Vol. 4 | 2022

# Infrastructure

THE OFFICIAL MAGAZINE OF THE ASSOCIATED GENERAL CONTRACTORS OF TEXAS

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Investment Act
Turns 1

Learn to
Overcome
Challenges at
AGC Annual
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In the first President's Message of 2022, you were asked to think about all the people who moved our industry forward and what we can do today to continue the momentum of their great work.

This year, AGC of Texas leadership did just that. We began each board meeting reviewing the lives of the legends who made our industry and the AGC of Texas what it is today (read more about these individuals in "Celebrating Our History" on page 6).

We also spent time celebrating the many amazing things accomplished this year by our great staff and members. We could write a whole book about all the AGC accomplished working together in 2022. Below are some of the highlights:

- The AGC of Texas PAC supported pro-construction candidates in 148 statewide races including strong support for Gov. Greg Abbott, Lt. Gov. Dan Patrick, and Comptroller Glenn Hegar to the tune of \$906,500. One hundred percent of the candidates supported by the PAC won their races.
- The Scholarship Gala set a new donation record of \$1.8 million to help support the AGC of Texas Scholarship Program. Because of your support, we were able to award 31 scholarships to deserving individuals pursuing careers in the highway construction industry in 2022.
- We celebrated the historic \$10 Billion Annual Project Letting with TxDOT at the end of their fiscal year.
- AGC of Texas Members ended the year with 88% market share of TxDOT work (Up from 77% in 2021).

In addition to celebrating and learning from our past, it is also our duty to lay the foundation for the continued success of our industry for future generations. The Strategic Planning Committee, chaired by Bob Lanham, is hard at work identifying key opportunities and developing implementable strategies.

One such area is the need to involve and cultivate the next generation of industry leaders. For example, the AGC's Future Leadership Council is expanding into the Houston Area (learn more about the FLC and how to get involved on page 23).

The importance of engaging with our elected officials during the 88th Legislative Session beginning in 2023 can't be over-emphasized. The Legislative Drafting and Review Committee, led by Tracy Schieffer, is already analyzing bills and prioritizing the ones we need to watch and act upon. On February 8, 2023, the AGC of Texas Capitol Day (formerly the Fly-In) will be held. Your involvement is crucial. Please attend the Capitol Day if you are able (learn more at www.agctx.org).

Thank you for the opportunity to serve as your 2022 President. I had a little health setback this year requiring open heart surgery; the many calls, cards and prayers from my AGC friends were greatly appreciated by Betsy and me.

Your partnership and dedication to both the AGC of Texas and the highway construction industry are huge blessings to the State of Texas. I wish each of you a prosperous 2023. We are excited by all the AGC will accomplish under the leadership of my good friend and 2023 President Stacey Bryant.

**David Casteel** 

**AGC** of Texas President

Davil Bloster

### Celebrating Our Success

Another year has come and gone and what a year it has been!

In his President's Message, David highlighted a number of accomplishments we achieved in 2022. I want to take the time to thank the individuals who helped to make this year and AGC of Texas a success.

First, I would like to thank President David Casteel for his thoughtful and deliberate leadership of our chapter during this year. David has been a good friend and a great council. As many of you are aware, David had a health scare a few months ago and we are so thankful that he is here with us and healthy.

Next, I want to thank Immediate Past-President Kal Kincaid for his dedication to the financial health of this organization. Because of his diligent oversight as Chair of the Finance Committee, we are ending the year in great financial shape.

I would also like to thank the entire 2022 Board of Directors for their service, leadership, and dedication: President-Elect Stacey Bryant, Carter Biel, Chris Boutwell, Z.T. Burkett, IV, Billy Cheek, Joe Dooley, Glen Dvorak, Wade Miller, John Rempe, and Chad Thomas. Thank you.

I want to thank Bob Lanham for his leadership of the Strategic Planning Committee. Through his efforts and the efforts of the committee, we have a solid heading for the future of AGC of Texas and the future of the highway construction industry in Texas.

I would be amiss if I did not recognize the outstanding work and tireless dedication of all our Division, Committee, Task Force, and Area Chairs: Trey Pebley, Joe Dooley, Bo Davis, Cody Little, Dean Word, III, Amadeo Saenz, Will Calame, Glen Dvorak, Marshall Luig, Mike Brown, Johnny Weisman, Phillippe Falkner, Michael Bontrager, Art Daniel, Tracy Schieffer, Jim Poe, Jeff Gibson, Tracey Aping, Gary Corley, Barry Dunn, Kal Kincaid, Seth Schulgen, Matt Paggioli, Chad Clark, Cody Clark, Robert Bacon, Randall Moore, Abel Luna, Randy Rogers, Lon Albert, Craig Morgan, Harry Levy, Chris Boutwell, Jason Roberts, Troy Childers, Blake Schroeder, Chad Thomas, Paul Chevalier, Manny Carreon, Glynn Foreshage, Alvaro Lopez, Brad Bankston, Justin Roark, Clint Teutsch, Berry O'Bryan, Barry Egbert, Scott Blanchard, and Mark Gacke. Thank you.

I would also like to take a moment to thank our staff: Steven Albright, Diana Alcántara, Thomas Bohuslav, Rebekah Brunton, Katie Campbell, Suzanne Cavazos, Mel Simons Connelly, Doug Eichorst, Eli Garza, Michael Lee, Tracey Mittnacht, Melanie Nickolyn, Gary Scharrer, Sarah Silberstein, Lee Taylor, and Connor VanSteenberg. Thank you for your tireless work and dedication; I am truly grateful for your valuable contributions to AGC.

