CALIFORNIA CONSTRUCTOR

BUILDING AN

CONSTRUCTION OUTLOOK

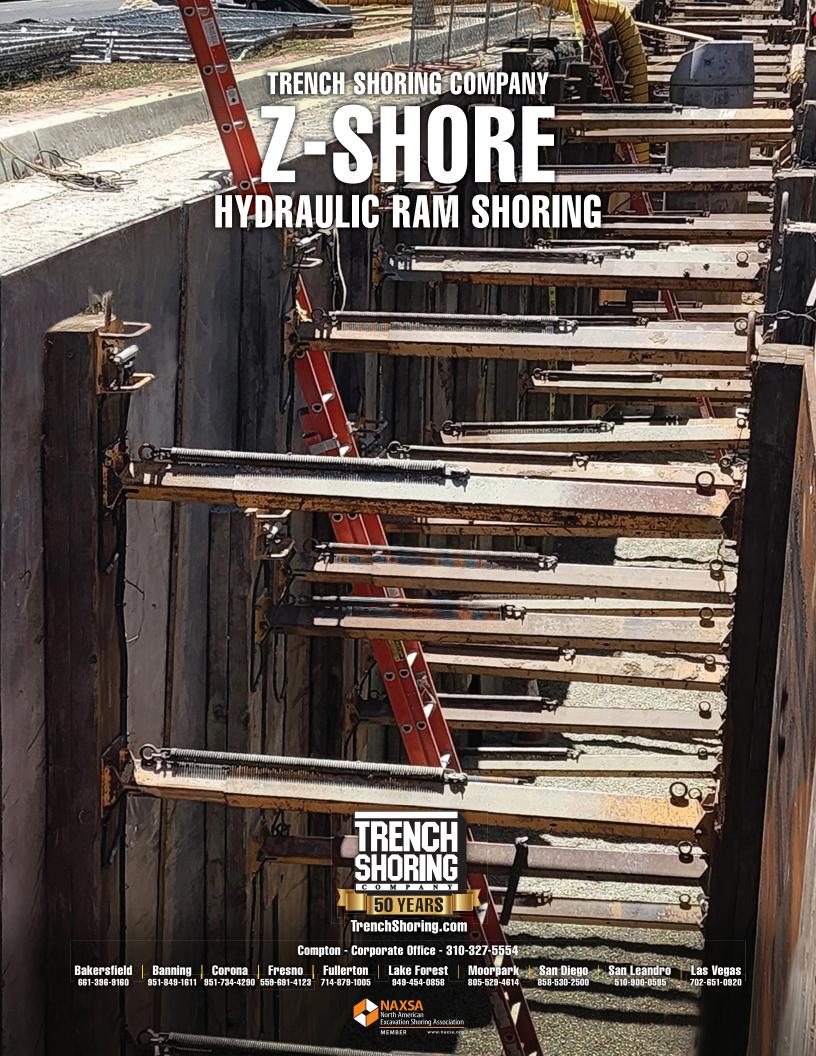
WALSH PROJECT WINS

14



AGC of California Recognizes Winners of 2023 Construction Safety Excellence Awards Competition





CALIFORNIA CONSTRUCTOR

JANUARY-FEBRUARY 2024



6 SPOTLIGHT ON DIVERSITY, EQUITY & INCLUSION

Building an Inclusive Future for California's Construction Industry

AGC of California members and staff have taken on range of DE&I initiatives and projects that are delivering measurable and noteworthy results.

BY CAROL EATON

10 REVIEW AND FORECAST

California Contractors Face Mixed Prospects In 2024

Federal funding for variety of infrastructure projects may not completely offset a continuing exodus of households and businesses from the state in year ahead.

BY KEN SIMONSON

12 HONORING SAFETY EXCELLENCE

Construction Safety Excellence Awards Recognizes 2023 Winners

The 36th annual competition spotlights AGC of California companies who lead the industry in safety.

BY CAROL EATON

14 CSEA'S HIGH HAZARD WINNER

Walsh Recognized for Wastewater Facility Upgrade Project

Ongoing and extensive training for employees, host of innovative solutions contribute to success of challenging infrastructure project.

BY CAROL EATON

IN EVERY ISSUE

2 MOVING MOUNTAINS

Embracing the Challenges and Promise of 2024

4 ADVOCATING FOR THE INDUSTRY

California's Budget Outlook for 2024

18 INVESTING IN OUR INDUSTRY

My Personal Journey: From AGC Student Chapter to CEF Board

20 BUILDING YOUR NETWORK

Over 500 Turn Out for 2023 CONSTRUCT

SHORT SUBJECTS

- **24 MAKING MOVES**
- 25 LEARN, ENGAGE & GROW

Embracing the Challenges and Promise of 2024

BY STEVE RULE, PRESIDENT, AGC OF CALIFORNIA

elcome to 2024! I want to wish our AGC of California family a very Happy New Year. I am truly excited to consider all that the New Year has to offer.

I want to thank Dina Kimble for all she has done during her tenure to grow and improve the AGC of California. In addition to being the first woman president of the association, Dina is also the first specialty contractor to hold the office. It has been my pleasure to follow Dina through various AGC of California board positions over the past several years.

I have always appreciated her insights and her unwavering support for our industry. Being a member of AGC of California affords us the opportunity to meet extraordinary people and build our networks, and I feel fortunate to consider Dina part of mine. During her two years in office along with Mike Blach's and Jerome di Padova's service as president in the years preceding, our association has grown to become larger and stronger than ever.

I am honored and humbled to be beginning my term as your 2024 president. The past five years have been quite a journey for our association. The efforts of the staff throughout the pandemic were heroic. Our industry was additionally challenged as we battled through supply and escalation issues. Now there appears to be light at the end of the tunnel as we continue to see project funding from SB1 and start to realize the positive impact of the bipartisan infrastructure bill.

Through it all, the AGC of California has grown overall revenue by 120% in the last five years, ending 2023 with nearly \$4 million in dues revenue and more contractor members than ever before.

I am especially proud of the efforts of this association to expand the diversity of our membership, to build a more inclusive workforce and increase our outreach and services to small and underrepresented businesses, as featured in this issue. It is my goal to continue the work of my predecessors and ensure the services and initiatives of our association continue to grow to meet the needs of our members and our industry.

We continue to face challenges, however. For many years, the industry has been impacted by the shortage of skilled workers. Efforts by Build California have been outstanding, but this is an issue that we will continue to experience well into the future.

We need to continue to find new and inspired ways to attract and retain new workers into our industry. In addition, we need to continue to care for our people through improvements and innovations in safety, going beyond the minimums established by regulatory agencies and by continuing our efforts surrounding mental health. Finally, our association and membership need to work together to expand our leadership and influence in the area of sustainability and combating climate change.

