



GRIFFITH COMPANY NEWS

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**GRIFFITH
COMPANY**

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Upcoming Events

Saturday, May 19

Mark your calendar for the annual Griffith Company Safety Picnic. Detailed invitations will be mailed later this month. Make sure you plan to attend, and RSVP when you receive the invitation!

Monday, May 28

Memorial Day

Monday, June 18

Board of Directors Meeting

We're on the web:

www.griffithcompany.net



A Manager's Perspective:

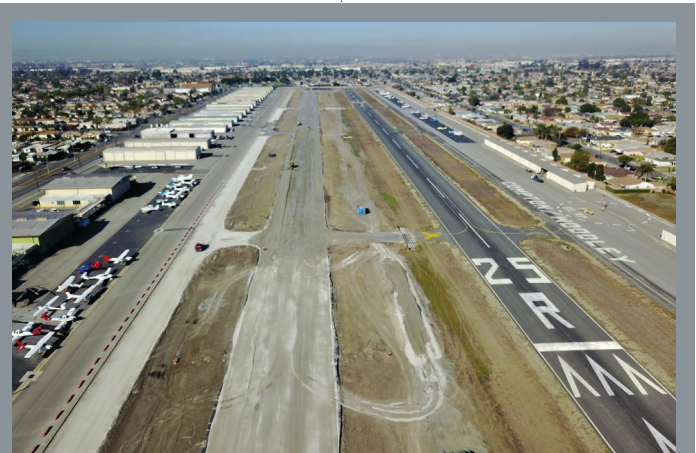
By Luke Walker, Vice President/Regional Manager, Southern Region

I am excited for this opportunity to report the positive developments I have seen so far this year. But before talking about 2018, I'd be remiss if I did not mention that we finished 2017 with a major accomplishment by our Estimating Team. Jason Spear, with the support of his staff, was low bidder on the contract for the Port of Long Beach Pier E Container Yard & Intermodal Railyard. Coming in at over \$152 million, it is the largest solo venture contract ever won by Griffith Company. The job will take three years to complete and will provide a good anchor of work in the Long Beach area. This puts the Southern Region backlog at well over \$200 million. Congratulations to Jason, his team in the Southern Region, and the other specialty

divisions involved in the pursuit. Job well done!

I expect 2018 to be a year of growth and expansion into different markets. After

work in the year to come. Partly this has been made possible because we were able to turn our history and experience at LAX into opportunities to work on airfields across southern



Reconstructing Runway 7R-25L

spending a lot of our resources and efforts into rebuilding all four of LAX's major runways over the past four years, we are moving into new areas of

California. Currently we are working at two LA County airports (Compton-Woodley and San Gabriel Valley), an Orange County airport (John Wayne), Ontario International Airport, and Long Beach International Airport. We have also turned our LAX experience into contracts on dozens of other jobs surrounding terminals 1, 2, 3, 6, and 7. In this first photo you can see our new Tier 4 paver laying asphalt at the San Gabriel Valley Airport. Right now we are closing out stage one on schedule and are planning our work for stage two. This second



Paving at San Gabriel Valley Airport

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Griffith Company is an equal opportunity employer and an employee-owned company.



Tom Foss

The Magic of the Griffith Way

by Tom Foss

I thought it would be of value to revisit the foundational thoughts that drive Griffith Company. The best place to start is our Mission Statement. A Mission Statement is used to identify who we are and focus us on our purpose. This is Griffith Company's Mission Statement:

"We are an Employee Owned Heavy Civil Contractor building America's Infrastructure. In so doing we will provide a safe workplace for our employees, a quality product for our clients and an acceptable return for our stockholders."

The first sentence explains who we are and what we do. The second sentence is how we measure our success. Safety, Quality and Profits.

The second piece of valuable information is our Vision Statement. A vision statement typically points us to the future and what we want to become. Here is our Vision Statement:

"To be the contractor of choice by leading our industry in safety, quality, value and integrity."

Our goal is to become the "Contractor of Choice". I always say that this doesn't happen by accident. To achieve this we need to be intentional in what we do. Again, we list safety and quality as two of the stepping stones to reach the goal, but this time we add two more, "Value" and "Integrity".

Our Mission and Vision Statements define who we are, who we want to become and how we get there. Five simple words, Safety, Quality, Value, Integrity and Profits, practiced in our everyday discipline will make us the Contractor of Choice. These two statements along with our policy statements are the heart of Griffith Company. (You can read our policy statements on our SharePoint site.)

The understanding of who we are and who we are becoming is the magic of Griffith Company. So I ask you, what are you doing today to make Griffith Company the "Contractor of Choice"?