I'd genuinely like to thank all of you who have engaged with and participated in AGC of Texas' work this past year. As you can see, it takes the effort, input, collaboration, and momentum of so many individuals to make AGC of Texas a success. There is more work ahead of us and to be able to continue to advocate for and advance the highway industry in Texas, we need the collective voices of our members. I encourage each of you to find a way to get involved. Your time, talent, and treasure are multiplied among your peers and your dedication and determination to AGC of Texas and this industry does not go unnoticed.

Thank you again for your hard work this year. I wish you and your loved ones a joyous and restful holiday season.

Jennifer Woodard

Jennifer Woodard

AGC of Texas Chief Executive Officer

### Celebrating Our History

Gary Scharrer, AGC of Texas

At the start of each board meeting in 2022, President Casteel opened with a segment titled "Celebrating Our History," where members learned about an industry founder, many names are still recognizable today with descendants holding active roles in our association. Read below to learn a little bit more about the industry greats who helped shape the Texas Highway Industry into what it is today.



## Zack Burkett, Jr. Zach Burkett Co.

Our Association was built by a number of legends. Today,we recognize Zack Burkett, Jr., who served as President of the AGC of Texas Chapter in 1976. He was a Navy Veteran of World War II and obtained a degree in Civil Engineering from the University of Texas. His company is currently led by his grandson Z.T. who is serving his second term on the AGC of Texas Board of Directors. Burkett built bridges for the DFW Turnpike in his earliest days in the industry and was instrumental in advocating for important highway funding legislation passed in 1975. His son Zack Burkett III also served as chapter president twice in 1991 and 2006. He was a pioneer in the way he organized his "associate" business operations that spawned several other very familiar companies in Texas as well as his outside business interests like cattle and equipment. Burkett started in business with his brother-in-law, Harry Newton. His legacy endures today within his own company and AGC of Texas. The Zack Burkett Company was founded in 1958. Burkett also served as Highway Division Chair of AGC of America in 1981 and was appointed to the Texas Industrial Commission by Governor Dolph Briscoe.



## HB "Pat" Zachry Zachry Corporation

H.B. Zachry, known as Mr. Pat, was one of the early presidents of the Associated General Contractors of Texas and served as the national president of AGC in 1940.

H.B. was born in Uvalde, Texas in 1901. His father nicknamed him

Patrick Henry because his debate skills were like those of the founding father thus the name "Pat."

Zachry graduated from Texas A&M University with an engineering degree and began work at the newly formed Texas Highway Department. It was not long after starting at the Department that Zachry decided to form his own company— H.B. Zachry Company of Laredo.

When the company experienced growth from the post-WWII construction boom, Zachry moved his company from Laredo to San Antonio to take advantage of the area's expanding population and business opportunities.

In line with his philosophy of "seeking opportunity, not security", Zachry's company took on several jobs outside of the United States including countries like Peru, Chile, and Spain.

Like many of the legendary companies within our industry, Zachry Corporation has been passed down from generation to generation with Pat's son, Bartell, once serving as President, and his grandsons, David and John, leading different parts of the company today.



### Jack Albert Reece Albert Co.

The story of the Reece Albert company reflects a similar theme for many highway construction firms that started small— 60, 70, or 80 years ago.

Reece Albert wanted more than what his position as an assistant city engineer in his hometown of San Angelo could provide.

So, in 1940, he began moonlighting with an old Ford pickup and a Fordson tractor equipped with a small blade to build sidewalks and driveways at the nearby Goodfellow Airforce Base.

The interstate highway system was still on the drawing boards. Roger Albert had not yet arrived and Reece's nephew, Jack Albert, had no idea that someday he would be heading a highway construction company and leading the AGC of Texas.

Reece Albert typified the entrepreneurial spirit that motivated new road construction companies back in the 1940s and 50s. The smaller jobs got bigger as the companies gained experience and added workers to meet the state's demand for more roads and bridges.

Reece Albert's oldest children showed neither interest nor aptitude in taking over his company. However, the founder saw potential in his nephew, Jack Albert, who joined the company in 1959 and who would eventually transform the construction company that started with one person into a major industry player for West Texas that now employs over 400.

A decade later, Jack Albert was running the company and aggressively sought to grow the company. That meant borrowing money—something the company founder and many from that generation tried to avoid. Part of that growth strategy over the years also meant expanding the company's operations into the materials business, and into the Midland-Odessa market area.

Jack Albert headed the company for roughly 50 years, got active in AGC, and served as Chapter president in 1995 and again in 2009. He spread the AGC gospel to Cousin Roger Albert, who served as AGC president in 2012 and remains an association leader today, and to his son Lon Albert.

Like many of our legendary highway construction companies, Reece Albert, Inc. has been passed down from family generations with Roger running the business today with cousin, Lon, right there alongside him



### Doug Pitcock Williams Brothers

Williams Brothers is unique among all the highway construction companies in Texas. It's the only company whose founder is still running the business that started before the interstate highway system launched.

James "Doug" Pitcock was 27 years old and itching for adventure when two heirs of the S.H. Kress & Co. "five and dime" retail department stores family came looking for someone to help form a construction company. It was 1955—just a few years before the country would start building a massive road system—known as the interstate highway system. Doug agreed to join the Williams brothers—John and Claude—in forming Williams Brothers.

The young company didn't have enough capital and equipment to build roads in the early years. The young Pitcock had to choose between seal coating and building bridges. He decided on bridges. Williams Brothers has built about 3,500 bridges and, over the years, expanded into dirt moving and road construction. The company has approximately 2,200 employees and maintains a lean headquarters office.

Mr. Pitcock built a loyal workforce and decided early on that it was important to share company profits with employees. Today, the company is structured around an employee stock ownership plan and eventually will become 100 percent employee-owned, which brings immense satisfaction and pride to Mr. Pitcock.

Mr. Pitcock, who has routinely worked 6 days a week, describes the highway construction industry as "addictive." "It's total stress, and total stress gets addictive," he says.