It is a privilege and an honor to serve the association and all of you in the coming year. I look forward to connecting with you and continuing our work on these important issues, and I encourage all of you to find ways to engage with and make our association even better in 2024!



Steve Rule Kindest Regards, Steve Rule, *President*



Published bi-monthly for members of the Associated General Contractors of California

3095 Beacon Boulevard West Sacramento, CA 95691 (916) 371-2422

www.agc-ca.org

PUBLISHER

Al Rickard
Association Vision
(703) 402-9713
arickard@assocvision.com
www.associationvision.com

EDITOR

Carol A. Eaton Eaton Communications (707) 789-9520 carol@eaton communications.com

ADVERTISING DIRECTOR

Carolyn Ward Association Vision (704) 677-3051 cward@associationvision.com

DESIGNER

THOR Design Studio
Washington D.C. | Austin
info@thor-studio.com
www.thor.design

CORRESPONDENCE

Address editorial and circulation correspondence to:

California Constructor

AGC of California 3095 Beacon Blvd., West Sacramento, CA 95691 (916) 371-2422 or call Carol Eaton at (707) 789-9520 or eatonc@comcast.net



2023 Silver National Award Winner for Publication Redesign

COPYRIGHT 2023



Without this, your next project will stink.





800-352-5675 • rentnational.com













Unlike the federal government, California's Legislature and Governor are not allowed to deficit spend. However, adhering to a balanced budget requires some art as much as it does science.



alifornia's size and economy are often touted as proof of concept for sound public policy by its state leaders. Entrepreneurial spirit and solid natural resources have bestowed the state with signature industries and the world's fifth-largest economy. California's global presence as a leader of industry, education and culture has grown quickly ever since its gold strike origins. Interestingly, the state's Democratic leadership is a rather new phenomenon throughout this prosperous history.

Golden State Leadership

Beginning with the 1992 election, the state's electorate switched from mostly supporting Republicans to Democratic presidential candidates. Prior to the election of President Clinton, California was a GOP-leaning battleground state having only last voted for a Democratic presidential candidate in 1964. With this exception, California delivered for Republican presidential candidates between 1952 and 1988. At the time, the state's elected leaders were more balanced between the political parties.

Today, Democrats enjoy supermajorities in both houses of the Legislature

with many votes to spare. Additionally, Democrats have enjoyed control over every statewide post since 2006 when the last Republican elected statewide was Insurance Commissioner Steve Poizner. For better or worse, Democrats have owned the state's successes and challenges ever since.

While recessions and employment are ignorant to partisan politics, there has been an upward trend in the severity of peak unemployment rates over the past 40 years – roughly during the same time Democrats have assumed firm control over the state's political and policy resources. Be it California's size or its outsized presence in the technology and innovation sector, the adage that when California sneezes the rest of the country's economy catches a cold seems to still ring true.

Deferred Tax Collections

While still recovering from the short pandemic-induced recession, California was struck with winter natural disasters at the beginning of 2023. Fifty-five of the 58 counties were affected by these storms and as a result several extensions were made to state and federal tax collections.

With the extensions made until November 16, 2023, the state Legislature and Governor largely balanced and passed a budget predicated on deferred tax collections in July of 2023. Coupled with persistently high inflation, the economic forecast for the state and country in 2024 seems far from smooth.

A \$310.8 billion dollar state budget was passed in 2023 that solved a \$31.7 billion dollar deficit largely by deferring and delaying large state expenditures; mostly in transportation. Soon after the budget was signed, the Governor's Department of Finance released a multi-year budget forecast indicating that the remainder of the Governor's second term will likely see stagnant economic conditions and as a result will see flat tax revenues.

With no growth in revenues the state will certainly experience operating deficits notwithstanding any other compounding economic effects. Tax collections in the fall of 2023 were significantly less that projected for in the 2023-24 state budget. While the November 2023 collections are still being tallied, the state was \$19 billion dollars behind in anticipated collections by the end of October 2023.

Unlike the federal government, Cal-

ifornia's Legislature and Governor are not allowed to deficit spend. However, adhering to a balanced budget requires some art as much as it does science. The state must operate in balance in the fiscal year it's in but can project operating deficits for subsequent years; all to inform current year budgeting.

Given these known factors, it is still anticipated that a recession – be it a soft or hard landing – will take place in the first or second quarter of 2024. As such, the Governor's budget release on January 10th required by the state constitution will be a momentous affair.

Despite the call for increased taxes by members of the Senate budget committee, the Governor has seemed consistent through the 2023 budget cycle in stating his opposition to raising taxes. Stating that new or increased taxes would be "irresponsible" and would likely nega-

Be it California's size or its outsized presence in the technology and innovation sector, the adage that when California sneezes the rest of the country's economy catches a cold seems to still ring true.

tively affect the state's business climate, Newsom seems to be prepared to weather the impending storm with the resources he currently has. Specifically, the state enjoys significant budget reserves totaling nearly \$40 billion dollars should the Legislature and Governor need to use them.

Until a clearer budget picture takes focus, AGC of California advocates and staff will continue to help policymakers make sound investments in infrastructure and transportation projects. Proven to be

necessary for the growth and prosperity of California's economy, California's future relies in in its ability to provide access and utility to its residents and economy. Of which, AGC of California members will help build.



Felipe Fuentes



Unscrupulous contractors undercut responsible contractors like you when bidding, causing your company to be unable to compete. Often this practice is illegal and results in an unlevel playing field. We are here to help level that field.

As a signatory contractor and partner of OPCMIA locals 500 and 600, you are provided a Prevailing Wage Compliance

Program, ADR Joint Workers' Comp Program, and Competitive Private Commercial & Residential Rates.

In addition, you have access to a workforce trained from an apprenticeship program accredited by the State of California. Our apprentices learn all aspects of concrete including form setting, placement, finishing, concrete polishing, patching & repair.

Local 500 ~ 714-554-0730 ~ www.cementmasons500.org • Local 600 ~ 323-771-0991 ~ www.cementmasons600.org

Building an Inclusive Future for California's Construction Industry

BY CAROL EATON

READ THE RECOMMENDATION REPORT at https://www.agc-ca.org/diversity-equity-inclusion/

Building a more inclusive workforce. That was a driving vision behind the AGC of California Diversity, Equity & Inclusion (DE&I) Task Force, launched in 2020 to study and make recommendations on ways the association and its members could spark much-needed change within the construction industry.

It continues to be an overarching goal today, as a growing number of construction companies are taking tangible steps to foster inclusivity – not only as a way to build their bottom lines, but also to attract new talent into an industry that has long been short on skilled workers.

Following the release of its comprehensive recommendation report in the spring of 2021, the AGC of California DE&I Task Force segued into the DE&I Steering Committee. Charged with turning ideas into action, this 17-member committee is made up of passionate professionals who hold a variety of different positions at their own companies but are united by a common goal: to build a construction industry that is welcoming to all. Their work is supported by dozens more AGC of California members and staff who

participate in various ongoing working groups targeting a range of DE&I initiatives and projects.

