 peterseninc.com	\$104 million \$248,210	Kennecott Molybdenum Plant	Fabrication, field services, precision machining	Fabrication, machining erection, field services, design build	Jon Ballantyne
Mountain Sates Steel Inc. 325 S. Geneva Rd. Salt Lake City	801-785-5085 801-785-1100 mssteel.com	\$33 million \$5 million	Scheels Sporting Goods and UVU Student Life Center	Bridge Construction, commercial fabrication and erection, industrial fabrication and erection	Fabrication and erection	Bruce Dastrup
Express Metal Fabricators LLC St. George Steel Division 1301 E. 700 N. St. George	435-673-4856 435-628-4139 stgeorgesteel.com	\$22 million \$2 million	Kennecott MAP Project	Heavy Industrial Fabrication	DND	Mike Housley
Tech-Steel Inc. Building D2 Freeport Center Clearfield	801-328-2543 801-546-6320 tech-steel.com	\$19 million \$2 million	eBay Customer Service Center, Draper Campus	Heavy commercial and industrial structural steel	Turnkey projects, design-bid-build, design-build, design-assist	Tad Rasmussen
Mark Steel 200 S. 1230 W. Salt Lake City	801-521-0670 801-303-2040 marksteel.net	\$10 million \$750,000	DND	Sophisticated paint endorsement, plate work, AISC certified, ASME certified, heavy industrial fabrication	mechanical assemblies, post weld heat treatment, molt plate work, misc. fabrication, ASME vessels	Jim Vemich
Blue Star Steel 3692 W. 500 S. Salt Lake City	801-908-8302 801-908-8307 bluestarsteel.com	DND \$500,000	Dinosaur National Monument, Tracy Aviary	Structural, vessels, piping, tanks, skids	Detailing and design build	Jeff Wright
Rocky Mountain Fabrication 1125 W. 2300 N. Salt Lake City	801-596-2400 801-322-2702 rmf-slc.com	DND \$5 million	Rangeland Energy Colt terminal	Plate steel fabrication and erection	engineering, detailing, fabrication, erection	Randy Guest



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How a Department of Labor-approved benefit plan can make fringe pay work for you

By J. Zane Smith

Contractors are always looking for an edge to win a bid. For federal jobs, the required fringe benefit pay can cost contractors big bucks in taxes, unemployment, and payroll fees. But contractors can divert their fringe pay into a Department of Labor (DOL)-approved, bona fide benefit and pension plan, giving workers real benefits and making that money tax-exempt.

The ARRA (American Recovery & Reinvestment Act) has made more construction jobs available during these hard economic times; however, the result is unusually high numbers of contractors bidding for these jobs. At the same time, state and federal agencies have intensified compliance efforts, increasing the likelihood of undergoing an audit when working an ARRA job.

Federal construction contracts in excess of \$2,000 are subject to the Davis-Bacon Act, requiring payment of locally determined “prevailing wages,” including “anticipated costs of prevailing benefits” (fringe benefits). Generally this is expressed as a per-hour wage, plus per-hour fringe benefit pay, and is often based on a union scale. Prevailing wages are set by the U.S. DOL and must be included in bid specifications for federal contracts.

Contractors tend to pay the fringe benefits as additional cash wages, believing it’s the easiest way to comply with the

law. However, allocating this money to a bona fide benefit plan, such as a pension or health and welfare trust, can result in significant cost savings. When the fringe portion of the prevailing wage is used to pay for hourly workers’ benefits, this amount is not subject to payroll costs (labor burden) including FICA, federal and state unemployment taxes, workers compensation and general liability insurance. Although there can be variances in certain rates, this labor burden typically represents an additional cost to the contractor of 25 to 35 percent on each dollar paid as cash wages.

The key to keeping that 25 to 35 percent in the bank is the use of an approved and compliant plan, where the contractor is not serving as trustee or fiduciary and where the plan complies with all prevailing wage laws and regulations. Here is an example of how it can work.

Sample Calculation

Assume the Acme Construction Co. has 15 employees doing prevailing wage work. These employees work approximately 1,000 hours per person per year. The fringe benefit amount above the base rate is \$8/hour, and the labor burden (FICA, unemployment taxes, workers comp and general liability) is 25 percent when paying fringe dollars as cash wages.

15 employees x 1,000 hours = 15,000 total hours

15,000 hours x \$8.00 = \$120,000 in fringe benefit pay

\$120,000 x 25 percent = \$30,000 Acme Construction Co. savings

Saving the contractor between 8 to 10 percent on total project labor costs.

The number of bids submitted for public works projects has increased dramatically, which means greater competition for new jobs. The number of contractors registered with the Central Contractor Registry, the primary registrant database for the U.S. federal government, has grown significantly in the past two years. Anecdotally, I have heard that the number of contractors bidding on state and local government jobs is two to three times the amount seen a year ago. If your competitors are using a bona fide benefit plan — and you’re not — you’re at a disadvantage.

Traditional benefit plan providers often struggle with prevailing wage benefits due to the seasonal nature of construction work. But firms that specialize in this industry can easily “turn off” contributions to the plan when the job finishes, and resume them when the next prevailing wage job starts. Some also enable benefits to continue uninterrupted for hourly workers during slow times or layoffs, and at no cost to the employer. And some track benefits on an hourly basis, specially designed for contractors’ convenience, to make payroll and

reporting simplified. Traditional plan providers can only offer benefits with premiums on a monthly basis, forcing contractors to manually calculate and adjust premiums themselves.

Working with a company that understands DOL regulations, and specifically prevailing wage laws, also means there are no worries about recordkeeping. Monthly reports should be provided and delivered to contractors on a timely basis.

It’s no surprise so many contractors are looking to perform on government work in this economic climate. Working with a business partner that specializes in prevailing wage projects is an easy and inexpensive way to bid more competitively on these new opportunities, and ease concerns about unintentionally falling out of compliance.

J. Zane Smith is a founding partner and senior vice president of BENECON, with offices in San Antonio and Scottsdale. Since 1989, Smith has worked closely with various state and federal departments of labor regarding the procedures and regulations involving contractors’ ability to save labor burden costs and bid more competitively using the proprietary systems that BENECON has developed as a DOL and IRS approved plan compliant with the Davis Bacon Act of 1931, Service Contract Act, all state prevailing wage laws and ERISA.



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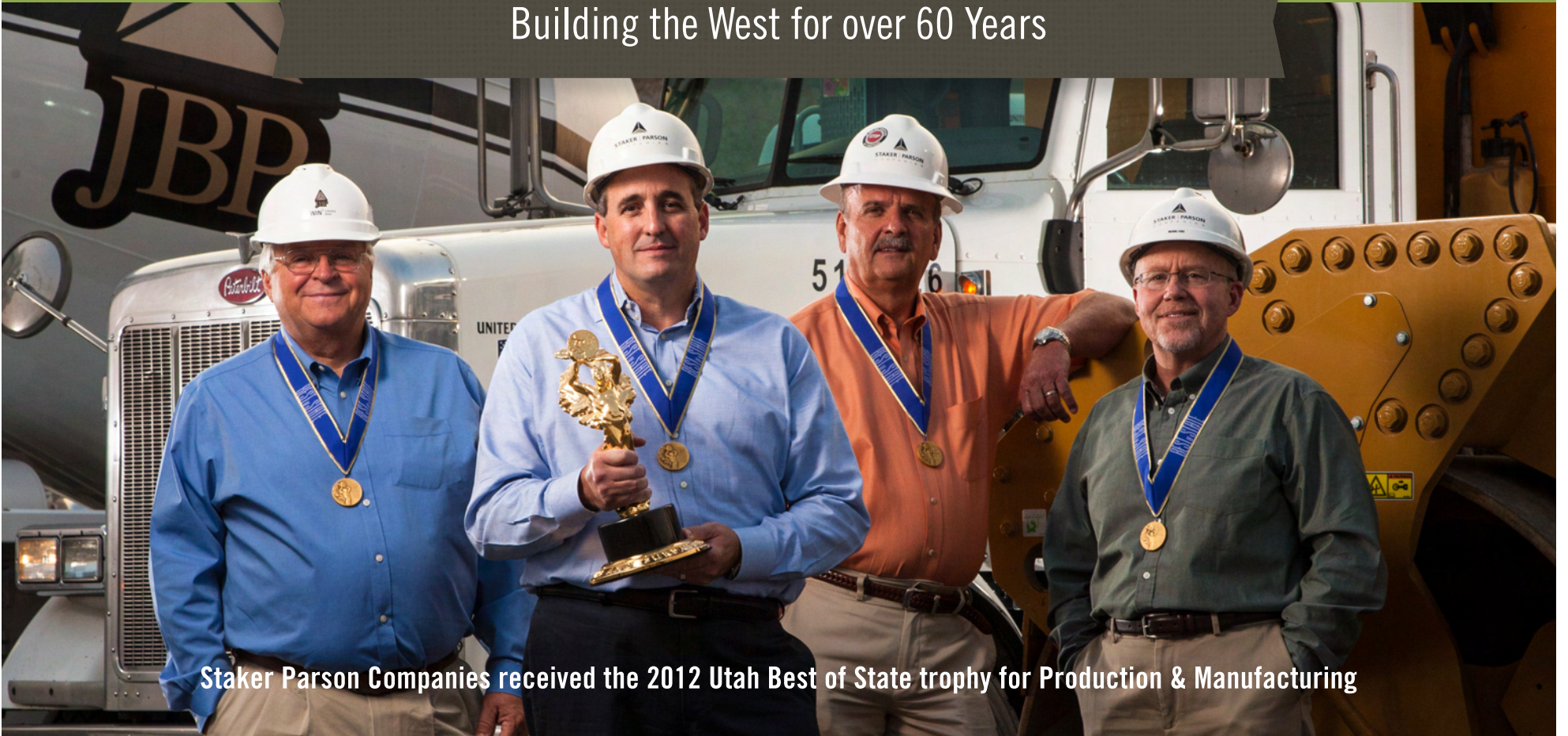
Top Commercial Contractors in Utah