Harris County had a population of roughly 850,000 when Doug Pitcock started Williams Brothers. The population today is approaching 5 million and is now the fourth largest metro area in the country. Much of the infrastructure in the Greater Houston area bears the mark of Williams Brothers.

Sometimes, the company founder will reflect on all those roads and bridges that carry traffic around the clock. "Why was I put on earth? The only thing I can figure out is that we should make the world a little bit better place to live because we were here. People in construction were blessed with that reward. It's visible proof that we made the world a little bit better place to live. That's an indescribable feeling. There's a difference because you were here. Your own hands and your own effort built something that will be there forever."

Along the way, Mr. Pitcock plunged into the AGC of Texas, which he considered an indispensable source for contractors coming together to address industry issues in a way that individual companies could not. He became an industry leader, serving as president of the AGC of Texas and later as president of the national Associated General Contractors of America.

Mr. Pitcock has often pointed out that highway construction is the engine that drives the economy. And Mr. Pitcock has a good way to describe the importance of building our roads and bridges. In his words: "It gives you a reward of accomplishment that is really hard to get in another place. What we do is so challenging and so demanding and so consuming, but you realize how important it is."



### Richard Barth J.D. Abrams

The J.D. Abrams Company started up in El Paso in the mid-1960s in

an unlikely way. A young Jim Abrams decided to venture out on his own and eventually enticed Richard Barth to join him.

Jim Abrams started his company with a bid on multi-bridges connecting El Paso and Juarez, Mexico. The young engineer came up with an idea for the presidents of the United States and Mexico to simultaneously push a button in an October 1967 celebration that triggered an explosion to re-channel 4.4 miles of the river.

Abrams had been a brilliant engineer before leaving C. H. Leavell & Co., which had been an El Paso-based contractor with federal projects across the country, including military housing, NASA projects, ICBM launch sites, and uranium enrichment plants. But, for Abrams to leave a comfortable position as executive vice president of a prominent company to start his own business struck some as risky.

"I remember a friend of my father telling me, 'Your dad is either crazy or stupid, and I don't believe he's stupid," Jon Abrams recalled decades later.

Richard Barth also left the Leavell Company to join Abrams. He had confidence in his friend. Abrams did not know failure, Barth recalls: "On his first bridge, it was like he had been building bridges for a lifetime. It was total confidence."

Barth, himself, might not have known they could be in over their heads. "As one of the early employees, I don't remember thinking, 'Gosh, is the company going to survive?' It never occurred to me. Looking back, I can see the risk involved. We were young and foolish, I guess."

The J.D. Abrams company is now in its 55th year. Sometime in the late 1970s, Abrams realized he was outgrowing the West Texas market and expanded to Houston, Dallas-Fort Worth and Austin.

Both Abrams and Barth would become active in the AGC of Texas and both would eventually serve as presidents of the chapter.

The company did construction work in states beyond Texas but eventually pulled back because the effort wasn't worth it—and part of the reason is that other states did not have AGC chapters as active and credible as the AGC of Texas. They didn't coordinate or take a lead in expanding markets by ensuring adequate highway funding.

"The highway construction business is a risky business. That's why there's not a whole lot of highway contractors and not a whole lot that last 50 years." Richard Barth says.



# Jack Garey Co.

We lost past AGC of Texas President Jack Garey earlier this year.

As he reflected back on his life a few years ago, Jack Garey mused that his life "seems to have been one series of unplanned events after another."

Jack grew up in Brady, Texas. Upon high school graduation, Jack went to visit his father in Houston. While there, Garey noticed a billboard that spoke to him: "Uncle Sam—Enjoy the Navy and See the World." He quickly signed up for a two-year tour of duty. Bootcamp made him realize that the Navy was maybe not a good idea but it was too late. After finishing military service, Jack headed to Austin. He had never visited before when he got directions to the University of Texas. Jack ended up with a roommate at the UT law school which seemed like a good idea, so Jack decided to enroll. After graduation, Garey eventually established himself as an expert in compensation cases for injured workers. He seldom lost a case and wrote a book about workers comp for the Texas State Bar.

Garey became a hero for plaintiffs and trial lawyers. At some point, the restless, young lawyer pursued real estate investments on the side and bought an abandoned quarry in the Round Rock area. The land needed cleaning, so Garey bought an old Caterpillar and a couple of well-worn dump trucks and hired a few folks to help out on the project, which then expanded with streets and sewer lines.

Jack suddenly had himself a subdivision to develop. And then another. He later explained: "I really enjoyed the subdivisions—even though I had no engineering degree, no background, and didn't know a damn thing about construction. But my long suit was that I knew how to spot and get good workers; I knew how to hire people."

Garey was forty-seven years old when he formed the Jack Garey Construction Company in 1978.

The state's real estate world cratered in the mid-and-late 1980s, so Jack bid on TxDOT jobs. As Jack tells it, "I hired some people who had been doing highway work, and that action started up a new career where I ended up with over one hundred employees. We did \$30 million to \$40 million a year. It went well. I enjoyed it, but, again, I had never planned to be a highway contractor—and there I was."

And it didn't take long for Jack to realize workers' comp premiums were hurting businesses—including his own. Those premiums cost 20-30 percent of salaries and wages—and were always going up.

"We were killing businesses with those premiums that were just going out of sight. My pocketbook told me that," Garey said.

Gov. Clements called one special session after another to address the run-away problem. Trial lawyers fought hard. By then, Jack was fighting for reform and was so successful that he ended up chairing the Worker's Compensation Commission to write rules for the new system coming out of one of those special sessions.

Meanwhile, Jack's company established itself as a mid-sized highway construction company that avoided large urban projects. He became increasingly active in AGC, serving as our chapter president in 1998.