These efforts have already delivered several measurable and noteworthy results.

Among its key achievements to date, the DE&I Steering Committee has rolled out two educational and community-building forums: the DE&I Forum, launched in September 2021, and the Small and Underrepresented Business (SUB) Forum, kicked off in August of 2022. Both forums have significantly increased member and non-member engagement in AGC of California as they seek to increase awareness and adoption of DE&I practices within the construction industry.

Since its launch, the DE&I Forum has registered over 1,050 individuals representing 305 different companies, while the SUB Forum has attracted nearly 500 attendees from over 225 companies to participate in its quarterly meetings. (Numbers are current as of November 2023.)

The DE&I Steering Committee has also supported annual Small Business

Construction Expos in Northern and Southern California, created toolbox talks and resource materials for companies looking to expand their emphasis on DE&I, and much more.

Peter Tateishi, AGC of California CEO, pointed out that the association's leadership and vision in promoting DE&I was needed to effectively build a workforce capable of meeting not only current but future needs.

"Our industry has reached a critical point in its history where we must evolve to meet the infrastructure and project demands," Tateishi commented. "As our country becomes more and more diverse, so does our workforce, and what has kept people engaged in the past is no longer going to fit the bill.

"The tools and resources that our DE&I Steering Committee has helped to create have deepened the sense of belonging across our industry and have only become more valuable to construction companies," he added. "We will continuously challenge and seek ways to improve and be better so that we can help equip individuals and companies alike with the tools they need to thrive."



Participants on one of the DEI Forums held in 2023.

DE&I Gets Seat on State Board

Babatunde Onadele, Jr., senior project manager at San Jose-based Core Builders, has been part of the DE&I Steering Committee for nearly two years and serves as Chair in 2024. As such, he also holds a seat on the 26-member AGC of California State Board of Directors, a newly created position that further elevates the importance of DE&I statewide within the association.

"It really speaks to the level of intentionality that AGC of California has about DE&I, and the fact that it is not just in name or in passing," Onadele commented. "It has been great to be able to sit at that table and add input."

Onadele noted that during 2023, under the leadership of Chair Dr. Giovanna Brasfield (Dr. G), the DE&I Steering Committee commissioned six working groups to tackle specific programs or areas of focus, ranging from the DE&I and SUB Forums to SUB BASICS (an on-demand business acumen training that provides



"AGC of California has done a phenomenal job of shining a spotlight on SUBs and creating a platform where general contractors can find these talented companies and partner with them. A lot of them just need exposure and opportunity."

Babatunde Onadele, Jr.
 Core Builders

match-making opportunities for BA-SICS-certified SUBs), SBCX, and a new Inclusive Leaders Institute, to name a few. He pointed to the work done to support small and underrepresented businesses as being particularly impactful.

"AGC of California has done a phenomenal job of shining a spotlight on SUBs and creating a platform where general contractors can find these talented companies and partner with them," Onadele said. "A lot of them just need exposure and opportunity. Our efforts on the Steering Committee were intended to remove the obstacles and hurdles they face and just to help put them in a position to succeed."

As they move into 2024, the DE&I Committee will be taking a close look at "what's next" to ensure their primary areas of focus continue to be the most relevant and have the greatest impact, Onadele said. "If needed, we will pivot and adjust our working groups to ensure we're providing resources that our member companies most need."

He credits the diversity found within the 17-member Steering Committee membership itself with the results they have been able to deliver and the impact they are having.

"We all come from varying companies and different roles. Some are DE&I, supplier diversity, and workforce development practitioners, but we also have people from business development, operations, and HR," he said. "I think that breadth of varying backgrounds really allows us to promote and foster the best ideas; we can challenge the status quo and, in a healthy way, challenge each other to make sure we're providing the best solutions and opportunities for individuals to succeed as they come into the workforce or remain in it. For us, one of our measurements of what we deem a success is how many people we are impacting."





"It is so important to get
the industry to speak
the same language
and really understand
the business case for
(building inclusivity) –
understanding the "why"
behind it all. I'm really
proud that we are on
our third cohort of the
Inclusive Leaders Institute
program right now."

Melissa Berg
 Dome Construction

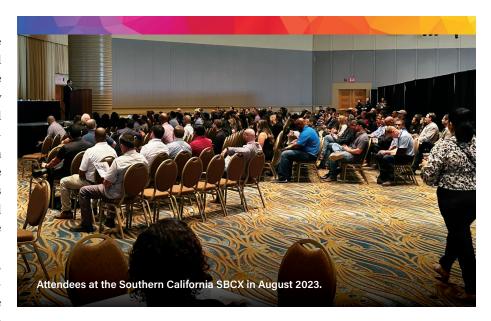
Inclusive Leaders Institute

One of the programs launched by the DE&I Steering Committee, with potential for widespread industry impact, is the Inclusive Leaders Institute, powered by Granite Construction. Rolled out in fall 2022 and designed specifically for executive-level leaders in the construction industry, the Inclusive Leaders Institute aims to equip organizational leaders with the knowledge and skills to lead their companies towards a true culture evolution.

Melissa Berg, Director of Inclusion, Culture & Engagement at Dome Construction and the DE&I Steering Committee Vice Chair for 2024, played a pivotal role in developing the Inclusive Leaders Institute over the last two years. The program is now serving its third cohort of executives and has offered executive-level inclusivity training to a total of 31 construction executives to date.

"It is really just about building that awareness from the top, because we get nowhere (when it comes to building inclusivity) until company leadership is on board," she commented. "It is so important to get the industry to speak the same language and really understand the business case for it – understanding the "why" behind it all. I'm really proud that we are on our third cohort of the program right now." Planning is underway to create next steps in the program, Berg added, and to expand it out to target mid-level managers.

Another product that Berg said she is particularly proud of having helped develop is a DE&I microlearning resource focused on cultivating psychological safety on the jobsite. Ongoing conversations with the Carpenter's Union, Tradeswomen Inc. and other groups "who can influence members to change the culture of the jobsite" is a key part of the deployment and development of that product, she added.



Measuring Impact and Change

Determining how to measure the impacts of the various initiatives and programs put in place by the DE&I Steering Committee is a subject of ongoing discussion among its members, according to Onadele. Some of the tangible impacts that can be quantified with metrics include the numbers of SUBs that join AGC of California (48 since 2022), or at an individual company level, how many underrepresented and marginalized workers have joined a given firm year-over-year.

But there is also the intangible factor – do people feel that they belong in the industry? AGC of California is addressing that component through a "Belonging Survey" that it developed and is currently deploying in partnership with survey technology company, Qualtrics.