President's View: The Year Looks Bright

by Jaimie Angus

Welcome to the beginning of 2018 here at Griffith Company. Every year the Company continues to change and evolve, and this year is no different. We currently have 468 craft workers and 173 ESOP participants, and everywhere I look I see many new faces. More and more of our long term employees are retiring, many of whom have been here since I started at Griffith Company and coached me to be a better construction professional, manager and leader. Well, now it is our turn

to give back to the company and instill the same work ethic while we pass on the knowledge we have received. Griffith Company continues to grow sustainably with stability and profits, and with your hard work we will continue to support all of our families with continued success.

In 2017 our company revenues were \$190 million, much lower



Jaimie Angus

than our projected business plan. Last winter's heavy rains and owner delays on several projects had an impact on our work in place, lowering our revenues by \$40 million. But

even with the lowered revenues, Griffith Company almost met our profit goals and our stock price will have a little bump this year. This winter we are experiencing little to no rain, have a record

backlog and are teed up for a stellar year. Lets' pull up our boot straps and have an amazing year with record profits! Backlog will not be our challenge in 2018, it will be getting all our work in place and building smart for greater margins. Looking out at the horizon, we are heading into some fantastic years with the passage of the SB-1 Gas Tax and the potential for the federal government to increase infrastructure funding. So, hold on to your hard hat and let's enjoy the ride!

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photo is drone-captured. In it you can see our crews reconstructing Runway 7R-25L at the Compton-Woodley Airport.

Another area in which market expansion is evidenced is that we are working for more and different Owners and Contractors. This is the result of bolstered efforts to pursue work

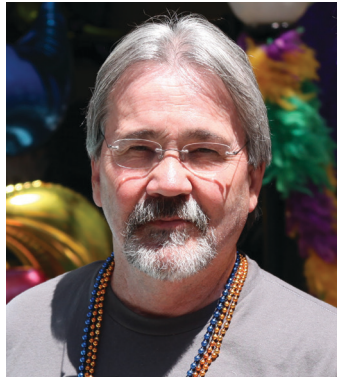
and repave all the streets on this property located in Long Beach. This next photo shows our crews rough grading a parking lot in Chatsworth. The exclusive Sierra Canyon School contracted us to build a new parking lot at their upper campus to handle their increase in enrollment.

We have become a "go to" partner for many of these new

The Southern Region has hit the ground running and is ready for a busy 2018. We are glad that we are able to work shoulder to shoulder with so many great

people both in our office and at our various other locations. Let's all keep focused on the disciplines of the business to keep this momentum going.

HANG UP YOUR HARD HAT



Gary Hyles joined Griffith Company in December of 1994 as the Bakersfield Office Manager and retired at the end of 2017. Gary's arrival coincided with the acquisition of our GERP plant assets. To manage this new asset, Gary worked closely with Russ Grigg to establish the plant accounting framework which is still in use today. After 23 years of meticulously counting rocks, Gary traded his 10 key in for a tackle box. He is currently fully immersed in tabulating worm inventories and planning out his next fishing expedition. We wish Gary happiness in a well-earned retirement.

variable was AR-4000 or AR-8000, to the complex process now required to qualify mixes for our various customers. Please join us in congratulating Mark on achieving this life milestone and wishing him the best in retirement.

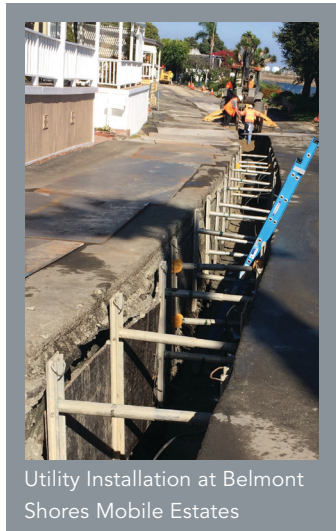


Kelly Enns joined Griffith Company in December of 1987, when Ronald Regan was in the 6th year of his presidency and the Central Region was still located in their historic Union Ave office. Kelly retired in March of 2017 after 29 years, 3 months and 13 days of meticulously keeping time on all the Central Region's field operations. Kelly was always diligent to ensure everyone was paid timely, correctly and that all certified payrolls were submitted so that Griffith Company received timely payment from our customers. We wish Kelly a stress-free, well deserved retirement filled with happiness.



Grading Sierra Canyon School

outside of prime contracting. Two of such projects can be seen in the following photos.