In addition to his law and contracting careers, the ever-restless Garey also dabbled in ranching, investing, and horse racing. In 1989, Jack paid \$30,000 for "Heritage of Gold" at a horse auction. The filly would eventually earn \$2.4 million on the tracks.

In 2009, pushing 80 and facing health issues and hard times industry-wide, Jack decided to liquidate the company, giving generous bonuses to longtime employees.

But he never really got comfortable in retirement. Jack turned to philanthropy and he and his wife donated their 525-acre ranch near Georgetown for what is now a large urban park. They contributed millions more for park development—and gave even millions more to Southwestern University in Georgetown.

Following his death this past March at age 92, a former president of Southwestern University highlighted Jack's passion for work, passion for play, and passion for humanity.

Although Jack Garey came to the AGC relatively late in his career, he quickly recognized the benefits of AGC participation. "AGC does so many good things for contractors, helps pass a lot of beneficial legislation, and stops a lot of bad legislation. It provides educational benefits and programs—all kinds of things that are helpful to a contractor. It also provides important safety programs working with highway district engineers and specifications and defends contractors the state may be treating unfairly."

"I was an outsider in a sense at the AGC because I had no engineering background, but the membership and all the friendships I had there meant very much to me,"



Howard Pebley, Jr.
McAllen Construction

Past AGC of Texas President Howard Pebley Jr. comes from a long family history in the construction business.

His early memories flash back to when he was 6 years old riding along on a D-6 dozer. That was more exciting than his first paying job: following a dozer through the mesquite brush with an ax in hand cutting roots while clearing a pipeline right-of-way job.

Howard headed off to Texas Tech University not expecting to ever return to clearing pipeline rights-of-way. Little did he know that he would become an AGC leader at both the state and national levels. Before getting his mechanical engineering degree from Texas Tech, Howard worked as a draftsman for a Lubbock-based manufacturing company that designed and built Caterpillar equipment. He did similar work for McAllen-based Reynolds Research & Manufacturing right out of college. Howard then went to work for a plastic manufacturing firm before finding his way back to the construction industry.

When he joined, H.P. Fowler Contracting. Fowler did water, sewer and gas transmission line work all over South Texas in addition to building pump structures and lift stations.

Howard's future had arrived—although he did not yet know it. Both of Howard's grandfathers were involved in the pipe construction business. Gene Shull, another past AGC of Texas president, is a second cousin of Howard. In the early 1940s, Howard's father and an uncle formed the Chastain & Pebley Construction company that primarily did subdivision development and pipelines—and considerable work in the oil fields.

The brothers-in-law split the company in 1961, with Howard Pebley Sr. forming McAllen Construction. The senior Pebley did mostly utility construction for the telephone company until 1978 when he retired and shut down the company. Howard Jr. had no interest in the company—until about two years later when both his father and wife suggested he start McAllen Construction Co. back up.

"I'm not smart enough to have any anxieties," Howard laughs today.

"We started up with me and two high school boys on the first job we did. We had a Davis 1000 ditcher, a Case 530 backhoe, a two-axle trailer and a one-ton truck. That was it," Howard says. "The biggest asset we had was reputation (of his father's company), and that's something that I guard judiciously to this day."

After starting the company with himself and the two high school students, McAllen Construction gradually grew to 175 employees.

Soon after restarting McAllen Construction, Howard joined AGC and ended serving as AGC of Texas president in 1997. Howard became extremely active in AGC of America-serving as vice chair on the executive committee; division chair; and treasurer of the national

association. He had the opportunity to become AGC of America president but turned it down because of the required travel and his dedication tohis wife Rosann. But Rosann and Howard continued to participate with AGC until travel became impractical.

Howard convinced son Trey to leave the banking world to join McAllen Construction. Trey served as AGC of Texas President in 2019 and is on track to become national AGC president.

Howard has been a long-time champion for AGC. "You have to be active and attend meetings. That's the key point. I've been able to sit down and visit with people who have annual sales in the billions. How else do you sit down with a Doug Pitcock and just shoot the breeze? You don't show up at Williams Brothers' office and do that. You can't do that. I can sit down with the Kiewit's and Zachry's and it's not because of what I was doing. It was because I was there at the AGC meetings," Howard explains.

The AGC of Texas remains indispensable for highway contractors—and Howard is emphatic about that. "It's simple. Texas has miles and miles of roads. And you've got to move people and products. This state could not exist without a good transportation system—no ifs, ands or buts. The key thing that AGC does is that we are the watchdog for what's going on in the industry from an administrative, legislative, and political standpoint."



# L.P. "Pete" Gilvin Gilvin-Terrill, Inc.

Pete Gilvin started his highway construction career in the mid-1920s from the back of an asphalt machine in Amarillo.

It was a humble beginning for a guy who would take over the company in the late 1940s on his way to leadership roles in both the state and national AGC association.

Mr. Gilvin became a prominent highway contractor in West Texas. He also became politically savvy and a friend of governors. He served as AGC of America president in 1970.

Gilvin preached unity while serving as national AGC president, observing: "It seems to me that everybody who's eating out of the same trough ought to get together. That's the only way we're going to solve one of our biggest problems, which is to attract and train the right kind of people in construction. The construction business requires youth and energy and enthusiasm."

If that still sounds fresh some 50 years later, consider what Pete told an industry group back in 1960: "One of the greatest single problems in the highway construction market is the peaks and valleys. The industry will be much better off with a sustaining, continuing level of construction than to have the peaks and valleys. There are other factors that vary our market, such as the availability of right-of-way. Delays in preparation or plans also reduce our lettings, even though money is actually available to let the jobs."

Doug Pitcock said of Pete Gilvin, "You can say that he was in a class by himself."