Ranked by Gross Sales Volume in 2012

Company Name Address	Phone Fax Web	Gross Sales Volume in 2012	# of Utah Employees Equipment Fleet Valuation	Notable Projects in 2012	Top Local Executive
Okland Construction Company Inc. 1978 S. West Temple Salt Lake City	801-486-0144 801-486-7570 okland.com	\$610 million	469 \$18.2 million	IHC Salt Lake Clinic, Utah County Convention Center, Park City Recreation Center, Abode Corporate Campus, eBay Customer Care Service Center, Watson Pharmaceuticals Expansion, Weber State Residential Life, IM Flash Building 40, ITT/EDO Fiber Science Expansion, U Of U Solar	J. Randy Okland Brett J. Okland
Big-D Construction 404 W. 400 S. Salt Lake City	801-415-6000 801-415-6900 big-d.com	\$551.5 million	795 DND	Utah Data Center, Kennecott M.A.P., Brigham City Temple, UVU Science Building, Swire Coca-Cola, Freeport West Distribution Center	Rob Moore
Layton Construction Company Inc. 9090 S. Sandy Pkwy. Sandy	801-568-9090 801-569-5450 laytonconstruction.com	\$420 million	275 DND	Outlets at Traverse Mountain, Provo Recreation Center, Questar Headquarters Build-Out, Salt Lake Airport Terminal Restaurants, University of Utah Football Athletic Center, Utah State Hospital, VA Veterans Homes (Payson and Ivins)	David S. Layton
Jacobsen Construction Company Inc. 3131 W. 2210 S. Salt Lake City	801-973-0500 801-973-7496 jacobsenconstruction.com	\$280 million	495 \$6 million	City Creek Center, Provo City Center Temple, Ambulatory Care Center, Merit Medical Expansion, Dixie State College Holland Centennial Commons, BYU Heritage Halls, USU Agricultural Science Building, U of U L.S. Skaggs Pharmacy Building, U of H College of Hawaiian Language	Douglas C. Wlling
R&O Construction 933 Wall Ave. Ogden	801-627-1403 801-399-1480 randoco.com	\$215 million	167 \$300,000	The Village at South Campus in Provo, Megaplex Theatre at Valley Fair Mall and Valley Fair Mall shops renovation, Falcon Hill at Hill Air Force Base which includes Northrup Grumman 5 story office building, new SFS/SFO security office building and West Gate realignment and New Gate Building	Dale Campbell
Ralph L. Wadsworth Construction Company LLC 161 E. 14000 S. Draper	801-553-1661 801-553-1696 wadsco.com	\$210 million	404 \$32.3 million	Finished I-15 core (Utah County), Coalville to Wanship, finished Bangerter Highway at 7800 South, SR252-Logan, Flaming Gorge Rd. (US 191) Draper UTA Parking Facility, Cherry Creek Parking structure	Kip Wadsworth Con Wadsworth
Wadman Corporation 2920 S. 925 W. Salt Lake City	801-621-4185 801-621-7232 DND	\$116.5 million	100 \$2 million	West Valley City Promenade, GOED Eagle Gate Plaza TI, Salt Lake Airport Snow Equipment Building, Longhorn Steakhouse	David Wadman
Rimrock Construction 1635 S. 700 E. #100 Draper	801-676-7625 801-676-0208 rimrock.us	\$110 million+	45 DND	HGTV Dream Home (Heber), Broadway Apartments, Daybreak offices, Home 2 Suites, W. Valley, Walgreens (Salt Lake City)	Mark Hampton
ICO Construction 978 E. Woodoak Ln. Salt Lake City	801-747-7600 801-747-7624 icoconstruction.com	\$35 million	20 DND	Residences at Park Lane-324 units; Residences at Orchard Farms-80 units; Woodlands Senior Housing-48 units	Kirt Harmon Darin Haskell
Pentalon Construction 132 E. 13065 S. Draper	801-619-1900 801-619-1901 pentalon.net	\$28 million	30 \$265,000	Elmbedge Apartments, Rendon Terrace Senior Housing, Ashley Creek Apartments, Multiling, Sugarhouse Medical	Carl Tippetts
Cameron Construction 573 W. 3560 S. #1 Salt Lake City	801-268-3584 801-268-3678 comeronconstruction.com	\$27.8 million	27 DND	LDS Hospital lobby renovation, SLC Radisson Hotel renovation, Sportsman's Retail Outlets-new locations and renovations, multiple Maverik retail stores, Fisher Carriage House renovation	Kevin Cameron & David C. Hill
Eckman & Mitchell Construction 3032 S. 1030 W. Salt Lake City	801-908-0604 801-908-0205 emconstruction.com	\$25 million	30 DND	Pheasant Hollow Bldg. 10, Komatsu Equipment, Schiff Nutrition, Obagi Medical	Gary Eckmand Eric Eckman Curtis Padjen
Stacey Enterprises Inc. 3768 Pacific Ave. Ogden	801-621-6210 801-621-7329 staceygc.com	\$22 million	21 \$1.5 million	Fresenius Medical Care, Walgreens, Lifetime Health Clinic, Beyond Spa, BDO Building 725, Davis South Water Filter Building, Wahlquist Jr. High, Ogden City Prairie Cove	Scott R. Dixon
Bonneville Builders 4885 S. 900 E. Ste. 208 Salt Lake City	801-298-7416 801-261-8380 bonnevillebuilders.com	\$21 million	22 \$15 million	Food For Health Corporation Offices, Utah Center for Oral and Facial Surgery, FedEx Distribution	DND

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New elements of construction lien waivers

For many years, those hiring a contractor, subcontractor or supplier, and their lenders, title companies and others, have relied on written lien waivers for assurance that at the time of a payment contractors and their subcontractors and suppliers waive any right to claim a mechanics lien for work performed prior to the date of the waiver. In a recent Utah Court of Appeals decision, the court held that unless a lien waiver form includes specific elements as required by Utah's mechanic's lien act, a lien waiver not on the prescribed statutory form is unenforceable.



Roger Henriksen

As background, in 2007 the Utah Legislature enacted legislation that created a broad prohibition on lien waivers. Responding to criticism from lenders and others, the legislature in the same year amended the legislation to provide that a lien waiver is enforceable to the extent of a payment only if the lien claimant signed the waiver and received payment of the amount identified in the waiver. The amended statute adopted two forms of lien waiver — one for progress payments and the other for final payment, and indicated that the form of

waiver "may be in substantially" the form provided in the statute.

Focusing on the apparent statutory leeway given to use other forms of waiver, many owners, contractors and lenders crafted their own forms which were similar in purpose, if not in content. However, the recent Utah case interpreted the lien waiver statute such that, to be valid, all lien waiver forms must include specific elements. Any lien waiver form that does not include the required elements is invalid.

Case Summary

In the 2012 case of *Meyers Construction v Countrywide Home Loans, et al*, the court wrote that the overarching purpose of the lien provisions contained in Utah law is to protect the rights of contractors and help to ensure they are paid for their work in improving property. In this case, the plaintiff was the contractor for two homes to be built for the same owners with financing to be obtained from two separate lenders. In the several draw requests issued by the contractor, the document wording included a certification "that no suppliers, subcontractors, laborers, or other persons are claiming or are entitled

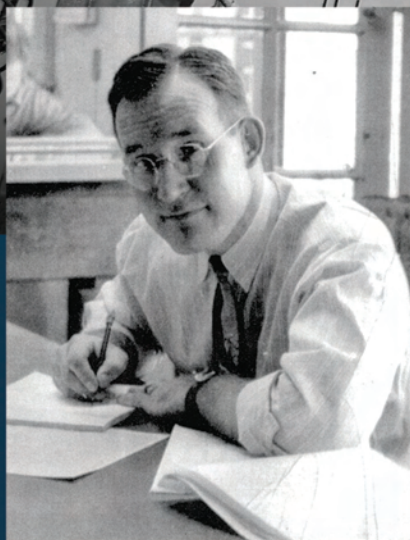
to claim a lien against the property securing the loan." In addition, a final draw request was similarly worded and added language that "the General Contractor has to date been paid in full ... and that no such sub-contractors, suppliers, materialmen, laborers or other persons providing goods and services used in the improvements to the property have unpaid claims" and "no liens or claims that may result in liens exist against the above-described property other than set forth herein." Finally, the draw request stated "upon said disbursement by Lender the General Contractor will be paid in full under the Construction Contract."

When the contractor was not paid amounts alleged to be due, the contractor recorded mechanics' liens against each home and brought suit to foreclose the liens. One of the lenders defended against the liens by asserting that the draw request language was sufficient to waive the contractor's lien right. The trial court found that the draw requests complied with the statute for an effective lien waiver, and granted summary judgment in favor of the lender, effectively dismissing the contractor's mechanics' lien claim. On appeal, the contractor challenged the grant of summary judgment, alleging that the draw

request language was not legally equivalent to the required language in the mechanics' lien act.

On appeal, the court compared the language of the draw requests to the statutory language. Looking at the act's "plain language and ordinary meaning," the court balanced the necessity of protecting "those who perform the labor and furnish the materials which enter into the construction of a building or other improvement" against the creation of "an encumbrance on property that affects the owner's right to freely use or transfer it." The court found that by requiring that a waiver and release be "in substantially the form provided," the legislature indicated its intent that for a waiver and release to be valid, it must contain at least each of four distinct component parts embodied in the forms. The four distinct elements are:

1. A statement that the document is intended to be a waiver and release in accordance with Utah law.
 2. Specific information pertinent to the lien rights, including "Property Name," "Property Location," the identity of the "[Contractor]'s Customer," "Invoice/Payment Application Number," and "Payment
- see WAIVERS page 33*



"The success of the company has not come from any brilliance on my part, but rather, employing wonderful, dedicated, loyal people who are allowed to get involved making major decisions, to grow and develop their abilities." -Alan W. Layton, Founder (1917-2009)

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Stop the decline in the value of Utah's fuel tax

Everyone knows how difficult it would be to support a growing family, a business or a government agency if income didn't keep up with inflation. For many years we've expected our state and local highway and road departments to maintain our transportation system in good order, despite the slow erosion of the buying power of revenue that supports Utah's transportation infrastructure.



Abby Albrecht

For many decades, Utah's motor fuel tax has been a primary way of investing in roads and highways, ensuring excellent mobility for Utah citizens and businesses that need to commute, deliver and receive goods and services, or just run a quick errand. However, the motor fuel tax isn't keeping up with Utah's needs, and today the road maintenance backlog is reaching a crisis point.

Since 1997, motorists have been paying a flat 24.5 cents-per-gallon, a user fee paid by those who drive the roads, causing wear and tear. The problem with the cents-per-gallon tax is that its buying power declines each year as inflation and materials/construction costs increase.

Other major taxes that fund schools and social services, for example, don't decline in purchasing power like the fuel tax does. Those taxes generally keep up with inflation. The sales tax and income tax are percentage taxes, so they go up as prices increase and as incomes goes up. Property taxes increase as property values improve. All of those taxes are subject to economic conditions and other factors, but the long-term pattern is to keep up with inflation and growth.

