

HIGHLIGHTS

- P3** Special Projects goes BIG
- P4** Collaboration is in our genes
- P6** Giving R-22 the cold shoulder

PERSPECTIVE

VOLUME 5 | QTR 2 | 2017

CFO of the Year!

✦ PSBJ ARTICLE BY RYAN LAMBERT, CREATIVE DIRECTOR PSBJ

Stephanie Gebhardt has overseen a 35 percent year-over-year growth rate during her five-year tenure as Chief Financial Officer for MacDonald-Miller. She helped guide the company through the recession and, in 2016, revenue topped \$281 million.

But she will be the first to point out that the role of CFO goes well beyond the numbers.

"Having the opportunity to participate in the lives of my teammates is the most exciting part of my job," Gebhardt said. "I thrive on ensuring the people and community of MacDonald-Miller are fulfilled and in alignment with our mission and strategic goals. Where there is imbalance, there is tension and a lack of productivity."

Gebhardt has been an active member of many community organizations, including Director at the Northwest Center and a stint as treasurer for the Northwest Infant Survival and SIDS Alliance. She is the Business Journal's 2017 CFO of the Year.

Before joining MacDonald-Miller, you worked with the company as a management consultant with Moss Adams. From an outsider's perspective, what did you find enticing about the opportunity at MacDonald-Miller?

While with Moss Adams, I participated on several engagements with MacDonald-Miller. It was a great opportunity for me to get to know the industry, organizational complexity, and most importantly, the people. The community of MacDonald-Miller was then, and continues to be, a diverse group of talented individuals who are passionate about their work, the company and its culture. You will often hear in the hallways "we

bleed MacDonald-Miller red." The community is tirelessly committed to the company's success.

In hindsight, what do you wish you had known before taking the CFO role?

I wish I had known that the CFO's role is so much more than numbers. As a controller, most of my days were spent on the operational aspects of accounting and financial reporting, with a historical perspective and mindset. As the CFO, I am a forward-looking, strategic partner to the executive team and contribute to many business decisions that may or may not involve numbers.

Given that our employees are our most important asset, we commit time to discuss the organizational design of our departments, divisions and how to optimize for efficiency and collaboration.

What's been the most significant change in your role as CFO since 2012?

We are on the other side of a recession and have just experienced the company's best year in its 50-year history. With success brings opportunities for expansion, new technology, increased employee development programs, and new initiatives that allow me to stretch and gain knowledge and experience that would have been tough to gain through a recession.

(CONTINUED ON PAGE 3)



ANTHONY BOLANTE | PSBJ

Gus Simonds

President



Bricks + Mortar

MIT did a research project identifying the key characteristics of High Performing Teams. They found **3 FACTORS** stood out in the top teams:

- 1 Empathy**
an interest in understanding other team member's thoughts
- 2 Equal time for all participants**
no passengers and no domineering personalities
- 3 Diversity in participants**
top teams contained a mix of men and women

The most powerful force for success in these teams was social cohesiveness. It wasn't about how great the individuals were, but how great they were together. Not the bricks, but the mortar between the bricks was what predicted success! They also found that social cohesiveness takes time – time to really get comfortable with the other people you are working with. This refers to the person sitting across from you in a meeting, or next to you troubleshooting a piece of equipment. They also found that teams with good social cohesiveness handled adversity much better. Sounds familiar to me.

Social Cohesiveness – in part what we call Culture – exists in different ways across our offices, departments and teams. I am proud of our culture here at MacDonald-Miller, and I recognize it takes a conscious effort to maintain that cohesiveness between all the people and departments. Communicated appreciation, social gatherings, even having lunch with someone helps this social cohesiveness and makes our company work better.

We have to be the best and brightest bricks in the industry. I encourage everyone to take some time to assess the mortar between you and your team. Exciting opportunities are in store for us in 2017 – Together we can!

A stylized, handwritten signature of Gus Simonds in white ink.

The MacTed impact

✦ BY MADDIE NEUMAN


Since January 2017, MacTed – MacDonald-Miller's employee training and development program – has offered dozens of courses focusing on the following eight development areas: Leadership, Communication, Safety, Lean, Technology, Customer Experience, Business, and Technical Skills.