Kayla Montgomery, AGC of California Diversity, Equity, and Inclusion Manager, explained how this new tool that is free to AGC of California members can help companies better understand their workforce. "Belonging is one of the most powerful measures of employee engagement, and when diversity, equity, and inclusion are done well, a deeper sense of belonging is the product," she noted. "It is essential that our industry takes steps to understand their employees' overall sense of belonging."

"The results of the survey will not only show that company's overall "belonging" score, but more importantly can drill down into different demographic categories to see how they may differ from the overall organization," Montgomery added. "For example, the data will show that those within their first four years of tenure have a significantly lower belonging score compared to the rest. This data then can be leveraged to create a strategy that seeks to increase sense of belonging for their newest team members."

And that sense of inclusion and belonging in the workforce is something that a majority (51%) of employees say is important to retention, citing it as a top three reason they left their job post-pandemic, according to a survey by McKinsey & Company in 2021.

"As we get companies to shift away from how does it affect my bottom line, more so to how does it affect how I feel and how does it affect the morale of my people, that is a big shift," Onadele concluded. "It is an ongoing effort, but the momentum is there."



ontractors in California can expect an increase in federal largesse for a variety of infrastructure projects in 2024. But those funds may not be enough to offset the headwinds from a continuing exodus of households and businesses.

Following a devastating loss of 170,000 construction jobs (seasonally adjusted) in just two months between February and April 2020 at the outset of the pandemic, the industry recovered to its pre-pandemic employment level in February 2022, not long after the nation reached that mark. (Seasonal adjustment is a statistical process to remove fluctuations due to regularly recurring holiday- or weather-related changes.)

However, the state has lagged since then. By October 2023, California's construction employment was 2.9% higher than in February 2020, barely half the 5.6% gain nationwide. The gap continues to widen: in the 12 months since October 2022, employment increased 2.3% in California, compared to 2.8% nationally. (See chart.)

Employment Varies Statewide

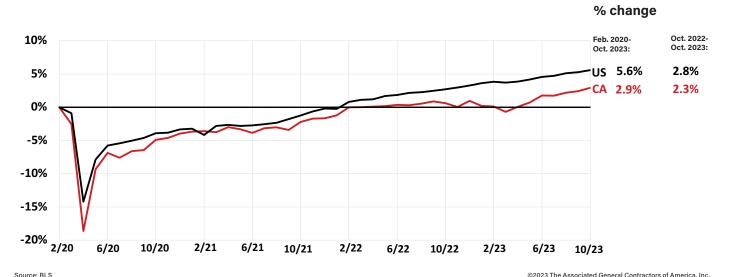
The situation varies greatly around the state, however. From October 2022 to October 2023, two metro areas accounted for two-thirds of the state's 22,400 additional construction employees. The Riverside-San Bernardino-Ontario metro area added 7,500 employees, while the

Oakland-Hayward-Berkeley division of the San Francisco-Oakland metro area added 7,000. Meanwhile, the San Francisco-Redwood City-South San Francisco division lost 1,100 employees, bringing its four-year decrease to 5,900 or 15% of its October 2019 (pre-pandemic) total.

The sluggish overall growth is due in part to the state's first-ever population decline, which began in 2020 but has continued since then. California lost the largest number and percentage of residents of any state between July 1, 2020 and July 1, 2021 — a loss of 358,000 people or nearly 1%. The loss slowed by two-thirds the following year, to 113,000 or 0.3%. But there is little indication that the state has returned to its former status

US and CA Construction Employment

Cumulative change, Feb 2020-Oct 2023, seasonally adjusted



Two major pieces of federal legislation enacted in the past two years should finally help nonresidential construction in 2024: the Infrastructure Investment and Jobs Act of 2021 and the Inflation Reduction Act of 2022.

as a destination for both foreigners and domestic transplants.

Despite a shrinking population overall, there is still an acute shortage of housing. But the state's sky-high land acquisition, development, and construction costs, along with tightened lending standards, have meant that fewer single- or multifamily projects promise a high enough return to attract developers.

Multifamily Construction Market Strong

In the face of such challenges, it is surprising that the number of multifamily building permits issued in the first nine months of 2023 held level with the number issued during same span in 2022. That implies a much stronger market for multifamily construction in 2024 in California than nationally, where permits plunged 16%.

Two major pieces of federal legislation enacted in the past two years should finally help nonresidential construction in 2024. The Infrastructure Investment and Jobs Act of 2021 promised funding

for many types of infrastructure projects. However, project awards and starts have been held back by undefined, unclear, or unworkable requirements involving U.S.-made materials, apprenticeship programs, and prevailing wages.

The Inflation Reduction Act of 2022 offers generous tax credits but requires the Internal Revenue Service to spell out very specific eligibility standards that neither the agency nor taxpayers have experience with. Some of the roadblocks to implementing these laws have been cleared away in the past few months, giving hope that more projects will break ground in 2024.

The outlook for construction in California varies across the state and across markets. On the whole, prospects are positive but not as strong as nationally.



Ken Simonson



Winners of the AGC of California 2023 Construction Safety Excellence Awards gathered at the 36th annual Awards Luncheon at the Omni Rancho Las Palmas Resort on October 11. Representing the companies taking first place awards are, left to right: Alyssa Digangi, Stronghold Engineering; Brian Bjornson, Walsh Construction Company; Carina Sowinski, Mortenson; Robert Tsubota, BNBuilders; Mario Noriega, ISEC, Inc.; Tod Decker, Blois Construction; Keon West, Clark Construction; and AGC of California Safety & Health Council Chair Chris Jones, ACCO Engineered Systems.

Honoring Safety Excellence

AGC of California Recognizes Winners of 2023 Construction Safety Excellence Awards Competition

BY CAROL EATON

GC of California recently recognized the best in safety in the California construction industry with the 36th annual Construction Safety Excellence Awards (CSEA).

Held in conjunction with 2023 CON-STRUCT, AGC of California's annual networking and professional development conference, on October 11, 2023, the CSEA luncheon drew a crowd of several hundred construction executives, safety professionals, and student chapter members to see leading California construction companies and individuals honored for safety excellence.

"Safety is the cornerstone of everything we do in our industry. Our primary goal as an industry is to ensure that every employee returns home safely to their loved ones, allow them to carry out their essential work in a safe environment, and contribute to California's growth," said Peter Tateishi, chief executive officer of AGC of California. "Congratulations to this year's award winners who serve as outstanding examples for our industry."

2023 AGC of California Safety & Health Council Chair Chris Jones, ACCO Engineered Systems, provided opening remarks at the luncheon along with Georgia Bergers, vice president of marketing, HammerTech. Joining them in the awards presentation program were AGC of California President Elect Steve Rule, vice president and project director, Turner Construction; Robert Lucchesi, director of safety with Teichert Construction; Chad Lee, regional manager, general construction, Milwaukee Tool; and keynote speaker Patrick Nelson, chief executive officer, Loyalty Point Leadership.