The decline in the value of the fuel tax is slow and subtle, just a small amount per year, and over a number of years the impact is immense. The value of the 24.5 cent tax (last increased in 1997) has dwindled to 14.7 cents today, a loss of 40 percent purchasing power. By 2023, just 10 years from now, the tax will generate the equivalent of only 13.4 cents per gallon.

At the same time, Utah's population and the number of vehicle miles traveled (VMT) continue to skyrocket. In 10 years, VMT will amount to 67 million per year in Utah's four urban counties, up from 35 million in 1977. In other words, state and local highway agencies must deal with nearly double the wear and tear on the roads, with only about half the equivalent purchasing power. In addition, fuel efficiency in vehicles today is vastly improved. That's a terrific thing, saving drivers money and causing less pollution, but the cars cause the same wear and tear on the roads, while paying less and less to maintain those roads.

The roads are being worn out, the population is increasing and many more miles are being driven, but fuel tax revenue isn't keeping up with needs. In fact, cents per mile paid by drivers has declined from 8 cents in 1998 to 6 cents in 2011, and will decline to 3 cents by 2020. This situation

is obviously not sustainable. Utah's roads are deteriorating and projects are being delayed.

Utah's Unified Transportation Plan, compiled by the state's transportation agencies and local governments, notes that Utah will need an additional \$11 billion investment in transportation over the next three decades to maintain good mobility in the state. Preserving the value of the fuel tax could be an important part of that investment. It won't solve all of Utah's transportation funding needs, but it would make a big difference over the long term.

Abby Albrecht is public and government affairs manager for Granite Construction in Salt Lake City. She also is a member of the executive committee of the Utah Mobility Coalition.

THE Enterprise

UTAH'S BUSINESS JOURNAL

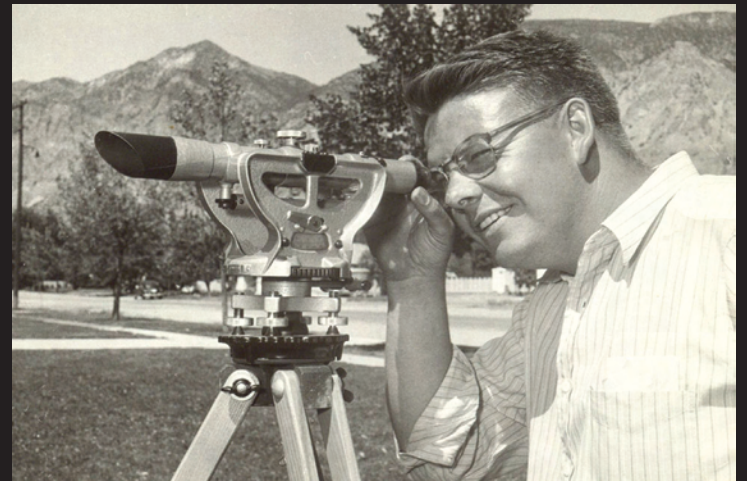
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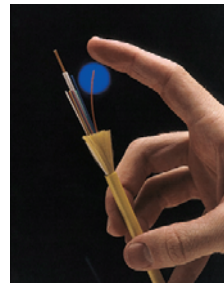
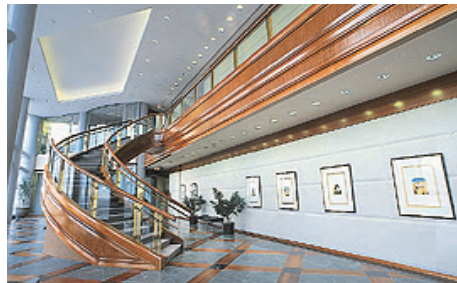


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Top Electrical Contractors in Utah

Ranked by Gross Utah Sales in 2012

Company Name Address	Phone Fax Web	Gross Utah Sales in 2012	Bonding Capacity	# of Utah Employees	Services Offered	Owner/ Managing Principal
Cache Valley Electric Company 875 N. 1000 W. Logan	435-752-6405 435-752-9111 cve.com	\$178 million	300 million +	996	Electrical, heavy industrial, commercial, teledata, multimedia, service security, technology services, signal and utility and design build	Jim D. Laub
Wasatch Electric 2455 W. 1500 S. Ste. A Salt Lake City	801-487-4511 801-487-5032 wasatchelectric.com	\$115 million	unlimited	450	Full service design/build contractor serving the intermountain west since 1919, specializing in all high, medium and low voltage services	Tim Homer
Taylor Electric, Inc. 2650 S. 1030 W. Salt Lake City	801-413-1300 801-413-1301 taylor-electric.com	\$48.05 million	80 million +	225	Full range of services in commercial and industrial construction which include design-build, 24/7/365 service, medium voltage, low voltage and preventive maintenance	Ryan J. Taylor
Rydalch Electric, Inc. 250 W. Plymouth Ave. Salt Lake City	801-265-1813 801-265-2166 rydalchelectirc.com	\$20 million	35 million	115	Electrical contracting, industrial, commercial, residential	Frank Rydalch
Eagle Electric, Inc. 7000 S. commerce Park Dr. Midvale	801-255-8089 801-255-8108 eagle-electric-inc.com	\$3.4 million	5 million	25	Site work, new construction, remodel construction, 24 hour emergency service	Jodie Turner
Hunt Electric, Inc. 1863 W. alexander St. Salt Lake City	801-975-8844 801-975-0511 hunteelectric.com	DND	1 million	250	Full service electrical contractor, commercial, industrial, mining, design build, traffic and infrastructure, data communication, transmission and distribution, service, preventable maintenance, renewable energy services	Richard C. Hunt

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UTAH'S BUSINESS JOURNAL

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Top Engineering Firms in Utah

Ranked by Number of Professional Engineers

page 1

Company Name Address	Phone Fax Web	# of Pro. Engineers	# of Utah Employees	# of Graduate Engineers	Engineering Services	Notable Utah Projects in 2012	Owner/ Managing Principal
MWH Americas Inc. 2890 E. Cottonwood Pkwy., Ste. 300 Salt Lake City	801-617-3200 801-617-4200 mwhglobal.com	41	10 85		Water/infrastructure, water resources, environmental assessments/impact statements, wet weather/stormwater, water and wastewater treatment	Culinary water supply protection SLC well #18, HAFB green and sustainable remediation, CUWCD North Shore terminal reservoir	Hhan Olsen
Van Boerum & Frank Associates Inc. 330 S. 300 E. Salt Lake City	801-530-3148 801-530-3150 vbfa.com	28	52 86		Mechanical, electrical, plumbing, fire protection	PCMC Ambulatory Care, Utah Valley Convention Center, U of U USTAR, LDS Temples worldwide	Kim P. Harris
Ensign Engineering & Surveying 45 W. 10000 S. Ste. 500 Sandy	801-255-0529 801-255-4449 ensignutah.com	23	31 60		Civil and structural engineering, land surveying, water resources engineering	Adobe office buildings, Xactware building at Traverse Mountain, Ephraim water tank 1.5 million gallons	David Jenkins
Spectrum Engineers 324 S. State St., Ste. 400 Salt Lake City	801-328-5151 801-328-5155 spectrum-engineers.com	23	5 60		Mechanical, electrical, plumbing, technology, acoustical, fire protection, lighting design, theater design	Adobe Utah Campus, U of U Campus infrastructure, Dixie State College Centennial Commons, Salt Lake City Public Safety Complex	Stewart E. Greene & David E. Wesemann
Reaveley Engineers & Associates 675 E. 500 S., Ste. 400 Salt Lake City	801-486-3883 801-485-0911 reaveley.com	17	21 35		Structural design, seismic analysis, seismic retrofit/existing structures, analytical studies of structures, concrete restoration, master planning, feasibility studies, programming, schematic design, design development, contract documents, construction phase services, value engineering	U of U James L. Sorenson Molecular Biotechnology building, BYU Life Sciences building, Utah County Convention Center, City Creek Center, Millcreek Community Center, UVU Student Life building, Huntsman Cancer Hospital Phase IIB, Ogden High School Historic Restoration	A. Perry Brown
Stantec Consulting Services Inc. 3995 S. 700 E. Ste. 300 Salt Lake City	801-261-0090 801-266-1671 stantec.com	15	16 48		Planning, engineering, water infrastructure, landscape architecture, surveying, environmental sciences, project management, project economics for infrastructure and facilities project	22 mile pipeline in Uintah Basin, SP-154 Bangerter Highway, SunCrest ALTA survey, Day Dairy Apartments, HAFB Environmental Services, BWCD's Layton Canal Lining project, Kennecott section 21 well pump station	John Wainwright
ARW Engineers 1594 W. Park Circle Ogden	801-782-6008 801-782-4656 arwengineers.com	12	15 24		Structural design and consulting, building information modeling, value engineering, new construction design, structural/seismic analysis, upgrade/retrofit design, peer review, construction administration	LDS Brigham City Temple, Weber State University Residential Hall Phase 1&2, LDS Bishop's Central Storehouse, SLC, Utah State University Regional Distances and Education Building, Logan	Brent L. White
Precision Systems Engineering 9805 S. 500 W. Salt Lake City	801-943-5555 801-943-5922 pseus.com	12	22 64		DND	DND	Brent Maxwell
BHB Consulting Engineers 2766 S. Main St. Salt Lake City	801-355-5656 801-355-5950 bhbenigneers.com	11	21 34		Structural engineering	Boyer 101 office building, VA nursing facilities, Davis County Administration building and library, Hurricane HS replacement, Granger HS Replacement	Don Barker
Dunn Associates Inc. 380 W. 800 S. Ste. 100 Salt Lake City	801-575-8877 801-575-8875 dunn-se.com	11	13 23		Structural Engineering	Adobe corporate office	Ronald H. Dunn
Carollo Engineers 1265 E. Fort Union Blvd. Ste. 200 Cottonwood Heights	801-233-2500 801-233-2501 DND	10	7 15		Civil-water, wastewater and infrastructure	Logan Wastewater Treatment Plant, Design and CM Cedar City Nitrate Removal Design/Removal, Park City Judge Quinns Water Treatment plant modifications, Riverton City Water Quality Improvement feasibility Study	Rick Wheadon & Craig Ashcroft