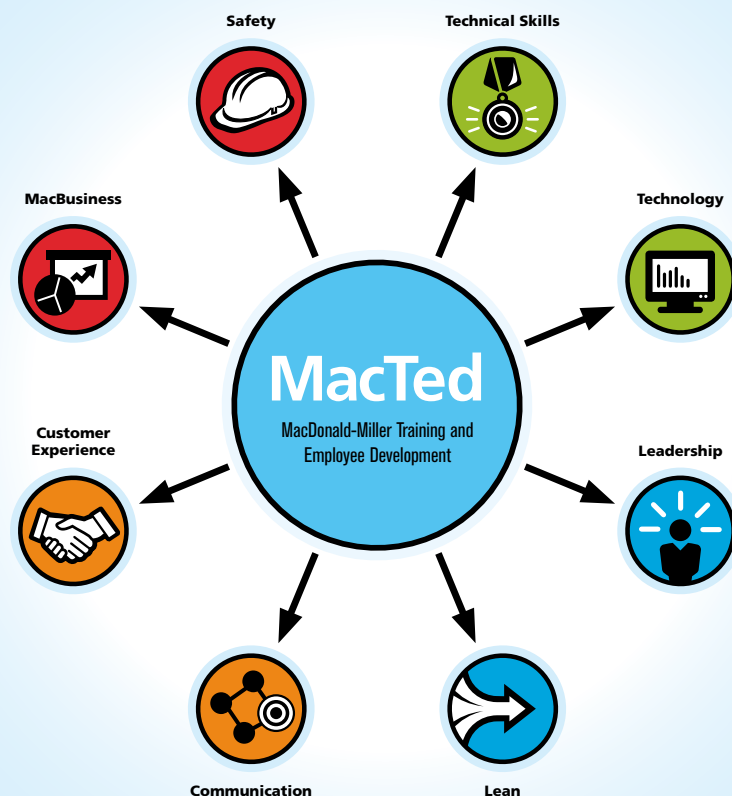
Plumbing Engineer, Michael Curtright, recently took an Estimating Tools course through MacTed. After the class, he shared, "The course itself was largely hands on and fast moving. The tools and the training provided contribute to a more consistent MacMiller deliverable that furthers our values."

Sheet Metal Shop Foreman, Curtiss Bushaw, has also gained much from the MacTed course offerings. He described the program as user-friendly and reflected, "I'm glad there is a way that all MacMiller employees have a chance to learn through MacTed trainings. I will use this information in the future and will attend other classes."

"I have been so inspired by the ways our employees are embracing the MacTed program. It's energizing to see so many people, across various departments, brought together through training and development courses. It's clear that our employees are lifelong learners who are committed to constant improvement to better serve our customers and our world."


Maddie Neuman, Training Coordinator for MacMiller

We're thrilled to see that MacTed continues to have such a positive impact on the company. 



ULTRA EXPERTISE FOR ULTRASOUND PROJECT

✦ BY KEVIN ANWAY

Pattison General Contractor selected MacDonald-Miller for the HVAC design and construction of their 2-story, 27,000 SF build-out for Echonous in Redmond. Echonous is working to shrink ultrasound technology into portable hand-held technology, essentially miniaturizing proven healthcare technology. Their first floor is packed with essential laboratory equipment, and the second floor is filled with office spaces for employees. Tricia Drake engineered this highly challenging project – one that required meticulous load analysis for all the equipment and pressurization requirements. Due to the chemical nature of the exhaust systems, it was critical to separate them. This required an extensive makeup air system due to the exhaust requirements. And, we had to consider that the office floor utilizes gas-fired rooftop units. This project had critical schedule deadlines to meet investor demands, yet Pattison and MacMiller were up to the task and will finish the project on time. Great collaboration delivers grand results! 



SPECIAL PROJECTS GOES BIG

✦ BY BRAD OLAND

Welcome to the largest plumbing project for our special project teams to date!

The Darigold production plant in Seattle was in process of assessing a competitor's scope of work, but due to our competitive pricing and strong relationships, MacDonald-Miller secured the remaining three phases.