In her opening keynote address, Bergers announced the winners of the Hammertech Safety Scholarship, a new initiative open to students demonstrating outstanding academic achievements in fields like construction management, construction engineering and related areas. Four students received the award, including Rafael Hernandez Andrade, CSU Long Beach; Juan Diaz, Cal Poly San Luis Obispo; Jared Lynch, CSU Fullerton; and Lorraine Mae, CSU Long Beach.

Empowering the Front Line to Take Safety Personally

Attendees heard a dynamic and interactive keynote address from Patrick Nelson, Loyalty Point Leadership, entitled "Lessons from the Battlefield: How to Empower the Front Line to Take Safety Personally." Nelson shared his personal journey serving as a paratrooper in the U.S. Army, where he led soldiers during three combat deployments in Iraq and Afghanistan and earned a Bronze Star Medal and Purple Heart. He later became the inaugural NFL-Pat Tillman Military Scholar, earned two masters degrees, and now facilitates leadership development programs for clients in a variety of industries.

A life-changing experience during his deployment, when one of the soldiers under his command was killed in combat, propelled his own journey to help others. Nelson related how safety incidents, whether on the battlefield or on construction jobsites, can often be averted by greater accountability and attention to details from leaders.

"We all know why safety incidents happen, and every single one of us has taken that shortcut or not worn the proper PPE at least once in our careers. But we've been lucky," he commented. "But those people who expect you home at the end of the night do not want you to rely on luck as a strategy to keep us safe. Eventually, that luck will run out.

"Accountability is the gateway to credible safety leadership," Nelson added. "It's a lot easier to be accountable when things are going right, but the true test of a leader is being accountable when things are going wrong - and not by pointing the finger at someone else but by pointing the thumb back at us. We need to look inside and see what our role was in the situation. We need own it, and we need to take action."



"Accountability is the gateway to credible safety leadership. It's a lot easier to be accountable when things are going right, but the true test of a leader is being accountable when things are going wrong."

- Patrick Nelson, Loyalty Point Leadership

AGC of California Congratulates the 2023 CSEA Award winners:

Main Category/Worker Hours Building Division

Under 500,000 Worker Hours:

1st place - Stronghold Engineering

Finalist - Blach Construction

700,000 and Over Worker Hours:

1st place - BNBuilders

Finalist - Clark Construction, Hensel Phelps

Heavy, Civil and Highway Division

Under 700.000 Worker Hours:

1st place - Blois Construction

Finalists - Guy F. Atkinson

Construction, Nova Group

Over 1 Million Worker Hours:

1st place - Walsh Construction

Company

Finalists – **Griffith Company, Granite Construction**

Specialty Contractor Division

Under 1 Million Worker Hours:

1st place - ISEC

Finalists - L.K. Comstock, Oltmans

Over 2 Million Worker Hours:

1st place - Mortenson

Finalists - ACCO Engineered

Systems, Brightview Landscape

Specialized Awards
Individual Safety Effort

of a Project Superintendent
Keon West, Clark Construction

Safety on a High Hazard Project

Walsh Construction Company II, "Digester & Thickener Facilities Upgrade"

For the second year, the presentation of the Safety Professional of the Year will be presented at the AGC of California Installation & Awards Gala on Feb. 2, 2024, at the Fairmont Hotel in San Francisco.

AGC of California thanks the judges for the 2023 AGC of California CSEA Awards. who include:

- Kate Crawford
 Stack Infrastructure
- **Kevin Thompson**Cal/OSHA Reporter
- Cary Williams

 Alliant Insurance



Wastewater Facility Upgrade Project Wins Walsh CSEA High Hazard Award BY CAROL EATON

he San Jose Digester and Thickener Facilities Upgrade Project took place within the San Jose-Santa Clara Regional Wastewater Facility, which has evolved since its inception in 1956 to become the largest advanced wastewater treatment facility in the Western United States. The facility treats an average of 110 million gallons per day (mgd) with a maximum capacity of 167 mgd.

Walsh Construction overcame a variety of challenges to successfully complete this technically complex upgrade project, earning it the AGC of California Construction Safety Excellence Award for "Safety on a High Hazard Project." With a final contract value of approximately \$178 million and spanning nearly six years duration, the project's complexity was amplified by the age of the facility, the presence of numerous hazardous materials, and its location in the center of a fully operational plant.

Major scope items for this project included:

- Modifying the four existing 3.5 MG mesophilic anaerobic digesters to convert them into new thermophilic anaerobic digesters, involving an array of scope components.
- Modifying six of the existing dissolved air flotation thickener tanks. Work included demolishing portions of the existing structural concrete, electrical, piping and equipment; new structural concrete; new tank coating and covers; new equipment, piping and electrical; and new thickened sludge structure, equipment, and canopy.
- New thickened sludge equalization tanks, sludge screening building, polymer storage and feed system and odor control facility. This work entailed new structural concrete, equipment, piping, electrical, canopy and building finishes.
- A new 3000 linear foot pipe rack system, requiring new concrete footing, columns, and structural steel rack system, and installing new gas piping, sludge and hot water piping.
- Installing a 3000 linear foot digester gas bypass system along





with the associated shutdowns to bypass the plant's entire digester gas system during construction.

- Installing a 100-mgd primary effluent bypass system along with the associated shutdowns to remove and replace the existing system.
- New site work, including yard piping and civil improvements such as grading, flatwork, and paving.

Due to the wastewater treatment plant's age and period in which it was constructed, there were several hazardous materials present that the team had to mitigate and address during construction, including asbestos, lead paint, PCB caulking and lead.

Throughout the project, safe access and work zone safety was challenging due to the project's location in the center of an operating wastewater treatment plant in which over 300 staff operated the facility around the clock, and while as many as 10 other projects were being constructed simultaneously.

Walsh delivered an array of innovative solutions at every juncture and focused heavily on providing ongoing employee training that went above and beyond typical jobsite training requirements for over 50 field employees. Addressing everything from Silica training, fall protection, scissor lift and boom lift training to hazardous material awareness, rigging and signaling and much more, training took place both in larger classroom group training sessions as well as one-on-one trainings on a

specific tool or hazard.

Through these efforts and others, Walsh completed this project with a strong safety record, successfully delivering an important piece of infrastructure for this owner and the region it serves.

Thank You to the CSEA Awards Sponsors!

Platinum Safety Sponsors:

- HammerTech
- Milwaukee Tool

Keynote Sponsor:

Teichert Construction

Gold Safety Sponsors:

- Clark Construction
- EHS International Inc.
- Griffith Company

Silver Safety Sponsors:

- Fisher & Phillips LLP
- Professional Contractor Supply

Clark Construction's Keon West Honored

ith over two decades of experience in the construction industry, Keon West has long demonstrated his commitment to making safety about people, not tasks, espousing the motto "Nurture the culture." West was recognized with the 2023 AGC of California Construction Safety Excellence Award for *Individual Safety Effort of a Project Superintendent*.