Top Engineering Firms in Utah

Ranked by Number of Professional Engineers

page 2

Company Name Address	Phone Fax Web	# of Pro. Engineers	# of Utah Employees	Engineering Services	Notable Utah Projects in 2012	Owner/ Managing Principal
McNeil Engineering 8610 Sandy Pkwy. Sandy	801-255-7700 801-255-8071 mneilengineering.com	10	12 28	Civil engineering, land development, structural engineering	Ogden Temple Fashion Place Mall Expansion, Sugarhouse Crossing	Ted Didas
Envision Engineering 240 E. Morris Ave., Ste. 200 South Salt Lake City	801-534-1130 801-534-1080 envisioneng.com	6	8 24	Power and lighting design, studies, low and medium voltage systems, sustainable design for higher ed, religious, K-12, transportation, commercial and municipal markets	U of U Electrical Distribution upgrade, Carbon County Courthouse and administration building, WSU classroom building, USU athletics strength and conditioning center, Davis school district elementary #60 LEED	Jeff Owen & David Whitton
Mid-State Consultants Inc. 1475 N. 200 W. Nephi	435-623-8601 435-623-8610 mscon.com	6	2 65	Communications engineering services, all phases of ISP and OSP, design, CAD, records conversion, right-of-way acquisition, GPS, mapping	Independent telephone companies	Steve Kidd
Dominion Engineering Associates LLC 5684 S. Green St. Murray	801-713-3000 801-713-3030 dominioneng.net	4	3 16	Civil engineering survey, land planning, landscape art	McDonalds eight locations, Herriman Towne Center, O'Reilly Auto Parts, Ninigret Warehouse	Corbin Bennion & Farley Eshelson
Reeve & Associates Inc. 920 Chamber St., Ste. 14 Ogden	801-621-3100 801-621-2666 reeve-assoc.com	4	6 21	Land planning, civil engineering, structural engineering, traffic engineering, land surveying, construction layout, landscape architecture, project management	HAFB Taxiway and airfield repaving, 45 Maverik fueling stations and convenience stores, Lifetime Products corporate offices, Powder Mountain Municipal engineering, Edgewater Beach Resort, Green Valley Academy	Nate Reeve
CLC Associates Inc. 231 W. 800 S., Ste. a Salt Lake City	801-363-5605 801-363-5604 clcassoc.com	3	0 10	Agency consultation and permitting, civil site plans, feasibility studies/preliminary planning, infrastructure design, phasing strategies, sanitary sewer system plans and details, schedule development, street improvement planning, water quality design	Scheel's at 14th in Sandy, Draper TOD Masterplan and eBay office campus, Trader Joes in SLC, Promotory School in Peery	Steve Willson & Matthew D. Idema
J.M. Williams and Associates Inc. 2875 S. Decker Lake Dr. #275 Salt Lake City	801-575-6455 801-575-6456 jmwa.com	2	0 12	Structural engineering, commercial and residential, value engineering, design-build, seismic, buildings and specialty structures, CADD services, architectural engineers, construction administration	BYU Motion Picture Studio Jerusalem set, Brick Canvas-Lehi, Weinman Mountain home, Willow Park Apartments, Brady Industries, Innovasis, Blender Bottle, IMDS, Utah Paper Box	James M. Williams



Critical criteria for selecting a general contractor

Constructing and developing a new project involves a large investment of time and money. A team of professionals is necessary to successfully protect a developer's investment and ensure a successful project. One important member of the team is the general contractor. Often, owners are frustrated with the challenge of choosing the right one. With this in mind, I'd like to address a few areas in the selection process that often do not get adequate consideration and most times make the difference between project success and project failure.



John Tebbs

Preliminary services. Having worked for several commercial general contractors before starting my own, I witnessed many differences between companies, their philosophies and the services they provided to clients. One service that stood out to me as important was the ability to provide good conceptual construction cost estimating. I am often approached with this request when the owner of a project is trying to evaluate the feasibility, cost and return on investment of his project prior to incurring significant costs. General contractors that have reacted best to this demand have taken the time to develop accurate methods of estimating within the skills of their staff. Given the difficulty of this, only a minority

stand out as being great conceptual estimators. The skill requires a solid knowledge of construction methods, building types, costs of subcontracted work and materials, and a gut sense of what things should cost.

Some preliminary estimates begin with simply knowing the approximate square footage of a proposed building. As plans develop, the estimate also should be refined to be more accurate. It is also important that a listing of inclusions is generated at the beginning so that the owner knows what basis the general contractor is working from.

Another common problem is that owners sometimes will ask for preliminary estimates on preliminary plans from a couple of general contractors and then use the low number as a basis for awarding the contract. The danger here is that one might estimate what they truly believe the cost of the project will be while the other might provide an artificially low number to gain the attention of the owner so he will sign a contract, only to be surprised

with change orders later on in the project. For this reason, preliminary budgets submitted by competing general contractors should not be treated as bids, but rather be used for a general idea of what the project might cost.

Product specialty. All general contractors have some specialty which shapes their company. The first distinction is whether they are a residential or commercial contractor. Some contractors have tried to exist in both worlds; however most have not been successful given the different management and subcontractor base of each. Commercial general contractors typically specialize in areas such as government work, heavy industrial, light industrial, medical and health care, big-box retail, small retail, apartments, etc. Within these areas are specialties in shell buildings, tenant finishes and remodeling. Matching the specialty of the contractor to your particular project can result in less cost, better details and a faster schedule.

Management staff. Though it takes a well-run and experienced company to successfully complete projects, there are three

individuals within a general contracting company who have a very direct impact on a project. They are the president, the project manager and the project superintendent. The owner should interview them personally before settling on the general contractor. The superintendent orchestrates day-to-day activities on the site such as managing performance of subcontractors and ensuring quality workmanship is installed. The project manager is the owner's primary contact with the company and is responsible for managing and completing the project per his contract. He conducts meetings and works closely with the owner, designers and the superintendent to accomplish this task. The president provides staffing and to interface with the client as needed.

John Tebbs is president of Bonneville Builders, Salt Lake City. Bonneville is licenced in Utah and Nevada, with reciprocal agreements in Wyoming, Idaho and Colorado. The firm has a satellite office in St. George that services southern Utah and southern Nevada.

WAIVERS

from page 25

Amount.”

3. An explicit notice to the contractor that signing the release will impact rights that the contractor would otherwise have under the statute and the conditions upon which waiver of those rights become effective.

4. A statement that the contractor has paid all subordinate claims subject to the waiver/release or the contractor must promise the funds received in exchange for the waiver/release will be used to make those payments.

In *Meyer*, the draw requests and forms used to obtain funds did not contain the words “waiver” or “release” that served to draw the contractor's attention to its rights being relinquished. In reaching its decision, the court cautioned that “[o]ur conclusion that the draw requests ... here do not contain all the component parts ... means we do not reach the question of how much a lien waiver and release form that has the required component parts may deviate from the specific language ... and still be “in substantially the form provided” ... “That is an issue for another day.”

Result

Because of the 2012 ruling by the Utah Court of Appeals in *Meyers*, if those involved in a construction project create their own lien waiver or release forms, or rely on outdated versions, they do so at their own peril. Any variations from the forms set forth in the statute must contain the four elements cited. Without those elements, the lien release or waiver will be invalid.

Roger D. Henriksen is a shareholder with the law firm of Parr Brown Gee & Loveless. He specializes in construction, industrial contracting and real property law.



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Wheeler

LAYTON

from page 15

base of work when awarded a contract to build 17 offices for City Finance Co. along the Wasatch Front and in southern Idaho. The beginnings of a long history of school construction began when Layton sent his wife and young daughter to Coalville for a bid opening on an addition to South Summit High School. Layton Construction won the bid, and the school addition was completed on time and within the budget.

As the company continued to grow, Layton included his family in the construction business. His wife and daughters worked at the company answering phones, paying bills and helping write payroll, while his three boys, from a young age, learned the construction business at the handle of a broom or shovel.

Building in the education sector continued through the second and third decades of the company. Many graduates of Utah's Salt Lake, Granite, Jordan and Davis dis-



A Layton Construction newspaper ad from 1957 celebrated the completion of an addition to Larkin Mortuary.

tricts built their academic foundations within the walls of more than 40 school projects completed by Layton Construction.

The company continued to broaden its horizons in the 1970s, with a wide range of commercial projects and over 30 jobs on the Brigham Young University campus, including high profile tasks such as the renovation

and expansion of Cougar Stadium for the 1982 football season.

Alan W. Layton's sons continued to grow with the company. Alan S. Layton completed engineering studies at Brigham Young University in 1972 and joined company full-time, learning management skills by working all facets of a construction job.

From his earliest years, Alan S. had been at his father's side, seeing the business grow, as well as increasing his own knowledge of the business. In 1979, Alan S. was asked by his parents to become president of Layton Construction. Of the transition, Alan S. Layton said, "The day after I became president was no different than the day before. Dad was still very much the boss. And in my eyes, I couldn't even conceive of what a president did."

Later that year the two Laytons attended a national construction conference in Houston. Alan S. visited a large construction company headed by a friend of his father. "It was there that I saw for the first time a company, organized like a business, which did construction," said Alan S. That insight was the beginning of transition from a small, family-held construction company to a major business that applied principles of organizational structure and management. A foundation was established that would allow Layton to grow immensely in the coming decades.

"Our goals have always been to look for opportunities that will give our people challenge, development and an opportunity to implement the principles of management and construction we've been teaching them. Our growth is based on the emerging capacity of our people in relation to the emerging needs of our clients."



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After completing the Jordan River Temple for The Church of Jesus Christ of Latter-day Saints in 1981, Alan W. made plans to step aside. In preparation for the bid for the Cougar Stadium expansion, as well as its construction, Alan S. said his father's "participation was mostly just as a bystander, watching, but very much enjoying the views" of the success of his nearly 30-year-old construction company. In 1985, Alan W. left Utah on a church mission; the responsibility of the company rested completely upon the shoulders of Alan S. and his management team. At that time, David Layton, the youngest of the Layton children, was completing his engineering degree and also began taking a more active role in the company and its management.

The 1980s were a time of transition

and addition to the organizational structure of the company. Of the time, Alan S. said, "If something needed doing, we all helped. If someone needed help, we helped. We really worked together on everything. There were no specific duties or job descriptions." Business management, accounting, business development and marketing professionals were added to the team. Trusted members of the construction team were given specific responsibilities, including safety, quality assurance and scheduling, to enhance the performance and quality of the Layton organization, management and projects.

Utah's economy slowed in the early to mid-1980s. Interest rates were high and the economy was soft. However, Layton Construction continued to find projects to maintain its stable base. As the firm began to grow in the late 1980s and early 1990s, Layton was well positioned to take advantage of expanding construction opportunities.

In 1987, Layton Construction started a Phoenix-based construction company. The startup was strategic to geographically diversifying and entering a market not affected by the same economic forces that were driving its Salt Lake counterpart. Twenty-five years later, Layton Construction's Arizona office continues to expand its horizons. Current projects include the \$43 million, 1.5 million square foot Marshall's distribution center, a car dealership for the Larry H. Miller Group and a number of projects for repeat customer Maricopa County.