Gilvin established a close friendship with Texas Governor John Connally. Connally appointed Gilvin to chair the prestigious Texas Parks and Wildlife Commission. Gilvin played a significant role in Texas politics during the 1960s and 1970s and influenced the highway construction industry to back challenger Lloyd Bentsen in the 1970 Democratic primary against incumbent U.S. Sen. Ralph Yarborough.

"We signed on when Bentsen had two percent name recognition," recalls AGC's Tom Johnson. "We had a massive effort to support Bentsen's election." After upsetting Yarbrough, Bentsen defeated Republican George H. W. Bush in the fall general election and maintained a decades-long close relationship with Texas highway contractors.

Although politically savvy, Pete picked the wrong guy in the 1968 governor's race and paid the price when Preston Smith won. Smith promptly removed Pete as chairman of the Parks and Wildlife Commission. Pete was not happy.

Tom Johnson tells the following story: The new governor, Pete Gilvin and a few other AGC leaders met for a small dinner party soon after Smith took office. Gilvin was still peeved with the governor for stripping him of his chairmanship. Everyone is enjoying dinner and drinks and getting well-heeled. Pete looks over at the governor and says, 'Preston, you couldn't pour piss out of a boot with directions on the heel.' The next day, Gilvin comes into the office and gives me five one-hundred-dollar bills. Pete said, "They told me I cussed the governor out last night. The ol' sonofabitch deserved it but take him this peace offering."

Johnson called the governor's office and scheduled a meeting with Smith. "I go into the governor's office with the envelope and said, 'Mr. Gilvin sent this to you as an apology for last night. Governor Smith agreed to address the following month's AGC membership dinner. Gilvin again enjoyed his drink and tore into the governor a second time. The next morning, Pete comes back to the office. 'I know. I shouldn't have said anything. Here's \$ 500, take this to him and tell him I didn't mean to do it. We want to be friends.' Johnson headed back to the governor's office to patch things up again, expressing additional remorse for Gilvin's blunt language and giving Smith another envelope with \$500 in it. The governor is giggling. He's loving this whole thing. A thousand dollars was a lot of money

in the late 1960s. A month later, the governor called Johnson, asking if Gilvin would be attending the highway letting and wondering if he was going to chew him out again. The governor took delight in those \$500 campaign contributions."

"Pete was a great big man. He loved to drink. He loved to have a good time. He was very civic-minded," Johnson says. "He was very, very generous with his money—both for the University of Texas and the Boys Ranch. He took care of his employees. It was a really good company. He made things happen. He was a great guy; did good work."

Although Pete Gilvin was a towering figure in the highway construction industry, he never acted as such, says Doug Pitcock. "He never missed an AGC meeting. He was never too big of a big shot to be at all the committee meetings. He was generally the elder statesman for a decade or two."

Doug remembers Gilvin as being "very soft-spoken. He never raised his voice. There just wasn't any question about his leadership. It was always there. He's hard to describe because he was sort of dead serious all the time. But he was just so pleasant to be around."



# F.M. Young Young Brothers

Those of you who never knew Francis Michael Young, better known as F.M., missed meeting one of AGC's quintessential larger-than-life personalities.

F.M. started Young Brothers Construction in the Waco area and eventually expanded to the Bryan-College Station area.

F.M. was like many of our forerunners who made this industry; didn't have much formal education. He lamented that he had no engineering degree to Mr. Hanna, the District Engineer of the Bryan District, who told him in response: "F. M. it would have been the worst thing that could have happened to you because they would have taught you all the things you could not do which you've proved could be done."

F. M. Young grew up dirt poor as one of ten children in a family that moved frequently. His parents finally settled near Waco where, in between milking cows twice a day, the young boy picked cotton and corn. He knew he did not want to be a farmer but disliked school. He had a natural mechanical talent and was not afraid of hard work. He said when he climbed up on his first piece of heavy equipment, he knew he'd found what he wanted to do for the rest of his life.

Tom Johnson once said of Young: "F. M., in his own way, was a genius. He built his company from nothing to something great. He was probably one of the biggest thinkers this industry has ever had, and probably the most generous person this industry has ever had." F. M. built a highly successful highway construction company employing 1 ,000 workers in the Waco and Bryan areas. He was known as an exciting, hard-driving, competitive, and innovative contractor who became an industry leader.

He was elected president of AGC in 1985—and became a major philanthropist-giving away millions of dollars before passing away in 2016.

One example of F.M.'s philanthropist spirit is when he took his bulldozer to downtown Waco after an F5 tornado wiped out large swaths of the downtown area, killing 114 people in the spring of 1953 to voluntarily help with the rescue and clean-up work.

"I bet three-fourths of the little churches around here had a free F. M. Young parking lot," Gloria Young said of her late husband. "He was big in the Boys Club. He was not a club man or a meeting guy, but he knew what it was like to be a poor kid. He just built and gave so much time before he had the cash money to give. It was always in him to give."

Seared into Gloria's memory is an early-morning phone call in November 1999 alerting her husband of the collapse of the Texas A&M bonfire log structure. Young sent equipment and operators who worked in eight-hour shifts around the clock.

Young's heavy equipment was the first to arrive on the bonfire scene and the last to leave. He paid his men for their work but never billed anybody for the use of his equipment or his men's time. F.M. Young was too generous and kind to bill for a tragedy.

But when it came to business, F.M. Young was all business.

He loved the competition in the construction business and was always thinking of ways to cut his costs without cutting the quality of his work. He bought a sign company because the number and cost of the signs required for highway work kept going up on every job. He dug sand and gravel from the Brazos River that ran through some property he owned when materials skyrocketed.