Scope of work:

- Replacing the water main piping coming into the building with 400 feet of 6" main from the basement.
- Replacing 1,500 feet of hot water piping with insulation
- Replacing 1,300 feet of cold water piping with insulation
- Total man hours in field: 1,753

Ceaseless Teamwork

Kelly King and Brad Oland teamed together on estimating the work, while Paul Monsen's field team executed flawlessly! Kudos go to our weekly onsite rock stars, who include Kevin Tronsdal, Bruce Martinez, and Sam Coleman, there helping with demo. And our Weekend Warriors who facilitated the multiple shut downs over the course of 4 weekends in a row include: Kevin Tronsdal, Bruce Martinez, Ron Jacobs, Aaron Troupe, Evan Erickson, Jason Polfliet, Jim Brown, Max Beuter, Isaac Alexander, and Karl Emig. We must also acknowledge the huge contributions of Jake Jarvis and crew for plumbing fabrication, as well as Bill Dixon and his crew for welding up all the stainless fabrication.

About Darigold

Darigold is one of Washington's largest private companies, and it remains a farmer-owned cooperative after nearly 100 years. We look forward to taking on more projects for Darigold, and we welcome them to our neighborhood as they relocate their headquarters to Georgetown this spring! 

CFO of the Year CONTINUED FROM PAGE 1

What is the biggest new challenge you face in 2017?

MacDonald-Miller has just experienced an increase of 26 percent in full-time staff. The executive team is passionate about maintaining and enhancing the company's culture and indoctrinating new employees into the "MacDonald-Miller way."

As a result, the company launched MacTed in January 2017, a training and employee development program. The program ensures we meet training needs at all levels while providing flexibility for professional development catered to the individual. New employees have the opportunity to take advantage of robust sessions centered around our culture and business operations.


What characteristics do you look for in the next generation of leaders?

A future leader is curious, eager to explore all areas of the business, open-minded, motivated, competitive, humble, and has strong interpersonal skills. Technical competency is important, but the ability to play well in the sandbox with others can make or break a potential leader.

You participated in the BizWomen Mentoring Monday event last year. What was your biggest takeaway?

It was an honor to participate in the BizWomen Mentoring Monday event. I had the opportunity to meet many women, especially those early in their careers, who were trying to figure out how to be successful in industries that were typically male dominant. I was surprised to hear that a typical solution was to create networking opportunities with other women in their companies. My question to many was, "Why wouldn't you create opportunities to connect men and women together in your company?". If there is a perceived imbalance, then you can improve the situation by breaking down that wall. Don't build it by intentionally separating yourselves!

What's the best part of your workday?

The MacDonald-Miller community. A group of driven, talented and sometimes quirky individuals that together make MacDonald-Miller great and one of the best companies in the Pacific Northwest. 





STATS

SF | 22,410 SF Lab, 26,481 SF Office, 48,000 SF Interstitial Floor for MEP Systems and Mechanical Rooms

OWNER | Seattle Genetics GENERAL CONTRACTOR | Lease Crutcher Lewis

Collaboration is in our genes

✱ BY PAUL BONACI

Seattle, Washington | Design-Build | In Progress

In the field of biotechnology, timing is a critical factor when formulating therapy concepts and laboratory trials. There are many complexities in this industry, so a project in this space is right up our alley, as we indeed enjoy a big challenge!

For this biotech client, **Seattle Genetics**, we worked with Lease Crutcher Lewis Construction to gut a vacant aircraft component assembly building and build a state-of-the-art biotech laboratory facility with adjoining offices. The construction project schedule requirements were very aggressive with a ten-month duration. At project inception, we trenched new underground plumbing utilities and installed over 100 plumbing stub ups – and this underground work was completed two weeks ahead of schedule. Then, the GC installed a steel structure second floor and reinforcements for rooftop mechanical infrastructure and mechanical rooms. As this new deck was safe for our work, we slid into place 92,000 pounds of prefabricated ductwork, 21,000 pounds of structural support systems and our multi-trade prefabricated steel corridor rack system with mounted HVAC boxes, controls, ductwork, laboratory gas, heating, chilled water and



plumbing systems. The prefabrication helped us keep pace with the tight deadlines.

Our next steps were building out the first-floor office and laboratory spaces. Prefabricated skids and ductwork deliveries between our Norfolk fabrication shop and jobsite were meticulously planned to protect systems and limit site laydown space. Our new computer guided "5 Axis" pipe orbital welder cut elliptical angular holes ten times faster than previous layout methods. On the plumbing side, potable and

non-potable systems were installed. There were 19 different plumbing and hydronic piped services totaling 19,000 LF. Additionally, five laboratory gas systems were installed by pipefitters totaling 6,288 LF of pipe.