As a superintendent and now vice president for Clark Construction Group, West puts this motto into practice daily in his current role, spearheading the construction of Century City Center, a 569-foot-tall, 730,000-square-foot mixed-use project in the heart of Los Angeles.

He developed his philosophy through leadership roles on multiple residential and multi-use projects on the East Coast before he moved to California, where he has since held senior field leadership roles with Clark Construction Group on several high-profile projects, including the \$1.4-billion Chase Center project in San Francisco, home of the NBA's Golden State Warriors, and, most recently, San Diego State University's Snapdragon Stadium, an award-winning, 35,000-seat, multi-use venue designed to host collegiate football, professional and collegiate soccer, NCAA championship games, concerts, and other events.

His ability to deliver these projects safely and successfully is a testament to his commitment to developing and fostering a culture on his jobsites that promotes the value of each individual and each team member's responsibility to safeguard others on the jobsite.

West is committed to developing the next generation of construction leaders and sharing his safety expertise. After graduating from Clark's Field Development Group, an intensive, three-year program designed to train the company's most promising future superintendents, he served as a leader in the program.

With class sizes of 50 individuals, he has mentored participants in various superintendent roles and equipped them to



West is committed to developing the next generation of construction leaders and sharing his safety expertise.

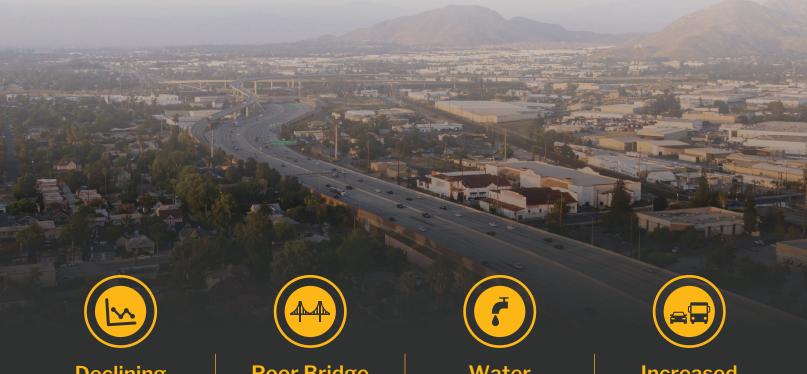
tackle challenges such as addressing site-specific safety risks, complex schedule building, and managing trade contractors.

His dedication and commitment to safety and the success of his projects have not gone unnoticed. In 2018, Clark executives recognized him as Superintendent of the Year. In 2020, West was named one of *Engineering-News Record's* Top 20 Under 40, while in 2022, he was honored by the *San Diego Business Journal* as one of the Top 50 Black Leaders of Influence.





Southern California Infrastructure has been **DECLINING** for **DECADES**



Declining Investments

37% decline in infrastructure investment in Southern California over the last decade

Poor Bridge Conditions

Only half of the bridges throughout our region are in good condition

Water

Our region is losing more than 84 million gallons of water per day in drought-prone areas

Increased Commutes

Commute times have increased by 20-30 percent since 1990

Download the Report:

RebuildSoCal.org/2024Report

The Rebuild SoCal Partnership (RSCP) consists of 2,750 contractors throughout Southern California that represent more than 90,000 union workers. RSCP is dedicated to working with elected officials and educating the public on the continued need for essential infrastructure funding, including airports, bridges, ports, rail, roads, and water projects.



My Personal Journey: From AGC Student Chapter to CEF Board

BY PETER RAZAVI

found myself surrounded by fear and anxiety at my first industry conference. I remember thinking to myself, do I fit in? Do I have the skill set to succeed? Am I dressed appropriately? All my insecurities of being a first-generation immigrant began to surface.

Fortunately, AGC of California conferences have an open atmosphere with professionals treating each other like family and wanting to support one another. In this spirit, I was approached by an influential executive from one of the nation's top general contracting firms

who had sensed my introverted nature.

We had a fairly long conversation about my background, my goals, and desire to join the construction industry. This simple conversation gave me the courage to break out of my shell by approaching other leaders at the conference and making invaluable connections, which I cherish to this day.

Just prior to attending that first conference, I had my first introduction to AGC of California Student Chapters through a great friend who was at the time the San Jose State University (SJSU) Student Chapter

President and who currently works for an AGC of California member company. I was an undergraduate civil engineering student, eager to learn more about the construction industry while developing my leadership skills. To this day, I believe leadership and being able to create influence are the most essential skills that students should learn early on in their education.

Soon after, I was selected as the Student Chapter president at SJSU and was able to grow my skill set and help other students do the same. During my leadership of that chapter, we hosted various events such as jobsite tours, volunteering, lunch and learns, training, networking, and career fairs which helped our students gain a much better understanding of the industry they were about to enter.

Leveraging Industry Connections

Shortly after completing my undergraduate studies, I started graduate school at the University of California, Berkeley and reactivated the AGC of California



Peter Razavi

Becoming an AGC of California Student Chapter leader helped me learn the true definition of culture, team building, and accountability. My experience with **AGC** of California prompted me to stay involved with the organization immediately after entering the workforce and starting my project management career.

Student Chapter there by serving as the Chapter's president. I was able to leverage all the connections that I had made with industry professionals during my undergraduate studies at SJSU to start conducting the same type of professional events for students at UC Berkeley.

As a Chapter, we also received scholarships to attend the AGC of California CONSTRUCT Conference, which helped our students land various internships and full-time offers by attending the CONSTRUCT Career Fair.

Since my undergraduate days, I had the dream of working for a specific large general contractor and being involved with AGC of California. I had already met multiple leaders within that organization and had hosted many "lunch and learns," jobsite tours and volunteering events with them. My involvement and leadership put me in a great position and helped me land a full-time offer with this firm.

Becoming an AGC of California Student Chapter leader helped me learn the true definition of culture, team building, and accountability. My experience with AGC of California prompted me to stay involved with the organization immediately after entering the workforce and starting my project management career. I became the Chair OF the Bay Area Chapter of Emerging Leaders, and we were able to put together similar events, but now for early-stage industry professionals to stay connected, give back, and continuously educate and improve themselves on some of the most relevant topics in construction.

Shortly after, I joined the Statewide Board for Emerging Leaders, and through the connections I had made during my time with AGC of California, I was able to make a career transition from construction operations into construction technology by joining Autodesk Construction Cloud. This transition has helped me use

my passion for technology and innovative solutions to help many Enterprise companies accelerate their digital transformation journey utilizing our solutions.

Joining the Statewide CEF Board

I had the pleasure of joining the statewide AGC of Calfornia Construction Education Foundation (CEF) Board of Directors at the end of last year, which has allowed me to give back to the industry in a small way by supporting various CEF programs such as AGC of California Student Chapters & College Outreach, Build California, Scholarships & Giving, and Training & Education.