The sluggish economic drought of the mid to late '80s was followed by the "golden decade of the '90s." Layton Construction



Layton completed a renovation and of expansion of Cougar Stadium at BYU in 1982.

capitalized on the growth of the Utah economy. Utah was discovered by corporate America as a place with a stable and well-educated labor force. Economic development officials basked in the success of one of the country's fastest growing economies, and increased tax revenues funded state growth and infrastructure development. The International Olympic Committee selected Salt Lake City to host the 2002 Olympic Winter Games, adding to the season of tremendous economic growth and optimism in the state of Utah. Layton Construction built office buildings, warehouse and distribution centers, manufacturing plants, health care facilities and sports venues. High-profile projects like the University of Utah's Rice-Eccles Stadium and the Utah Olympic Oval raised Layton's presence and stature in

the community. The vibrant economy that brought businesses to Utah also created some national clients for Layton. During that time, Layton constructed nationwide for companies like Con-Way Transportation Services and Intel.

The decade of the '90s and the first 10 years of the new century marked significant growth for the Layton organization. Since 2004, Layton Construction has grown to be recognized by *Engineering News Record (ENR)* magazine as a "Top 100" commercial contractor on the list of the Top 400 commercial contractors nationwide. Layton has also been recognized by Mountain West Venture Group as a Utah 100 Top Growth Company for 15 consecutive years. Despite the significantly weakened economy of the Great Recession during the past four years,

Layton has continued to hold its own and maintain its position as Utah's top commercial contractor on *ENR's* 2012 Top 400 commercial contractors list. Growth is attributed to an increased base of strong national customers, as well as Layton's expansion in new geographic markets and diversification in many industrial sectors. Layton Construction is currently ranked by *ENR* as the 85th largest construction organization in the country.

In the past decade, Layton has opened offices in Boise, where it has constructed some notable landmark facilities including the Boise Airport Terminal and expansion of Bronco Stadium at Boise State University. Construction of Koloa Landing at Poipu Beach for Utah developer The Argent Group, on the island of Kauai, took Layton to Hawaii. A number of Layton employees call Hawaii home, and continue to secure new projects in the islands to keep and build market share. In more recent years, offices have been opened in Irvine, Nashville and Orlando to meet customer needs in those areas. Layton currently has construction projects under way from Pennsylvania to Hawaii.

"We've never really sat down and established growth goals. Instead, our goals have always been to look for opportunities that will give our people challenge, development and an opportunity to implement the principles of management and construction we've been teaching them," said David S. "Our growth is based on the emerging capacity of our people in relation to the emerging needs of our clients." The Layton organization employs nearly 500 people.



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CONSTRUCTION LAW

Group Leader, Craig Mariger, has more than 30 years of experience and leadership providing legal services in the construction industry both locally and throughout the Intermountain West.

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Top Architectural Firms in Utah

Ranked by Number of Registered Architects

Company Name Address	Phone Fax Web	# of Registered Architects	# of Interior Designers	Gross Utah Sales in 2012	Specialities	Top Local Executive
FFKR Architects 730 Pacific Ave. Salt Lake City	801-521-6186 801-539-1916 ffkr.com	43	11	\$22.4 million	Corporate, cultural, higher ed, historic preservation, hospitality, instructional, industrial, interiors, K-12 schools, health care, sports and recreation	Kenneth E. Louder
Architectural Nexus 2505 Parleys Way Salt Lake City	801-924-5000 801-924-5001 archnexus.com	39	8	\$24.1 million	Health care, research labs, multiuse, religious, university, student housing, military, industrial, arts, K-12 education, civic, regional and city planning, site design, interior design	Donald Finlayson
GSBS Architects 375 W. 200 S. Salt Lake City	801-521-8600 801-521-7913 gsbsarchitects.com	33	10	DND	New Zero and LEED-certified buildings, landscape design, government, health care, education, industrial, justice/corrections, conference centers, military, religious, planning and economic consulting	Kevin Miller
MHTN Architects 420 E. South Temple Salt Lake City	801-595-6700 801-595-6717 mhtn.com	27	4	\$16.8 million	Pre-design, interior design, landscape architecture, health care, commercial, government and institutional clients	Peggy McDonough
VCBO Architecture 524 S. 600 E. Salt Lake City	801-575-8800 801-531-9850 vcbo.com	23	10	\$16 million	K-12 education, higher education, health care, office, interiors, sports and recreation, justice, manufacturing, data centers, commercial, civic, government, housing, planning, mixed use	Niels Valentiner
Naylor Wentworth Lund Architects 336 S. 400 W. Salt Lake City	801-355-5959 801-355-5960 nwlarchitects.com	15	6	\$11 million	Programming, masterplanning, architectural design, interior design, construction administration of education, governmental, religious, civic and commercial	Ross L. Wentworth
CRSA 649 E. South Temple Salt Lake City	801-355-5915 801-355-9885 crsa-us.com	12	5	\$10.5 million	Higher education, preservation, community planning, religious, libraries, military	Allen Roberts
EDA Architects Inc. 9 Exchange Place, Ste. 1100 Salt Lake City	801-531-7600 801-363-3149 edaarch.com	11	4	DND	Master planning, programming, architectural design, architectural interiors for commercial, government, K-12 education, higher education, cultural, and recreation	Peter Emerson
Think Architecture 5151 S. 900 E., Ste. 200 Salt Lake City	801-269-0055 801-269-1425 thinkaec.com	10	DND	\$5.2 million	Architecture, landscape architecture, land planning, interior design and construction management, civic, commercial, education, health care, hospitality, industrial, recreational, multi-family housing, custom homes, parks and open space, planning	James F. Allred
Design West Architects 795 N 400 S. Salt Lake City	801-539-8221 801-539-8224 designwestarchitects.com	9	1	\$4.4 million	Student housing, K-12 education, government, medical/health care, historical preservation, military, sustainable design	Blake Wright
Archiplex Group 255 Crossroad Square Salt Lake City	801-961-7070 801-961-7373 archiplexgroup.com	2	1	DND	Commercial, institutional, residential	Ralph Stanislaw
Mountain West Architects 4590 Harrison Blvd., Ste 100 Ogden	801-823-2806 DND mountainwestarchitects.com	DND	DND	DND	Professional architectural services, master planning, graphics and animation studio, existing facility assessments, material supplier alliances	Mark L. Hilles

Top Industrial Equipment Dealers in Utah

Ranked by Number of Utah Employees

Company Name Address	Phone Fax Web	# of Utah Employees # of Years in Business	Equipment Rentals, Sales, Services	Type of Equipment Offered	Area of Service	Owner/ Managing Principal
H&E Equipment Services 4899 W. 2100 S. West Valley City	801-974-0388	115	Yes	Cranes, earthmoving, aerial lifts, forklifts, general construction equipment	DND	Lee Anderson
	801-972-1725 he-equipment.com	15	Yes			
Arnold Machinery 2975 W. 2100 S. Salt Lake City	801-972-4000	100	Yes	All types of mining, construction material, handling and warehouse and farm equipment	West and Midwest Central Regions	Alvin Richer
	801-978-2670 arnoldmachinery.com	84	Yes			
Honnen Equipment 4055 S. 500 W. Salt Lake City	801-262-7441	65	Yes	John Deere construction and forestry, commercial worksite products, Hitachi excavators, Wirtgen Mills, Hamm Pollers	Utah, Colorado, Wyoming, Southern Idaho	DND
	801-261-1857 honnen.com	50	Yes			
Century Equipment Company Inc. 4343 Century Dr. Salt Lake City	801-262-5761	50	Yes	Excavators, wheel loaders, dozers, back hoes, skid steer, compaction	Salt Lake City, Logan, Cedar City, Spanish Fork	Ryan May
	801-262-5780 centuryeq.com	44	Yes			
Rasmussen Equipment Co. 3333 W. 2100 S. West Valley City	801-972-5588	40	Yes	Excavators, wheel loaders, hydraulic hammers, trench shoring, compaction rollers, graders, ground heaters, telehandlers, remolition robot, sweepers, construction lasers	Utah, Southwest Wyoming, Southern Idaho	Robert Rasmussen
	801-972-2215 rasmussenequipment.com	66	Yes			
Intermountain Bobcat 2129 S. Technology Pkwy. West Valley city	801-262-0208	22	Yes	Compact equipment, skid steer loaders, compact track loaders, compact excavators	Utah, southern Idaho, Western Wyoming	Jeff Scott
	801-293-2126 imbobcat.com	45	Yes			
Cate Industrial Products LLC 2057 S. Pioneer Rd. Salt Lake City	801-974-0555	20	Yes	Ingersoll-Rand air compressors and related equipment for stationary indoor applications	Utah, Nevada, Idaho	Terry McBride
	801-978-0042 cateindustrial.com	75	Yes			
Howe Rental & Sales 4235 S. 500 W. Salt Lake City	801-463-7997	20	Yes	Forklifts, scissor lifts, boom lifts, excavators, generator, loaders, compressors	Intermountain Area	Rafael Garzarelli
	801-463-7488 howerentals.com	60	Yes			
Worldwide Rental Services 1125 Legacy View St. Salt Lake City	801-978-3300	15	Yes	Heavy construction and earthmoving	Utah, Southeast Idaho, Southwest Wyoming, Nevada	Kelly Klobberdanz
	801-978-3777 wrsrents.com	16	Yes			
Wheeler Machinery Co. 4901 W. 2100 S. Salt Lake City	801-974-0511	DND	Yes	CAT construction equipment, CAT generators, mesto crushing and screening equipment, trimble laser and GPS technology, Husgvarna saws, etc.	DND	Rob Campbell
	DND wheelercat.com	62	DND			

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 **Focus**

- Southern Utah
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- Green
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• Legislative Wrapup •

Below is a list of business-related bills that passed through both chambers of the Utah Legislature during the recent general session. A total of 524 measures advanced through both chambers. Note that in some cases, the bills are substitutes for earlier versions with the same number. Details are at le.utah.gov.

CONTROLLED SUBSTANCES

HB228, making changes related to the regulation of alcoholic products, including expanding retail licenses eligible for conditional retail licenses and modifications for the period of a conditional retail license and creating master full-service and master limited-service restaurant licenses.

HB240, allowing a beer-only restaurant to sell beer only after it confirms that the patron intends to order food.

HB270, allowing the Utah Department of Health director to allow access to the controlled substance database to designated people conducting scientific studies regarding the use or abuse of controlled substances, with certain restrictions.

SB36, addressing taxation and regulation of cigars or cigarettes produced from a cigarette rolling machine.

SB270, adds all forms of tramadol to a certain controlled substances list and adds new "spice" and "bath salts" analogs to the list of controlled substances.