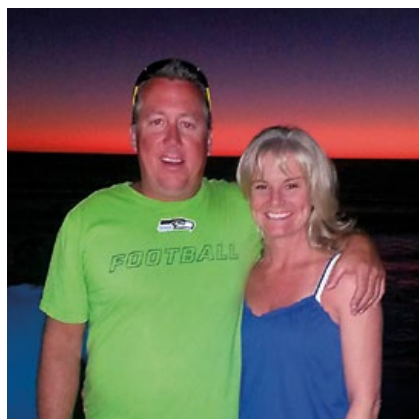
Over the next 101 days we built multiple state-of-the-art labs utilizing compressed air, vacuum, oxygen, argon, nitrogen, liquid nitrogen, RODI water, clean steam, lab hot and cold water, domestic hot and cold water, welded galvanized ductwork, welded stainless ductwork, and processed chilled water systems. Constructed in parallel with the laboratory, the offices for staff supporting the labs were built-out to the client's high space standards.

At MacDonald-Miller, we embrace innovation at every turn. We are increasingly using an integrated approach from design, construction clash coordination, all the way to production shop drawings. The project was initially designed and drawn in Revit, then exported to AutoCAD to fab production and spool documents. This greatly automates the processes and shortens the time that our designers and modelers need to manage the information flow.

(CONTINUED ON PAGE 6)

FACES OF SUCCESS

It takes people from a wide range of professional skills to make MacDonald-Miller the industry leader that it is today. It's the diverse personalities and backgrounds that seamlessly come together to create smart, successful project teams here at MacMiller. That's why in each issue of Perspective we take the time to highlight three members of MacMiller who've made invaluable contributions. It's a way to give you a little more insight into those that proudly represent us, and a way to further illustrate how three different individuals can make one team greatly successful.



TRUST

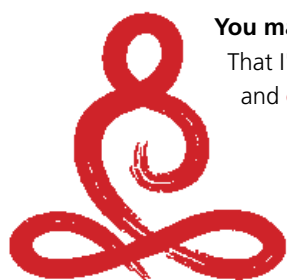
Brett Butler

SPECIAL PROJECTS,
PLUMBING LEAD FOREMAN

Years with MacMiller:
10 years

Tight-knit team!

As a plumber, what I value most in my team is the trust in the TI department from top to bottom. You can count on all our guys, day or night, to be there for each other. The TI department is a great place to work.



You may not know...
That I'm a grandfather and **enjoy yoga.**

FUN FACT

The folks featured here are part of the amazing team that helped shape the Seattle Genetics building (detailed in the article on the left) from an empty warehouse to a state-of-the-art research facility, with a mechanical infrastructure built for ease of maintenance, along with growth and adaptability in the future.



PEOPLE

Kyle Wolever

SHEET METAL FOREMAN

Years with MacMiller:
4-1/2 years

Most memorable project:

The Sound Transit Capitol Hill Project from a few years ago was one job I had tremendous fun working on. Both ends of the tunnel had massive 10-foot round exhaust fans, and we had to build our way out of one shaft to another with this large equipment. Putting these pieces of equipment and all the duct in safely took a lot of thought and time spent by Joel Pearson, EJ Bettencourt and Chris Spencer – who are just a few of the great people I've worked with!

**MADE IN
1999**

Pre-21st Century...

I started with MacMiller in **1999** when I was 19 as a material handler on swing shift during the Dot Com Era. This was back when the shop was at the upper building. Now, several years later, I'm back!



COLLABORATION

Rodney Hemmingson

FITTER FOREMAN

Years with MacMiller:
Total of 7 years – 3 years as an apprentice and 4 years as a journeyman/foreman.

All for one...

There are many people who have a significant role in the process of finishing a job on time and on schedule. Projects would never get completed on time if it were not for a collective group of dedicated MacMiller employees. From experienced Supervisors, to knowledgeable Project Managers, to Specialized Departments, our company efficiency is a result of sincere collaboration. Everyone does what it takes to help others get their jobs done – this way everyone wins. I often reflect when a job is done and appreciate the value of working with such talented, caring people.