At Autodesk, we understand that we as an industry have a big challenge in front of us to grow our workforce. Our core mission and vision at Autodesk is to help design and make a better world; in order for us to achieve that, we need to ensure that we have a skilled workforce that can help address the growing needs of our built environment.

As part of our continued involvement with CEF, we get the opportunity to understand what the current and next generation of the workforce needs when it comes to construction technology so we can ultimately make their lives easier, safer, and more efficient on the job site.

Overall, the experiences and opportunities I have had through AGC of California provided me with the tools to succeed in this industry. Today, I am happy to say it has come full circle to where I am able to contribute at a higher level to the organization that has given so much to me.

Peter Razavi is an Enterprise Sales Leader at Autodesk Construction Cloud. Peter and his team are focused on supporting some of the world's largest AEC firms with their digital transformation journey utilizing the Autodesk Construction Cloud (ACC).









Over 500 Turn Out for 2023 CONSTRUCT

AGC of California Conference Engages Industry Professionals in Educational, Business and Networking Events BY CAROL EATON

ore than 500 construction industry professionals gathered at the Omni Rancho Las Palmas in Rancho Mirage, October 10-13, 2023 for AGC of California's annual networking and professional development conference, 2023 CONSTRUCT, presented by Autodesk Construction Cloud.

The much-anticipated annual event drew top construction industry leaders from across California as well as approximately 95 students representing nearly a dozen AGC of California student chapters. They participated in a variety of business, educational and networking sessions and meetings and



spent time with industry solution providers and vendors at the related Construction Expo.

Dynamic General Session Speakers

Aaron Witt, the chief executive officer of the marketing, media and software company BuildWitt, kicked off 2023 CONSTRUCT's opening session on October 10. As the self-proclaimed "chief dirt nerd" of BuildWitt who has built his company into a well-known brand in just a few years, Witt travels the globe visiting heavy construction and large mining projects and learning about industry issues including workforce challenges, which he discussed during his dynamic address.

This opening session was followed by a NextGen celebration that night spotlighting the important role the next generation of construction leaders are playing in helping

Opening Session keynote speaker Aaron Witt, BuildWitt Caption 2 AGC of California student chapter members at the NextGen event. 3 A student career fair took place during CONSTRUCT 2023. 4 Cynthia and Steve Sandherr, AGC of America, with Walt Johnson, past president of AGC of California and 2024 AGC of California President Steve Rule, at 2023 CONSTRUCT. 5 Panelists at the educational session, "Embracing robots in the age of automation," included Scott Lewis, Nor Cal Carpenters Training; Eric Law, Urban Machine; JT Power, Dusty Robotics; and Jake Gallau, Blach Construction. General Session speaker Barbara Jackson. 2 Panelists who addressed the topic of creating collaborative partnerships during a CONSTRUCT educational seminar included, I-r: Greg Garcia, LAUSD; Alix Walsh O'Brien, LAUSD; Donna Berry, Caltrans; and Kristin Allen, San Francisco International Airport.

AGC of America Chief Economist Ken Simonson during the closing general session.







lead the association and the construction workforce into the future.

A second general session on October 11 featured keynote speaker Barbara Jackson, president of Barbara Jackson LLC, who offered an address on "Jumping the Curve – Creating an Alternative Future for the Industry." Jackson asserted that construction companies looking to rise to the next level must place greater focus on innovations and investment in their people rather than simply in processes or new technologies, a topic that will be explored in greater detail in a future issue of *California Constructor*.

The closing general session on October 12 kicked off with a presentation by AGC of America Chief Economist Ken Simonson on the state of the construction industry and its outlook for

2024. (See his 2024 forecast article on page 10 of this issue). The session also included a panel discussion on political, legislative, and regulatory issues facing the construction industry in California and nationwide.

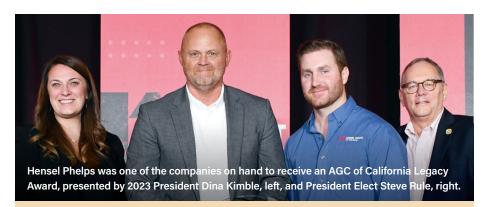
The session was moderated by AGC of California Vice President of Engagement and Legislative Affairs Chris O'Connor, and featured speakers Jennifer Barrera, president and CEO of CalChamber, Felipe Fuentes, partner, The Apex Group, and Steve Sandherr, CEO of AGC of America. The panelists offered updates and analysis of recently signed or vetoed legislative bills and regulatory issues impacting the industry, including proposed new national regulations on project labor agreements and new prevailing wage

□ The CONSTRUCT 2023 closing session panel included, from left: Chris O'Connor, AGC of California; Steve Sandherr, AGC of America; Felipe Fuentes, The Apex Group; and Jennifer Barrera, CalChamber.
 □ Exhibitors engage with attendees at the Expo.
 □ CONSTRUCT 2022 offered plenty of

requirements, to name a few.

opportunity for networking and fun.

Among the issues they discussed, one area of particular interest to the California construction industry has been the recent passage of bills expanding the authority for Caltrans and other public entities to utilize progressive design-build and other alternative procurement approaches. That was the subject of another session, "Creating Collaborative Partnerships for Effective Alternative Delivery Methods," held earlier in the day.



Legacy Award Winners Honored

AGC of California unveiled its third annual Legacy Awards during the 2023 CON-STRUCT, honoring longtime member companies who have shown a sustained commitment to the industry and AGC of California. This year's awards celebrated 10 companies who joined AGC of California over 50 years ago. Five companies were on hand to accept the award this year, including:

Crown Fence Company Founded in Pasadena in 1923, Crown Fence is celebrating its 100th anniversary in 2023 and is fulfilling its vision to become Southern California's preferred fence subcontractor.

A.J. Diani Construction Co., Inc. Founded in 1958, A.J. Diani specializes in grading and paving work among other services. Founder A.J. Diani was a dedicated advocate for AGC of California, playing a key role in establishing the Tri-Counties District and serving as association President in 1976.

Viola Constructors For over half a century, Viola Inc. has been a prominent figure in projects related to K-12, community college and UC work. Spanning 77 years and three generations, Biola Inc.'s enduring success is deeply rooted in their unwavering commitment to the local community.

Rosendin Electric, Inc. One of the largest employee-owned companies in the industry, Rosendin has created a reputation for building quality electrical installations, building value for clients and building people since it was founded in 1919. The company has been a longstanding member of AGC of California for over 50 years.

Hensel Phelps Founded in 1937, Hensel Phelps has become a world-class builder with a strong commitment to growth, diversity and community service. They have been active members of AGC of California for over five decades, recognizing the collective power in addressing industry challenges.

Five additional companies that received AGC of California Legacy Awards this year included:

- Union Engineering Company, Inc.
- Sullivan Curtis & Monroe Insurance Services
- Travelers
- R.J. Daum Construction Company
- Washington Iron Works, Inc.