CORPORATE

SB21, enacting a new Unincorporated Business Entity Act, focused on partnership or unincorporated business entities.

SB41, changing the Uniform Commercial Code to address secured transactions.

COURTS/LEGAL

HB331, allowing property damage to motor vehicles be maintained in a small claims court without limiting the ability to make another claim against the same individual regarding bodily injury.

SB144, reinstating provisions prohibiting the unauthorized practice of law that were inadvertently removed.

ECONOMIC DEVELOPMENT

HB176, modifying the Utah Industrial Facilities and Development Act by adding energy-related upgrades to qualified projects for economic growth.

HB304, changing the population level of a municipality that may qualify for designation as an enterprise zone.

HB325, allowing a military installation development authority to levy an energy tax and for the energy supplier to recover that tax amount from its customers.

HB380, allowing the

Governor's Office of Economic Development (GOED) to commit or authorize a tax credit that exceeds established limits if a business creates "a significant number of high-paying jobs" and makes capital expenditures of at least \$1 billion in Utah, modifies the information that an entity is required to provide to GOED in seeking a tax credit, and makes other changes to the tax credit provisions.

SB72, addresses the relocation of the state prison, including the development of the current prison land.

SB211, amending several provisions related to a community development and renewal agency.

SB277, creating the Green River Energy Zone and promotes local, state, and federal collaboration to develop its energy and mineral resources.

EDUCATION

HB139, creating educational programs for science, technology, engineering and mathematics (STEM), including creating a STEM Action Center.

HB340, creating the Snow College Economic Development and Workforce Preparation Advisory Committee by modifying the name, membership, and duties of the Snow College Career and Technical Education Advisory Committee.

SB43, establishing a task force to study how to improve financial and economic literacy education in the public school system.

ELECTIONS

HB41, repeals provisions requiring a media owner to file a statement when a newspaper or periodical prints information that may influence an election.

HB43, requiring a corporation that makes expenditures to influence the outcome of an election to report on a financial statement money received from a donor in certain circumstances and requiring the corporation to notify a donor that their money may be used to influence the outcome of an election and that the donor's identity may be disclosed.

HB44, requiring people polling about candidates or ballot propositions to disclose to the person being polled who is paying for the poll.

EMPLOYMENT/ UNEMPLOYMENT

HB21, establishing that a person in a foreign country is eligible for unemployment benefits under limited circumstances.

HB95, amending post-retirement provisions for certain non-benefitted re-employed retirees.

HB100, prohibiting employers from asking employees or applicants for usernames and passwords allowing access to the employee's personal Internet

account.

HB165, amending requirements for background checks of child care workers if the worker has lived in Utah for five years.

SB83, prohibiting certain types of outside employment by an employee who is under the direction or control of an executive branch elected official.

SB99, changing the Utah Labor Code to address procedures followed by the Labor Commission and persons subject its jurisdiction.

SB106, extending the cap of the social unemployment insurance contribution rate for all employers at 0.4 percent to include calendar year 2013.

SB142, repealing provisions relating to blacklisting.

SB281, amending provisions for the disclosure of employment information for debt collections.

FINANCIAL SERVICES

SB150, removing from law references to savings and loans.

GOVERNMENT

HB51, modifying the responsibilities and duties of the Utah Division of Occupational and Professional Licensing, including those related to manufactured housing dealers, medical assistants, nursing education and factory built housing.

HB94, making changes to the Privatization Policy Board, including changing its name to the Free Market Protection and Privatization Board.

HB112, requiring a county assessor to consider in their determination of the fair market value of property whether a threatened or endangered species is present.

SB28, repealing several boards and commissions, including the Antidiscrimination and Labor Advisory Council, Occupational Safety and Health Advisory Council, Utah Commission on Immigration and Migration Act and the Job Enhancement Committee.

SB73, creating an Outdoor Recreation Office within the Governor's Office of Economic Development.

SB190, amends and modifies several provisions related to procurement.

INSURANCE

HB47, making several changes to the insurance code.

HB65, requiring a life insurance or annuity policyholder to change a beneficiary according to the insurer's requirements after a divorce or annulment.

HB107, prohibiting a hospital from asserting a lien upon a judgment, settlement or compromise relating to an accident if treatment for the accident is covered by workers' compensation or private health insurance.

HB140, directing the Utah Department of Health to work

with health insurers in coordinating a demonstration project on the subject of consumer-based health care delivery and payment reform.

HB160, making a long list of changes to the state insurance code and in programs related to health system reform.

HB259, changing the insurance code to address premium refunds for cancelled errors and omissions insurance.

SB173, allowing a person, under certain conditions, to cancel a contract for repair work if the contract is to be paid with proceeds of a property and casualty insurance policy.

SB189, regarding health insurance coverage for oral chemotherapy and intravenous chemotherapy.

SB59, amending the Insurance Code and the Utah Labor Code regarding payment of medical claims when an employee is injured.

SB186, permitting an insurer to conduct a transaction in a language other than English under certain circumstances.

SB213, defining a bona fide employer association and exempting it from requirements in the Individual, Small Employer, and Group Health Insurance Act.

SB236, modifying the Insurance Code related to uninsured and underinsured motorist coverage.

LICENSING

HB46, changing the requirements for obtaining a license as a hearing instrument specialist and a hearing instrument intern by removing prerequisite hours of practice.

HB12, excluding certain alarm company employees from needing a license.

HB75, establishing a process for proposals for new state licenses for occupations and professions, and requiring state review on "sunrising" or "sunset" licenses include consideration whether state licensing of the profession is necessary "to address a compelling state interest in protecting against present, recognizable and significant harm to the health or safety of the public."

HB233, ending a "sunset" of funeral services licensing.

HB238, reducing the training requirement to be licensed as a cosmetologist, makes changes regarding licensure for hair braiding, and adding certain eyelash and eyebrow treatments to the practice of basic esthetics.

HB244, amending the definition of "mental health therapist" and clarifying training requirements of an applicant for a license as a substance use disorder counselor.

HB371, modifying provisions

that establish certification requirements for certified interpreters for the hearing impaired and providing a certification exemption for an interpreter providing services for certain religious entities.

SB14, exempting research using pharmaceuticals from licensure to engage in the practice of pharmacy, telepharmacy or the practice of a pharmacy technician.

SB44, modifying the Utah Construction Trades Licensing Act in several ways related to unincorporated entities.

SB54, amending the licensing of non-Medicaid nursing care facility beds for a facility with 100 or more beds and provides continuity-of-care provisions for patients who have exhausted Medicare benefits.

SB102, establishing the experience requirement for a contractor license include two years of full-time paid employment, provides for industry input when continuing education courses are being considered, and exempts from licensure the installer of an outdoor, prebuilt hot tub.

SB165, modifying the expiration date that applies to a temporary license as a physical therapist assistant.

SB168, modifying requirements for obtaining a certified public accountant license.

SB187, amending provisions related to food handler training.

SB208, exempting from electrician licensing a person engaged as a specialty contractor associated with the installation, repair or maintenance of solar energy panels under certain circumstances.

SB234, authorizing the state fire marshal to license firms and certify individuals who service portable fire extinguishers or fire suppression systems and to certify individuals who handle liquified petroleum gas.

MEDICAL/ PHARMACEUTICAL

HB52, adding spice and bath salts analogs to the list of controlled substances.

HB48, authorizing local health departments to train health care professionals who volunteer as medical reserve corps during public health emergencies and disasters and provides liability protections to corps members.

HB56, allowing mental health therapists and substance use disorder counselors to engage in mental health therapy or substance use disorder counseling via Internet, telephone or other electronic means; allowing mental health therapists and substance abuse therapists licensed in other jurisdictions to provide short term transitional care to clients relocating to Utah, and to allow for the remote training and supervision

of mental health professionals and substance use disorder counselors electronically.

HB120, creating standards for providing educational information to health care providers about prescription drugs.

HB135, changing medical malpractice action or arbitration proceedings.

HB141, amending state programs to establish incentives for the appropriate use of emergency room services, including permitting an accountable care organization to establish a differential payment for non-emergent care delivered in an emergency room.

HB146, expanding the definition of "health care provider" to include licensed athletic trainers.

HB230, requiring emergency medical service vehicle operators to annually provide proof of the successful completion of an emergency vehicle operator's course.

HB281, directing health discount programs operators or marketers to report their involvement in any administrative action or criminal prosecutions to the insurance commissioner.

HB323, requiring the insurance commissioner to work in consultation with national and state organizations involved with the standardized exchange of health data and the electronic exchange of health data to evaluate the efficiencies of standardized electronic forms.

HB375, establishing conditions when a radiologist assistant may practice under the general supervision of a supervising radiologist.

SB78, allowing the substitution of interchangeable bio-similar products in place of prescribed biological products.

SB147, changing some provisions related to health services and reporting.

SB194, making several changes to the Pharmacy Practice Act.

SB203, directing the Division of Occupational and Professional Licensing to offer information on its website encouraging prescribers, pharmacists and pharmacy interns to include information relating to the condition the prescription is meant to treat on certain prescription drug labels and directs prescribers to encourage them to include that information on prescription drug labels.

SB214, establishing the continuing education requirements for controlled substance prescribers.

REAL ESTATE

HB88, requiring a municipal or county to give notice to an owner of private real property if the property is located within an area located in a proposed zoning map or map amendment.

HB101, clarifying a homeowners association's right to attach and enforce liens following a period of noncompliance with

the registration requirements.

HB286, amending a property owner's rights in disposing of abandoned personal property left by a former tenant or occupant.

HB 290, changing several provisions related to real estate.

HB347, describing a landowner's liability, and limitations on liability, in relation to a trespasser.

HB404, changing provisions related to the reconveyance of a trust deed or release of a mortgage.

SB64, amending the reserve account requirements in the Condominium Ownership Act and Community Association Act.

SB90, enacting and modifying provisions relating to condominium and community associations.

SB256, stating that all pre-construction liens on a project property are on equal footing.

REGULATION

HB108, modifying regulation of metal dealers, including a requirement that dealers obtain a photograph and signature from repeat sellers at each transaction.

HB235, clarifying who may serve judicial process documents in Utah.

HB289, allowing counties or cities to prohibit the use of fireworks in specified areas under certain conditions.

TECHNOLOGY

HB408, prohibiting county sheriffs from providing a copy of a booking photograph to a person if the photograph will be placed in a publication or posted on a website that requires a payment in order to remove the photograph.

TELECOMMUNICATIONS

HB103, prohibiting a minor from using a wireless telephone while operating a motor vehicle.

HB104, requiring mobile telecommunications services to provide call location information to law enforcement agencies and public safety communications centers in cases of emergency.