Two things that most of my co-workers don't know about me:

I can do a mean ponytail for all 3 of my daughters. I also really enjoy Pinterest. I have a Pinterest account with **1 follower – my wife!**




TEAM

Seattle Genetics *CONTINUED FROM PAGE 4*

Our mechanical engineers worked with our client to develop a sub-zero degree Fahrenheit process-chilled-water distribution system for laboratory procedures. This system required a primary loop and a secondary loop to achieve the zero degree water temps. Unusual design considerations included thermal contraction issues and airtight insulation on all pipe and valves, and heat trace on all exposed valve stems all to avoid ice build-up. The control sequence looked at the needs of the user depending on procedures. Initial startup was interesting as the 50%-50% propylene water mixture dropped in temperature past through its "Slurpee" state. This is the first time MacMiller has tackled a sub-zero system and a new one to add to our ever-growing resume.

Another challenging aspect of the project was addressing laboratory pressures. There were over forty cascading air pressure gradients across doors needing to ensure proper positive-to-negative air movement towards critical laboratory equipment.

We also took steps to improve on the schedule to allow early MEP system start-ups. Coordination meetings, with Nelson Electric and MacMiller's control teams reviewed critical power panels and walls needing installations to meet power-up dates. Therefore, several office and laboratory wall-framing dates were brought forward to allow power and controls for pre-start-up activities. To serve hydronic systems, we temporarily routed flexible PVC piping through the trusses, and between water sources and hydronic mechanical spaces. This allowed us to fill through backflow preventers the heating hot water, chilled water and heat reclaim pump systems, and prove-out equipment point-to-point earlier than the general contractor's project schedule indicated was even possible.

For this Seattle Genetics project, open communication with the client was key to understanding the needs of their complex custom systems, as well their special third party laboratory certification testing protocols. MacMiller is synonymous with teamwork and collaboration, and this project is a shining example of that. 



The power of connectivity


✱ BY BRADD BUSICK

About 4,000 years ago, humanity developed their first means of non-face-to-face communication with the discovery of smoke signals. For the first time, humans connected without being in physical proximity to each other! Amazingly, not much changed in communication technology for the next 2,000 + years until the creation of the telegraph, which led to the telephone and the ultimate boom of mobile technology.

At MacDonald-Miller, our connectivity runs much deeper than the 1,000 mobile devices in the field, the ability to make a phone call from our computers or tablets, the convenience of sending an instant message via Skype to someone at the jobsite in Yakima or the ease of conducting a MacLens call with a team member working on a naval ship chiller in the middle of the ocean.

Rather, our connectivity at MacMiller has nothing to do with technology. Our connection comes from the power of our history, winning and losing together, our relationships and constantly pushing each other to evolve, improve and optimize without any agenda other than to get better as a team.

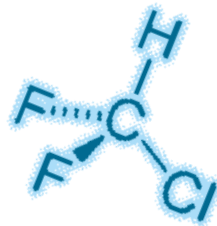
As a member of the IT team, whose entire function is to enable, support and amplify the business units of MacMiller, I'm constantly reminded that the difference between Information Technology and business enablement is actually 'connectivity' itself. If the IT department isn't connected with the business, responding to market conditions and not proactively looking for solutions that make us even that much better, then IT isn't doing its job.

The MacMiller digital transformation that is well underway not only overhauls our architecture, hardware and software, but also how our data is stored, accessed and acted upon. This type of activity can only be done when we (IT) have completed our due diligence to truly understand the needs of the business and figured out a way to strategically execute. In the last year, we have seen a significant spike in mobility, business intelligence, wearable technology and new applications that streamline our efficiency... and we're just getting started! It has been my absolute pleasure to be a part of a 'connected' MacMiller family that won't settle for 'good enough'. Here's to another year of deeper connection. 