In it, a high-profile panel of leaders from Caltrans, the Los Angeles Unified School District and San Francisco International Airport construction program discussed their growing use of alternative delivery approaches such as progressive design-build as well as highlighting the various upcoming contract opportunities they have for contractors who want to work in a collaborative environment to help build their programs.

The closing general session of the conference additionally highlighted the winners of AGC of California's 2023 Legacy Awards, honoring longtime member companies who have shown a sustained commitment to the industry and to AGC of California.

Opportunity to Learn, Grow and Connect

2023 CONSTRUCT offered ample opportunities for participants to learn and connect across all generations and industry roles and sectors. Nearly a dozen educational sessions over three days provided attendees with the latest information on construction industry trends and issues of interest, ranging from sustainability and artificial intelligence to embracing robots in the age of automation, how to build an award-winning safety program, and working with small and underrepresented businesses, to name a few.

Several social and networking events provided additional opportunities to connect, including a reception and expo booth crawl as well as the closing Thursday Night Bash sponsored by Autodesk Construction Cloud and a Friday golf tournament.

Plans are already underway for 2024 CONSTRUCT, slated for October 1-4, 2024 again at the Omni Rancho Las Palmas in Rancho Mirage.



Giroux Glass Recognized at LA County's New Employee Ownership Program

Giroux Glass was selected to host an event that announced a new service offered by a partnership between The Los Angeles County Department of Economic Opportunity (DEO) and Project Equity.

The new program, "Employee Ownership LA County," launched on November 29, 2023, and is offered through DEO's Office of Small Business - Small Business Concierge. Its goal is to help business owners explore their options to sell their company to their employees, while preserving jobs and sustaining wealth opportunities. The free consultation service will feature education, technical assistance, and direct transition support for participating businesses and workers.

The service aims to preserve legacy small businesses and create opportunities for shared ownership, wealth generation, and economic mobility - for both workers and business owners - throughout Los Angeles County.

Supervisor Holly Mitchell of Los Angeles County District 2 was on site to announce the DEO program and identified it as a priority for the district because of its history of building wealth for workers and bolstering locally owned businesses. Also present was Kelly Lo-Bianco, Director of Los Angeles County's Department of Economic Opportunity, who said, "We are excited to add this service to our Small Business Concierge and build understanding and momentum around this pathway."

Supervisor Mitchell recognized Giroux Glass as a beacon of excellence and presented the company with its inaugural DEO "Employee Ownership Commemorative Award."

Concerns about succession and employee financial well-being led to Giroux Glass becoming an ESOP company in 2006. Anne-Merelie Murrell purchased the company in 1991 from Louis Giroux, who had started his small glass company in 1946. By the time she considered her retirement, the business had grown exponentially in sales and work scope and had opened new offices in Nevada and Southern California. She initially considered selling the company but decided instead to reward the employees who had achieved the company's success and to give them company shares.

In 2015, Murrell named then CFO, Nataline Lomedico, to replace her



Blach Construction Breaks Ground on New Student Union Building

Blach Construction recently celebrated the ground-breaking of a new Student Union Building at San Benito High School District's Hollister High School (HHS). The tenth largest high school in California, its growing student body currently sits at nearly 3,500 students. This much-needed new facility will provide HHS with multi-purpose gathering spaces, including a state-of-the-art kitchen and food service area.

Designed by Aedis Architects, the 8,500 sq. ft. Student Union Building utilizes a customizable steel building structure to expedite the project timeline and minimize structural framing costs. It comprises a kitchen and food service space, as well as multiple state-of-the-art indoor multi-purpose areas and an expansive and inviting exterior quad where students can gather, study and eat.

Construction on the new HHS Student Union Building is expected to complete in Fall 2024. It is one of many transformative projects by the District Blach and Aedis on the HHS campus, which have also delivered a Science and Robotics Lab classroom building, a Career Technical Education (CTE) Center, several Athletics facilities, and more.

as CEO and president. The company became 100% employee owned in 2017, and former employees became partners. The company has consistently ranked on "best companies to work for" lists and a top glazing company nationally, expanded into Arizona during the pandemic, and plans to achieve its highest sales revenue in its history this year.

"We call our employees 'partners' for good reason," commented Lomedico. "When we each do our best, we all succeed. Our clients know that when they talk to any one of us, they're talking to an owner with accountability. We applaud this DEO service being offered by the County. Our story illustrates the success that small businesses can achieve, while providing employees the security of financial stability for their retirements, and owners a viable succession plan and greater employee retention and engagement."

Calendar

January 24, 2024

Build California Ambassador Forum, 3-4:30 p.m., virtual

January 26, 2024

AGC of California Emerging Leaders Forum – Building Tomorrow's Leaders, 12-1 p.m., virtual

February 3, 2024

AGC of California 2023 Installation & Awards Gala at the Fairmont San Francisco

February 8, 2024

AGC Legislative Committee Meeting, 2-3:30 p.m., virtual

February 12, 2024

2024 Statewide Rail Showcase, 10-11 a.m., virtual

February 22, 2024

Southern California Region Wine & Beer Social at the Summit House, Fullerton

February 29, 2024

Shasta District Crab Feed & Public Officials Night at Millville I.O.O.F. Lodge, Palo Cedro

March 14, 2024

Tri-Counties District Mixer & Public Officials Night at Procore Technologies, Carpinteria

March 28, 2024

Build California Virtual Career Fair (Skilled Trades), 10 a.m.-2 p.m., virtual

April 4, 2024

San Joaquin District Backyard BBQ at the Poindexter Residence, Fresno

April 12, 2024

Southern California Region Golf Classic at Pacific Palms, City of Industry

April 15, 2024

2024 Statewide Airport Showcase, 10-11 a.m., virtual

April 19, 2024

Shasta District Golf Tournament at Gold Hills Golf Club, Redding

April 24, 2024

Build California Ambassador Forum, 3-4:30 p.m., virtual

April 26, 2024

AGC of California Emerging Leaders Forum – Building Tomorrow's Leaders, 12-1 p.m., virtual

May 7-8, 2024

AGC of California Legislative Day at The Sutter Club, Sacramento





The 2024 Installation & Awards Gala, presented by Procore, will be held on February 2, 2024, at the Fairmont San Francisco. This prestigious black-tie event celebrates our industry's achievements over the past year at an elegant awards ceremony and installation of AGC of California's leadership.



Safety, Service, & Stewardship Since 1968
Serving All California & Arizona

Celebrating Over 50 Years In Business!

Southern California

Northern California

800.522.0282

800.734.3053

San Diego

Coachella Valley

Arizona

800.266.2837

866.923.4772

855.522.0282

- Construction Aggregate Sales
- Environmental Waste Hauling
- Sports Field Products
- Dirt Import & Export
- Erosion Control Products

www.wcsg.com