TAXES

HB54, making changes to property appraiser licensing requirements and property tax appeals.

HB67, applying the primary residential tax exemption to household furnishings, furniture, and equipment used exclusively within a rental primary residential property and increasing a property tax exemption for personal property.

HB74, removing the Farmland Assessment Act rollback tax requirement under certain conditions related to a mineral rights owner exercising the right to extract minerals.

HB96, modifying eligibility requirements to claim tax credits for cleaner-burning fuels and extending corporate and individual income tax credits for cleaner-burning fuels until the end of tax-

able year 2014.

HB234, repeals a fine and penalty for conducting certain business activities after a suspension or forfeiture of certain business rights for failure to pay corporate franchise and income taxes.

HB300, authorizes certain remote sellers who voluntarily collect a sales and use tax to retain certain taxes that the sellers would otherwise remit to the State Tax Commission.

HB396, exempting modular homes from provisions that address manufactured or mobile homes and provides a process for modular homes to be treated as real property.

SB33, enacting a sales and use tax exemptions in certain circumstances.

SB35, increasing the property tax exemption for business personal property to \$10,000 from the current \$3,500.

SB58, addressing the disposition of sales and use tax revenue if Congress or the U.S. Supreme Court of the United States takes certain actions related to the collection of sales and use taxes by certain sellers that are not currently collecting sales and use taxes.

SB84, providing a sales and use tax exemption for short-term lodging consumables.

SB124, enacting a sales and use tax exemption for accessing a database under certain circumstances.

SB171, enacting a sales and use tax exemption for electronic financial payment services.

SB238, amending provisions related to the taxation of real and personal property owned by a non-profit entity used exclusively for religious, charitable, or educational purposes.

SB250, providing a sales and use tax exemption for sales of a fuel cell.

TRANSPORTATION

• April 3-4: **Bank of Utah Economic Outlook Breakfasts.** Robert B. Albertson, principal and chief strategist of Sandler O'Neill & Partners LP, will be the featured speaker. He will discuss the global economy and how it may affect national and local businesses. The Ogden breakfast is slated for April 3 at the Ogden Eccles Conference Center, 2415 Washington Blvd. The Salt Lake City breakfast will be held April 4 at the Grand America Hotel, 555 S. Main Street. Registration and a breakfast buffet begin at 7:30 a.m., with the keynote speaker beginning at 8 a.m. The events are open to business leaders; pre-registration is required by calling 801-409-5172. Seating is limited.

HB115, in part, allowing a tow truck operator or an impound yard to accept payments by cash and debit or credit card.

HB127, establishing how information recorded by motor vehicle event data recorders may be used.

HB328, increasing fines for littering on a highway and for failing to secure a vehicle's load.

HB379, modifying provisions relating to registration requirements for motor vehicles owned by a rental company.

SB19, making several changes related to commercial driver licenses.

SB249, modifying provisions relating to salvage and nonrepairable vehicles.

SB275, enacting provisions related to facilitating the conversion to alternative fuel vehicles and the provision of facilities for alternative fuel vehicles.

UTILITIES

HB60, changing the time period for utility siting hearings and decisions of the Utility Facility Review Board

OTHER

HB117, making changes to consent requirements for a minor receiving a body piercing or a tattoo.

HB124, changing provisions related to the regulation of radioactive waste disposal.

HB235, modifies certain consumer protection provisions relating to health spa liability insurance policies, telephone soliciting businesses, pawnbrokers and immigration consultants.

HB357, modifying provisions relating to the information required for a proposed nonhazardous solid or hazardous waste operation plan.

SB67, prohibiting sellers from imposing a surcharge on a transaction for \$10,000 or less that is paid for with a credit card.

SB182, amending enforce-

ment procedures that apply to liens related to self-service storage facilities, and allows an owner to have a vehicle towed from the self-storage facility if the occupant has been in default for 60 consecutive days.

SB183, requiring the Office of Licensing to implement ethical rules prohibiting an adoption agency or an employee from misrepresenting facts or information.

RESOLUTIONS

HCR10, describing the impacts of the federal Patient Protection and Affordable Care Act on Utahns and urges actions to ensure the continued success of state-based health care innovation and reform.

HJR4, urging Congress to pass HR684 (Marketplace Fairness Act), which would permit states that enact certain tax simplification and uniformity standards to require retailers whose sales to consumers in the state exceed a minimum threshold to collect applicable sales taxes on sales in the state.

HR3, urging Congress to repeal portions of the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act.

SCR2, recognizing the Workers' Compensation Fund for its dedication to the safety of Utah workers.

SCR5, supporting the goal of having 66 percent of Utah's adults holding a postsecondary degree or certificate by the year 2020.

SCR9, designating the week of June 23-29, 2013, as Workplace Safety Week.

SCR12, recognizing the efforts of the Huntsman Cancer Institute and urging it to begin planning of a Children's and Families' Cancer Research Facility.

SJR12, urging the president and Congress to support free trade with Taiwan.

• Calendar •

• April 9, 7:30 a.m.-1:30 p.m.: **Parsons Behle & Latimer's 25th Annual Employment Law Seminar.** Breakout session topics will include guns in the workplace, social media policies, whistleblowers, mobile devices and the workplace, employer insurance policies, sexual harassment, FMLA and the Affordable Care Act. Keynote speaker will be Rod Decker, reporter for KUTV Channel 2 News. Location is the Little America Hotel, 500 S. Main St., Salt Lake City. Cost is \$150 and registration deadline is April 1. Lunch and a seminar handbook are included. Register at <http://www.parsonsbhle.com/emp-seminar>.

• April 9, 7:15-9 a.m.:

Association for Corporate Growth Utah breakfast meeting. Guest speaker will be Kevin Ricklefs, senior vice president of CHG Healthcare Services, a medical staffing firm headquartered in Salt Lake City. CHG has been recognized as one of *Training* magazine's Top 125 organizations and one of Staffing Industry Analysts' Best Staffing Firms to Work For. In 2013, CHG ranked No. 3 on *Fortune* magazine's "100 Best Companies to Work For" list. Location is the Little America Hotel, 500 S. Main St., Salt Lake City. Register at www.acgutah.org or call Linda Blake at (801) 359-8613.

• April 11: **Annual**
continued on page 42



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James: 801-891-6932

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For Lease: \$15/Full Service

Great Location on the corner of 3900 South & 1100 East across from St Mark's Hospital

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George Richards, CCIM
801-631-9963



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Crystal Richardson
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Kym McClelland
801-573-2828

OFFICE CONDO FOR SALE OR LEASE

5292 s. College Dr. #101 (500 W)

For Sale: \$1,295,000 For Lease: \$13.50/NNN

- 6287 SF- Main floor office
- High end tenant finish
- 14 + private office
- 2 large work areas
- Underground parking

George Richards, CCIM 801-631-9963



Bountiful Office For Sale
144 North 100 West



\$189,900

- 1,516 SqFt
- Private Reception Area
- 2 Rooms For Offices
- Large Break Room
- 2 Bathrooms
- Open Copy & File Room
- ADA Compliant

Crystal Richardson -801-641-5687

Naylor Farm Office Building
3823 West 9000 South



Lease Rate: \$14.00 - NNN

- 4,435 Square Feet—Can Be Divided
- Will Be Built out To Meet Your Needs
- Close to Redwood Road, Bingham Highway, and Bangerter Highway
- Next Door to Naylor Shopping Center

GEORGE RICHARDS, CCIM 801-631-9963

Office Condo in Heart of Holladay
2160 E. 4500 S. #4



Lease Rate: \$12.00/NNN
For Sale: \$229,500
- 1,326 Sqft, Remodeled
- Plenty of Parking
- Some Furniture & Cabinets Included

GEORGE RICHARDS, CCIM 801-631-9963

Warehouse/Office For Lease
3555 South 700 West 4D & 4C



-4,000 SF Warehouse
-1,000 SF Office
-3 Offices
-Reception Area
-12 x 14 Door
-18' Ceilings
-\$2,500/Month

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Centrally Located Office Condo
1345 East 3875 South #204



-1,316 Sq. Ft.
-Medical Dental Usage
For Sale: \$170,000

GEORGE RICHARDS, CCIM 801-631-9963

SR-154



FOR SALE - Undeveloped Commercial Land

13735 So. Redwood Road
- Approx. .96 of an acre
- Undeveloped Land
- 140 ft. of frontage road on Redwood Rd.
- 2 parcels: 252002 & 252003
- \$334,999

Robynne Maxfield, GRI 801-971-7088



3.04 Acres - \$1,200,000
106 W. Fireclay Ave. (4295 So.)
-3 Buildings
-Approx. 27,000 SF
Bijan Fakhrieh 801-918-9000

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Governor's Utah Economic Summit. Event will feature keynote presentations and panel discussions in multiple tracks about strategic opportunities and challenges facing businesses. Location is Grand America Hotel, 555 S. Main St., Salt Lake City. Cost is \$200. Details are at www.utah-summit.com.

- April 11, 3-4:30 p.m., repeating May 23, July 18, Oct. 17 and Nov. 7: **"Distributed Antenna Systems: Bring Your Facility Up to Full Connectivity and Full Code Compliance,"** presented by Hunt Electric. Instructor will be Darrin Guevara, ITS/communication division manager. Location for all events is Hunt Electric, 1863 W. Alexander Ave., West Valley City. Cost is \$20. Register at huntelectric.com/training.htm.

- April 11, 8 a.m.-4 p.m.: **Second Annual Mining**

and Manufacturing Safety Conference, sponsored by the Utah Mining Association and Utah Manufacturers Association. The theme is "Promoting a Culture of Safety." Morning keynote speaker Brad Gardner will discuss "Dominoes: Just Don't Watch Them Fall," while Dolores Gardner will discuss "I'm Serving a Life Sentence and I Did Nothing Wrong." Luncheon speaker Mark Eaton will discuss "Four Commitments of a Winning Team." Event also includes exhibits, safety award presentations and breakout sessions. Location is the Little America Hotel, 500 S. Main St., Salt Lake City. The cost is \$100. Registration can be completed at www.umaweb.org. More information about the event and vendor registration is available by contacting Marilyn Tuttle at (801) 364-1874 or Theresa Thomas at (801) 363-3885.