One of his favorite stories that he told about himself involved his habit of collecting speeding citations. He was heading to Austin on I-35 for an important AGC meeting and a state trooper pulled him over for driving eighty miles an hour. On the return trip, the same trooper stopped Young for driving eighty-five. The trooper suggested that Young buy a Fuzzbuster radar detection device to serve as a reminder that police will stop him for excessive speed. Young asked one of his office employees to order and install a Fuzzbuster. A month goes by and he's going eighty-five again, and the same

patrolman pulls him over. "Mr. Young you are going eighty-five again. You have to quit this." And F.M. asks, "Why did you stop me? I have a Fuzzbuster. You said I wouldn't have any problems." The trooper gently informed F.M., "Mr. Young, you gotta turn the Fuzzbuster on." Or, as Tom Johnson once said: "That's F.M. He's got a multi-million-dollar business, he's a multi-million genius, and he's an incredible inventor. But he forgot to turn the Fuzzbuster on."

One such invention was a new type of pneumatic roller, the added back wheels folded on trucks to allow them to carry heavier loads and then flip up as to not bounce along behind the truck when empty.



# Dean Word Co.

The purpose of "Celebrating Our History" is to take a few minutes to recognize and remember those who carried us to where we are today, the Dean Word Company ranks in that group. Company founder Dean Word, son Tim, and grandson Dean Word, III each served as president of AGC of Texas. Theirs is the only family with three generations to serve as president of our Texas chapter. Tim Word and Pat Zachry also served as national presidents—being two of 8 Texans to lead AGC of America in its 104-year-long history.

The Dean Word company goes back to the days when mules did the heavy work inherent in road and bridge construction. The early Word Company built railroad beds, bridges and laid the ties and rails from San Antonio to Uvalde and Corpus Christi. During the 1930s, the Dean Word Co. built county roads, state highways, (stock) tanks, little dams—anything that you could build with a mule—and build while you were there.

The Dean Word Company had 62 mules and 3 horses during the Great Depression. The company still had mules at the start of WWII. They were gone by the time Tim Word returned from the war in Korea.

Company founder Dean Word was like most early-day contractors. They lacked formal education, but they knew how to manage men and they learned how to operate and repair equipment.

Tim Word got his degree in civil engineering from A&M and then headed off to Harvard for a business degree. And then he was off to Korea, where he impressed his new commanding officer by recognizing various rusted components of a crushing plant salvaged from a WWII South Pacific Island scattered around. His experience and skills enabled him to assemble the crushing plant for service.

Soon, he was commanding a quarry company in Korea and honing his blasting skills that would prepare him well for his career back in Texas.

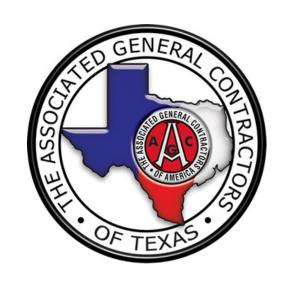
The Words eventually got into the trucking/transportation area for vertical integration to make them more competitive. And, for Tim Word, if the weight limit was 80,000 pounds, he would take it to the limit. An East Texas lawmaker passed a bill to give truckers a 5 percent weight tolerance allowance to help lumber trucks from his region. The legislator expanded the measure to accommodate the construction industry. For Tim Word, that meant routinely taking the 80,000-load limit to the extra 5 percent—or to just under 84,000 pounds.

"We used to laugh about that," Tom Johnson recalled. "That was the Harvard (business school) coming out; that wasn't the A&M engineer. It was a big deal for the Dean Word company. You stop and think what that meant to this company—that extra 4,000 pounds of paid load. He was always pushing the limit. Every 5th truck was an extra load for free."

The Word Family's long history in the highway construction industry is a valuable one—and one that makes it easy for family members to explain the importance of our highway system in developing our society and quality of life.

Here's how Dean Word, III puts it: "Compare and contrast the Western United States—how open we are—to the East Coast or the West Coast and there's a lot of engineering and construction talent, managerial skills and the critical manpower and equipment to build bridges and highways. You want to make sure you spend the money as wisely and efficiently as possible and that you have a lasting, positive impact across the generations because we don't just build things in our business for the 'now.' We build things that will last at least one generation and most likely the rights-of-way that you establish will be conduits for multiple generations and even centuries."

Dean Word, III also helps to amplify the importance of AGC. "It's a sounding board for issues that affect or influence the memberships' businesses, business practices and, therefore, their health and viability of the individual firms. Because we work with common area offices, common districts collective, shared experiences and challenges help us work from the ground up to refine our positions and to try to seek equitable solutions to those challenges that we have. We can be competitors, but through the generations, the chapter has established a working relationship... A lot of times it's over whiskey or dinner or hunting trips that we can find some common ground with even our fiercest competitors. You can find issues that people can discuss and share rationally to help everyone involved. You get to find out that some people are not alien ogres from who knows where. They're actually real people with families and share a lot of the same passions and challenges that you do."



# UNDER CONSTRUCTION AGC of Texas Chapter Office





### Important Information Regarding the Building Remodel

AGC of Texas is undergoing an extensive building remodel of our chapter office in Austin. While we are extremely excited to unveil the new office and meeting space to our members, the remodel will take several months and will require the office to be fully vacated during this time.

As such, AGC has moved our chapter operations to the Westgate Office. As this space is not large enough to accommodate our full staff, we'll be operating under a hybrid/remote work policy beginning in July until project completion. Rest assured, AGC of Texas operations will continue as normal but, as this is a departure from our normal operations, we wanted to communicate the changes and ask for your patience during this time. These changes will only affect our chapter office in Austin.

AGC of Texas staff will continue to work during our normal operating hours (Monday-Friday 8 a.m. - 5 p.m.) and will be available via email, by calling the office (512-478-4691), or via cell phone. The staff's cell phone numbers are on the AGC of Texas website.

Additionally, please direct all mail to our P.O. Box listed below. If mail does need to be sent to a physical address, please send it to our Westgate location.