Utility Installation at Belmont Shores Mobile Estates

This photo shows installation of underground utilities at the Belmont Shores Mobile Estates. This is a two year project to reinstall the utility infrastructure

clients. The repeat business is due to our ability to perform the work in a safe and timely manner and to our integrity in how we operate and communicate. I am encouraged by the ways in which this reflects our vision statement to be the contractor of choice by leading our industry in safety, quality, value, and integrity. Keep up the good work!

One of the results of this positive growth is that we have expanded our project management team in order to keep up with the new and varied contracts we have won. There are a lot of new faces around. Next time you are in the Santa Fe Springs office, please make a point to get to know some of the new team members.

Mark Machado joined Griffith Company in June of 1995 retiring in April of 2017. Mark spent his time at Griffith Company operating the hot plant at our then recently acquired GERP facility. Over that time Mark witnessed firsthand the transition from simple HMA mix designs, where the largest

Griffith Grapevine

2017 National CLC Leadership Development Conference



Left to Right: Mario Perez, Henry Hernandez, Johnny Yang, James Walsh, Dustin Devoto.

Griffith Company Investing In Future Leaders Griffith sent several of our Project Engineers and Managers to the National Construction Leadership Council (CLC) Leadership Development Conference on November 16 and 17, 2017. The Conference, sponsored by AGC California, was held in Los Angeles, and brought "together emerging construction leaders from across the country in various construction sectors to network, learn and share". In addition to participating in the Conference, Griffith Company also served as a corporate sponsor. The CLC Conference

is one of the ways that our company continues to invest in the development of younger members of our workforce, and future construction industry leaders in general.

Birth Announcements:

Dan Leeper, Project Manager for Southern Region, and his wife, Liz, welcomed baby Alice on November 21 at 9:31am. Alice Mae Leeper weighed 9lb, 13oz, and mom and baby are both healthy and doing well. Dan is "over the moon!" Congratulations on your daughter, Dan!



In Memoriam

Retiree **Dennis Teague** passed away peacefully in his sleep on November 25, 2017. Dennis started with Griffith Company

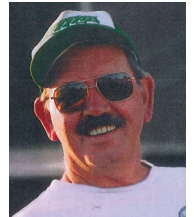


in April of 1976 and retired in June of 2010. "When I started at Griffith Company as a laborer Dennis was my Superintendent in the Orange County District. Dennis was a great construction guy and a good friend. With Griffith Company he was a Superintendent, a District Manager in both the San Diego office and the Orange County office, and finally he finished his career with us as the Operations Manager. His service was marked by a love for the Company...He was a true Griffith Guy. We have lost a good friend and he will be missed," said Tom Foss.

Retiree **Mike Olafson** passed away December 17, 2017 and was buried on February 3, 2018 in Riverside. He received full honors from the U.S. Navy at the funeral which was attended by 250 Military Veterans who rode in his motorcycle club. Mike was a Superintendent with the Landscape Division from 2004 until retiring in 2012. Prior to Griffith Company, Mike was

a Superintendent with Carlson's Landscaping, which was a sub to Griffith Company for decades. Mike was a lifelong friend and will be missed. He is survived by his wife, Sally, in Huntington Beach.

Sue Fuller's father, Glenn Stevens, passed away on February 19. Sue works for our Central Region. Sue, we are so sorry for your loss.



Russ Grigg passed away on February 27. Russ worked for Griffith Company for over 32 years. He started as an estimator in Bakersfield



on April 23, 1979, and worked his way up to Regional Manager for the Central Region, leaving the company on December 5, 2011. Sue Fuller, the last Central Region employee to work with Russ, said, "He was an exceptional man. I'm relieved he's no longer in pain."

SAFETY CORNER

Griffith Takes Home 1st Place at the AGC of America Safety Awards

By Jason Gilles, CHST Safety Director

I am thrilled to announce that Griffith Company placed **1st in the AGC of America Construction Safety Excellence Award** (Highway DIV 800 K – 2.5 Million work hours).

Dan McGrew and I presented for the award in front of a panel of six judges followed by a detailed Q&A session, building the case that Griffith Company is among the best-of-the-best in the nation. The winners of the awards were announced in front of contractors from around the nation at the Awards Breakfast in New Orleans, LA on Feb. 27, 2018.

Winning awards on the national level is no small feat and requires the hard work and dedication of all our employees. Thank you all for your commitment in making sure that we not only work safe but also lead the way in construction safety best practices.



GRIFFITH COMPANY NEWS

The *Griffith Company News* is published four times per year in order to keep our employees better informed of Griffith Company events and accomplishments.



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For more information contact:

Cassandra Malloy

(714) 984-5500, ext. 5572

cmalloy@griffithcompany.net