- April 12, 11:30 a.m.-1:30

p.m.: **Utah Technology Council (UTC) Annual Members Meeting.** Keynote speaker Tom Post, managing editor for Forbes Magazine, will discuss "The Seismic Turmoil in Journalism: How Businesses Can Adjust and Thrive." Post will discuss the current chaotic disruption in journalism and media — what it means to consumers, to the journalism industry, and to businesses communicating with and through the media. He also will discuss ways that every industry sector is vulnerable to the "seismic turmoil" the media is currently facing and will offer advice on the way businesses and executives need to prepare themselves to survive and thrive in the current economic environment and beyond. The meeting also will feature the election of UTC's board officers and trustees for the coming year, plus the presentation of the following awards: CEO, CFO, CTO, Emerging Exec, HR

Exec, Marketing Exec and Sales Exec of the year, and awards for Legislators of the Year. Location is the Grand America Hotel's Imperial Room, 555 S. State St., Salt Lake City. Cost is \$55 for UTC members, \$90 for nonmembers. More details and registration are available at www.utahtech.org/events or (801) 568-3500.

- April 15, 7:30 a.m.-3 p.m.: **"Doing Business with China"** conference, presented by Utah Valley University's Woodbury School of Business. Conference will feature keynote presentations and breakout sessions. Participants also will have the opportunity to interact and network with leading experts, business executives, nonprofit organizations and international trade enterprises, including experts from World Trade Center Utah and the Governor's Office of Economic Development. Details are at www.uvu.edu/businesswith-china.

- May 10: **Utah Hispanic Chamber of Commerce's Annual Convention and Expo.** Tentative program includes a workshop on business expansion, a workshop on marketing, a student track, women's leadership breakfast, business expo, leadership luncheon, Quixote Business Awards and after-hours social. Location is the Utah Cultural Celebration Center, 1355 W. 3100 S., West Valley City. Cost is \$40 for chamber members, \$50 for nonmembers. Details are at uhccconvention.com.



An interview with AFL-CIO president Richard Trumka

Richard Trumka, president of the AFL-CIO, recently spoke with The National Memo about the sequester's automatic budget cuts, the danger of cuts to Social Security, the Keystone XL pipeline, immigration reform, President Obama and how to defend labor in an era of attacks on the right to organize.

The 64 year-old Trumka worked his way through college and law school in Pennsylvania's coalfields. Fourteen years later, he became the youngest elected president in United Mine Workers history — and went on to election as secretary-treasurer and then, in 2009, as president of America's largest labor federation.

Tough, outspoken and progressive, he didn't hesitate to criticize President Obama — or the labor movement itself. And he offered surprising remarks about climate change, the possibility of a carbon tax and his hope for dramatic changes in the house of labor.

On the federal budget sequester, which is harming millions of union workers in and out of government, Trumka said that unions will continue "to educate people that the Republicans are trying to hold the economy hostage. They manufacture crisis after crisis after crisis ... Disarming the hostage takers — and I'll call them that — means repealing and not replacing sequestration."

Moreover, he bluntly rejects any budgetary "Grand Bargain — or at least the Washington version of such a deal.

"If the Grand Bargain includes cuts to Social Security, Medicare and Medicaid, then we

would be very, very worried about that — not just worried, we will oppose that. Let me just give you one example — the 'Chained' CPI (consumer price index, used to calculate increases in Social Security). That's another example of how Washington creates fancy sounding phrases to mask stupid policies that only work for the rich."

Instead, the union leader — who led two successful strikes against major coal companies — prefers to see the federal government use its enormous bargaining power to reduce the cost of health care, which is the biggest driver of federal deficits.

"Every other country in the world does that ... I met with the head of a pharmaceutical company, and do you know what he told me? He said the reason Americans pay too much for drugs is because the rest of the world pays too little. [Other nations] negotiate down to a fair price, and we don't do that. We gave that away in the debate — the president did — and got nothing in return for it."

He also notes that the effective corporate tax is so low that some firms pay no taxes at all. He urges a surtax on millionaires, a "tiny tax on Wall Street speculation" and closing "loopholes" that favor Wall Street hedge fund managers and derivative traders.

Yet even as he slaps corporate America for evading its "fair share," Trumka is negotiating with the U.S. Chamber of Commerce over immigration reform — specifically, how to treat "guest workers." Optimistic about a "reasonable path to citizenship" for all 11.5 million undocumented work-

ers, Trumka wants to be sure that any new program won't allow renewed exploitation of Latino immigrants. New guest workers must be treated fairly — and allowed to bring their families along.

For Trumka, this debate is deeply personal: His grandfather emigrated from Poland; his mother, from Italy.

"My grandfather came to this country, landed at Ellis Island, and was immediately shipped to the coalfields in southwestern Pennsylvania. He worked two years before he could send for my grandmother; he worked even longer before he could send for his daughters. ... That shouldn't happen to any family."

Unlike many raised in coal country, however, Trumka acknowledges global warming. "Do I believe there's global climate change out there? Yes, I do. I think the facts support that, and I think that we as a nation and as a world have to address the problem and correct it — so that our grandkids and our great-grandkids and their great-grandkids can have a quality of life that's sustainable."

But that doesn't mean he opposes the Keystone XL oil pipeline, current bete noir of environmental movement. Although the AFL-CIO hasn't directly backed Keystone, it has endorsed "pipelines in general," says Trumka, who argues that the pipeline will have "a smaller carbon footprint" than other methods of transporting those petroleum products.

The nation would be better served, he says, by reducing "seeps and leaks" from existing oil facilities, "which represent a bigger hazard to the environment." Would that create jobs? "Far more than the pipeline itself — about

125,000 jobs a year. But it would also be a win-win. The environmentalists agree with us on that; we should clean up the leaks and the seeps."

How about a carbon tax that would raise revenue and confront the true costs of fossil fuel consumption?

"I would not exclude consideration of that," replies Trumka, "but it would have to be evenly administered and fairly applied. So it would have to apply across the board in many different ways, and not so much that it would eliminate an industry. [The energy industry] would need time to be able to adjust to that, so it would depend on the timing of it as well. But would I exclude it out of hand? No."

The coal industry once warned that the Clean Water Act and the Mine Reclamation Act would put them out of business, he recalls. "I said we live with this water, it poisons us and maybe — maybe — if you can't do better, you *should* go out of business." Both laws passed, and of course the coal companies have hardly ceased operating. The same would be true, he implies, of efforts to stem climate change.

As for his stewardship of labor — under withering attack across the country from the far right — Trumka promises nothing less than sweeping change as he prepares for the AFL-CIO convention in September.

"In the past we would pull together committees two or three days before, and draft up some nice resolutions, and then we'd have 10 speeches and a resolution, 10 speeches and a resolution, 10 speeches and a resolution, and then on the last day we'd all go home — and nothing changed."

This year, he's naming committees to create a new convention agenda now, and they will include not only labor leaders but "our progressive partners, our allies" from the environmental movement, the civil rights and women's movements, academia, as well as rank-and-file workers.

With those allies, the AFL-CIO toiled passionately to re-elect President Obama. Trumka is gratified that the president is pushing hard for immigration reform and appreciated the passage of the Affordable Care Act, which he calls "exciting because we got something done."

Yet "every time [Obama] talks about the deficit instead of job creation, we find that disappointing. We think it's a strategic mistake because the country doesn't have a short-term deficit problem, it has a short-term jobs crisis that needs to be fixed. Every time he talks about chained CPI that's a very, very big disappointment because it's the wrong [policy] at the wrong time."

So on Obama, "the jury is still out," Trumka concludes. "We're going to push him for four years and hopefully he will live up to the ideals that he has espoused to us on numerous occasions — and that I quite frankly believe that he believes.

"So we've got to make them a reality. And some of that is up to us. And if we don't — if we expect them to just magically appear from this president or any other president — we will be disappointed."

Joe Conason is editor in chief of nationalmemo.com.

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Can it happen here?

The decision of the government in Cyprus to simply take money out of people's bank accounts there sent shockwaves around the world. People far removed from that small island nation had to wonder: "Can this happen here?"

The economic repercussions of having people feel that their money is not safe in banks can be catastrophic. Banks are not just warehouses where money can be stored. They are crucial institutions for gathering individually modest amounts of money from millions of people and transferring that money to strangers whom those people would not directly entrust it to.

Multi-billion dollar corporations, whose economies of scale can bring down the prices of goods and services — thereby raising our standard of living — are seldom financed by a few billionaires.

Far more often they are financed by millions of people who have neither the specific knowl-

edge nor the economic expertise to risk their savings by investing directly in those enterprises. Banks are crucial intermediaries that provide the financial expertise without which these transfers of money are too risky.

There are poor nations with rich natural resources, which are not developed because they lack either the sophisticated financial institutions necessary to make these key transfers of money or because their legal or political systems are too unreliable for people to put their money into these financial intermediaries.

Whether in Cyprus or in other countries, politicians tend to think in short run terms, if only because elections are held in the short run. Therefore, there is always a temptation to do reckless and short-sighted things to get over some current problem, even if that creates far worse problems in the long run.

Seizing money that people

put in the bank would be a classic example of such short-sighted policies.

After thousands of American banks failed during the Great Depression of the 1930s, there were people who would never put their money in a bank again, even after the Federal Deposit Insurance Corp. was created, to have the federal government guarantee individual bank accounts when the bank itself failed.

For years after the Great Depression, stories appeared in the press from time to time about some older person who died and was found to have substantial sums of money stored under a mattress or in some other hiding place, because they never trusted banks again.

After going back and forth, the government of Cyprus ultimately decided, under international pressure, to go ahead with its plan to raid people's bank accounts. But could similar policies be imposed in other countries, including the United States?

One of the big differences

between the United States and Cyprus is that the U.S. government can simply print more money to get out of a financial crisis. But Cyprus cannot print more euros, which are controlled by international institutions.

Does that mean that Americans' money is safe in banks? Yes and no.

The U.S. government is very unlikely to just seize money wholesale from people's bank accounts, as is being done in Cyprus. But does that mean that your life savings are safe?

No. There are more sophisticated ways for governments to take what you have put aside for yourself and use it for whatever the politicians feel like using it for. If they do it slowly but steadily, they can take a big chunk of what you have sacrificed for years to save, before you are even aware, much less alarmed.

That is in fact already happening. When officials of the Federal Reserve System speak in vague and lofty terms about "quantitative easing," what they are talking

about is creating more money out of thin air, as the Federal Reserve is authorized to do — and has been doing in recent years, to the tune of tens of billions of dollars a month.

When the federal government spends far beyond the tax revenues it has, it gets the extra money by selling bonds. The Federal Reserve has become the biggest buyer of these bonds, since it costs them nothing to create more money.

This new money buys just as much as the money you sacrificed to save for years. More money in circulation, without a corresponding increase in output, means rising prices. Although the numbers in your bank book may remain the same, part of the purchasing power of your money is transferred to the government. Is that really different from what Cyprus has done?

Thomas Sowell is a senior fellow at the Hoover Institution, Stanford University, Stanford, CA 94305.

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