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# AGC of Texas Scholarship Gala

Thank you to all of our sponsors, donors, auction winners, and attendees for your participation in another successful scholarship gala. Because of you, we were able to raise \$1,008,000 for the AGC of Texas Scholarship Program.



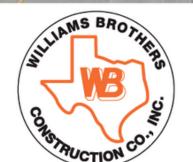




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### FLC: Cultivating the Next Generation of Leaders

Tracey Mittnacht, AGC of Texas

On November 3, the Central Texas Future Leadership Council held their final event of the year in San Antonio where they heard from State Representative Ray Lopez (D-San Antonio) of House District 125. The event came on the heels of an important discussion at a recent Strategic Planning Committee meeting where Chair Bob Lanham impressed upon other past AGC of Texas chapter leaders the importance of cultivating new leaders and jumpstarting their involvement in the AGC as well as the chapter's PAC.

At the direction of Chair Lanham, a small group within the committee – along with the Chairs of the DFW and Central Texas FLC's – conducted a deep dive on the chapter's PAC to explore its strengths and weaknesses as well as brainstorm ways to get younger generations invested in advocacy. After a robust day-long discussion, the PAC Work Group presented its findings and recommendations to the full committee, one of which was to deliver a PAC check at the next FLC event. "We thought it was important to start with the FLC's to show the younger generation how it is done and why we do it," said PAC Work Group Chair Chad Clark (Clark Construction of Texas).

At the Central Texas FLC's year-end event, Representative Lopez spoke to the group about the importance of being involved in the association and the impact large groups can have on legislators at the Capitol. And while it was the final event of the year, it was the Central Texas FLC's first opportunity to present a campaign contribution to an elected official on behalf of the AGC of Texas PAC. "It was important for my generation to see what delivering a PAC check to a state official looks like firsthand and make that connection between raising funds for the PAC and how the chapter puts those funds to use", said 2022 Central Texas FLC Chair Will Calame (The Levy Company).

At the conclusion of the event, San Antonio Area Chair Glen Dvorak (Hunter Industries) reiterated to those in attendance the importance of getting involved in the AGC early on in their careers and the large impact that participation in the chapter's PAC has across the board for the construction industry.

Seeing the success that the FLC program has had in Central Texas and DFW has inspired the Greater Houston area to start an FLC of their own. With the help of 2017 AGC of Texas President Seth Schulgen (Williams Brothers Construction) and Houston Area Chair Matt Paggioli (Webber), Ben Hunter (Advanced Drainage Systems) will chair the brand-new Future Leadership Council in the state's largest metro area.

With the AGC of Texas chapter's centennial celebration two short years away, it is important now more than ever to continue guiding the chapter down a sustainable path where new leaders are promoted within the association and a strong advocacy program is maintained. The addition of a third Future Leadership Council to the chapter will help AGC of Texas do just that.



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# Join the Future eadership Council

The FLC serves as a conduit for young professionals to network, exchange ideas, get involved in AGC advocacy programs, and further hone professional and leadership skills.

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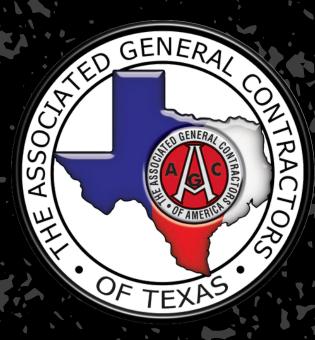
For more information, contact:

Tracey Mittnacht (Austin & Houston)

tborders@agctx.org | (817) 239-0485

Connor VanSteenberg (DFW)

cvansteenberg@agctx.org | (936) 525-0459



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### San Antonio PAC Dove Hunt

September 27, 2022 | Flying W Ranch

The doves might not have been flying this year but that didn't stop the 85 hunters at the San Antonio Dove Hunt from having a great time and raising \$23,500 for the AGC of Texas PAC.











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# Learn to Overcome Challenges at AGC Annual Convention

Stephen E. Sandherr, AGC of America CEO

Even though the construction industry has many opportunities, particularly with a large infusion of federal construction dollars, it also faces challenges in 2023. These challenges include continued labor shortages, protecting the physical and mental health and safety of workers, and overcoming gridlock in Congress and an onslaught of executive branch regulatory measures. One of the best ways to learn how to capitalize on these opportunities and overcome those challenges is to attend the AGC of America Annual Convention.

This year's Annual Convention will take place in Las Vegas, Nevada from March 13 through March 16. As we do every three years, the convention is being held in conjunction with the CONEXPO-CON/AGG event. AGC convention attendees will have plenty of opportunities to learn how to leverage this year's opportunities and overcome its challenges.

Attendees will have the opportunity to attend a variety of education sessions on key construction issues. These include sessions on learning new ways to develop business, modernizing firms, finding successful approaches to recruiting women and minorities. Attendees can also learn ways to overcome supply chain challenges, craft successful workforce development strategies and the latest techniques for reducing physical and mental risks for workers. We will also feature updates on the latest development

In addition to the formal education sessions, attendees will have ample opportunity to learn from each other. Every session features at least one member sharing what they have learned about the particular topic. But we have also built in a lot of time to the schedule for members to connect and learn from each other. These connections will take place in the hallways between sessions, at the lunch table during our awards events and yes, even at social events like our first-time attendees' reception and the Celebrate Construction party.

The various awards ceremonies that will take place during the annual convention also offer excellent opportunities to learn. You can hear how contractors completed some of the nation's most challenging construction projects during the Construction Risk Partners Build America Awards. You can meet the men and women behind the most innovative safety programs at the WTW Construction Safety Excellence Awards. You can hear how construction firms are successfully embracing diversity during the AGC Diversity & Inclusion Awards, learn about the latest industry innovations at the Autodesk Construction Innovation Awards and be inspired by the philanthropic deeds of fellow firms during the AGC in the Community Awards.