Giving R-22 the cold shoulder

✦ BY NICOLE MARTIN

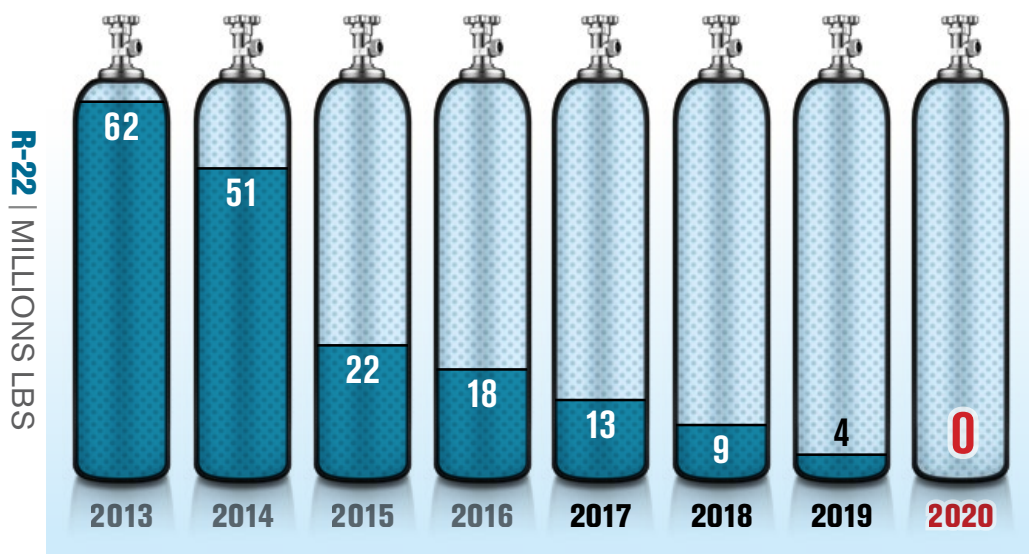


What ozone safe refrigerant means for building owners

Due to its harmful effects on the environment, R-22 is being phased out under the EPA's Clean Air Act in favor of more environmentally friendly alternatives.

And, 2020 is the year designated by the Environmental Protection Agency (EPA) for when no new R-22 will be produced or imported. As that date nears, here at MacDonald-Miller we're making great efforts to educate clients about this phase-out. As this policy will impact their business, we're aware how crucial it is to provide clients with options and information needed to meet or beat the Environmental Protection Agency's (EPA) deadline.

The EPA began phasing out R-22 in the early 2000s, so availability has now been significantly reduced as reflected in the chart below. Annual demand now exceeds allowable production limits by a wide margin and the cost of R-22 has risen dramatically.



EPA Final Rule | R-22 Consumption Allowances

While R-22 will not be banned from use, the cost and availability will make the decision to replace equipment or change refrigerant a critical one. Planning is key, and understanding your options is the first step.

MacMiller can help assess your equipment and provide guidance on the most efficient choice. There is no one-size-fits-all solution, so knowing the life cycle of your systems and developing a strategy to avoid common pitfalls that could lead to future problems is paramount to good decision-making. Keep in mind that neither energy savings, nor capacity, nor operating improvement is a valid basis for retrofitting R-22.

R-22 | Understanding your options

- OPTION 1** | Replace R-22 equipment with new, more efficient equipment
Best for equipment that is approaching or beyond its useful life.
- OPTION 2** | Retrofit equipment with an approved R-22 alternative (but with a slight reduction in capacity and efficiency)
Best for older equipment with remaining useful life
- OPTION 3** | Wait to take action
Best for equipment in good working order where refrigerant replacement cannot be justified.



EFFORT

SHOUT OUTS!

➡ TO TEAM MACMILLER

"I want to take a few minutes to thank each of you for the great support and for being a top-shelf business partner. I appreciate your team's willingness to respond to our needs/requests in a timely manner and for your sterling support. It is easy to pick a service provider apart but is 100% necessary to say thank you to a solid business partner. Thank you very much for all that you do!"

*Art Salazar,
Director of Data Center Operations
and Compliance, Green House Data*

➡ TO NEIL MOORE

"I just wanted to call and commend MacDonald-Miller on one of your service techs, Neil Moore. He came out to perform service at our store and he was extremely conscientious, has dynamite work ethic, and is really dedicated to job performance. I just wanted to let you know how pleased we were with his service, as he did an outstanding job. He went above and beyond and we were truly, truly, impressed with his service. Thank you so much!"

*Kevin Lemon, Rite Aid Store Manager,
Florence, Oregon*

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Seattle Genetics