It is hard to think of an easier way to prepare for the challenges and opportunities that 2023 has to offer than by attending the AGC of America Annual Convention. Not only will you learn invaluable information and expand your network of professional contacts, but we have also be peeling back the curtain of the steps we are taking to make AGC of America an even more effective voice for this industry.

That is why we hope you will visit convention.agc.org and register today for your spot at the 2023 AGC of America Annual Convention. That registration also includes access to the many exhibits and events that will take place at this year's CONEXPO-CON/AGG. Sign up today and we will see you in Las Vegas in March.

# AGC of Texas Celebrates TxDOT's Historic \$10 Billion Annual Letting



At the October 5 Membership Luncheon AGC of Texas CEO Jennifer Woodard presented TxDOT CEO Marc Williams with a plaque commemorating the Department's historic \$10 Billion Annual Letting in Fiscal Year 2022.

# Looking Ahead to a Bright 2023

Lance Simmons, TxDOT Chief Engineer

As 2022 comes to a close, we're proud of what we've accomplished this past year and are getting ready for what's ahead in 2023.

This is an exciting time for TxDOT and for the transportation industry at large. This past fiscal year, we had our largest award of contracts ever with about \$10.5 billion in contract awards. This was nearly double the amount of contract awards just eight years ago. And this fiscal year we expect to exceed that number with a projected \$11 billion in contract awards.

Earlier this year, the Texas Transportation Commission passed a historic \$85 billion Unified Transportation Program — our 10-year budget. Much of this increase in funding was thanks to the passage of the Infrastructure Investment and Jobs Act last year.

We also saw several new faces among our executive leadership team. Earlier this year, I was honored to be named TxDOT's chief engineer having most recently served as director of engineering and safety operations. Mo Bur, who previously served as the Dallas District engineer, is now director of project development. Jessica Butler, who led the Transportation Planning and Programming Division, now serves as director of engineering and safety operations. Carl Johnson, who was district engineer for the Fort Worth District, now serves as the director of district operations. This new team will put us in a great position to deliver excellence for Texas.

Looking ahead, we're gearing up for another exciting year.

In January, we'll be bringing industry leaders together for the 2023 Texas Transportation Forum held in Austin. This event is a great opportunity for attendees from across the public, private and non-profit sectors to come together, network and discuss the current and future possibilities for transportation.

January also marks the beginning of another major event — the 88th Regular Legislative Session. Our team is preparing to work with state leaders to make sure we have the resources we need to deliver projects efficiently and effectively. For the 2024-2025 biennium, we're requesting nearly \$37 billion through our Legislative Appropriations Request — 88% of which will go toward project development, delivery and maintenance.

As we have every year, we'll continue to work closely with our partners in the public and private sectors to deliver on TxDOT's mission of "Connecting You With Texas." Thanks for all you've done this past year to help us build a world-class transportation system Texans deserve. Have a safe holiday season and a very happy New Year.

# The Infrastructure Investment Act Turns One

Dr. Alison Premo Black, ARTBA

"Is the new infrastructure law having an impact?" That is the question I am most often asked in my travels to industry events and on Zoom calls.

One year after enactment of the historic Infrastructure Investment and Jobs Act (IIJA) the answer is definitively, "Yes."

Although IIJA was signed into law November 15, 2021, things did not move as quickly as predicted. States did not have access to the full amount of the historic increase until Congress approved the annual appropriations bill in mid-March 2022. The Federal Highway Administration released the official funding notice April 1, and in May, state departments of transportation began to ramp-up their commitment funds in earnest.

The IIJA provides Texas with \$27.8 billion to improve roadway and bridge infrastructure networks over five years. The first installment was \$4.8 billion for FY 2022, which began October 1 of last year. As of August 30, Texas was leading the way by obligating \$4.2 billion (82 percent) of its FY 2022 IIJA highway formula.

Out of all 50 states and D.C., Texas ranks 47 in the number of new transportation construction projects started since IIJA became the law of the land. The funds currently support 1,094 new projects with more to follow during the year – a sign of the confidence the new law brings to the transportation construction market. By comparison, Ohio came in at the top with 1,363 new projects in the pipeline. Reimbursements for work related to Texas's new projects stand at \$1.5 billion as of August 30.

Some of the most notable projects supported by IIJA funds in the Lone Star State include continued work to reconstruct and widen IH 35E in Denton County (\$690.4 million), freeway widening in the Fort Worth district (\$357.8 million), and work to build direct connectors on IH-10 (\$297.3 million).

While the commitment of IIJA funds is a positive development for our industry, ARTBA is carefully tracking increases in project costs and material availability. Since late 2020, transportation construction professionals have confronted unprecedented pandemic-related cost increases and often-limited availability for key commodities and materials. The severity of the situation varies from state-to-state. In July, ARTBA leaders met with U.S. Department of Transportation (DOT) officials regarding increases for a variety of inputs and urged the department to allow price adjustment clauses for existing federal-aid contracts, which would provide contractors temporary relief from unforeseen inflationary pressures.

U.S. DOT officials also engaged ARTBA members in a detailed dialogue on the pending expansion of Buy America requirements to certain construction materials and discussed availability of domestically produced materials and challenges in increasing that supply during the short term.

Despite these challenges, IIJA remains a net positive for the industry and the country. As we enter the second year of the most significant investment in U.S. infrastructure since the Interstate era, we will continue to see its positive impacts flow through to state and local economies in the form of increased gross domestic product, disposable income, and local tax revenue. The long-term economic benefits of these investments – improved mobility and flow of commerce – will last decades.

Editor's note: ARTBA tracks the economic impacts of the IIJA in all 50 states and D.C., along with national commodity and material prices for transportation construction. This information can be accessed in the "Economics" section of www.artba.org



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