



GRIFFITH COMPANY NEWS

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Ryan Aukerman

ESOP: The Power of ESOP By Ryan Aukerman

As an ESOP we continuously have opportunity to improve employee engagement well beyond current levels and our competition in the market. As you might expect, when employee engagement is higher, the overall company culture tends to be better as well. How do you know when you have a great culture, or at least one that is continuously improving? It's hard to define, but I've always believed that it's something you just know instinctively. During my 18 years with Griffith Company, I've observed our culture with great interest. I have always thought we had a great company culture, and we have. In addition to our employee engagement and company culture, how about he benefits to our many employee stockholders. The National Center for Employee Ownership offers the following findings with regard to the financial impacts of ESOPs on employee-owners:

- ESOP participants made 5% to 12% more in wages
- ESOP participants have almost 3 times the retirement assets as did workers in comparable non-ESOP companies
- 56% of ESOP companies have at least one additional employee retirement plan (such as a 401k plan). By contrast, only about 44% of all companies otherwise comparable to ESOPs have any retirement plan, and many of these are funded entirely by employees.

The facts are - and we are seeing this here at Griffith Company - ESOPs provide an excellent opportunity for employee-owners to establish larger nest eggs for retirement than non-ESOP businesses. We're also helping our employees build financial wealth for retirement much faster than they otherwise would be able to do.

ESOP: Point of View:

Interview with Dan McGrew
How long have you been with Griffith Company?
34 Years



What does working for an employee-owned company mean to you?
Our efforts in our day-to-day work make a difference in our continued success and in turn benefit us all with increased stock value.

How has our ESOP benefitted you?
As I've grown in the company while I've raised my family, I've watched our stock grow and realized that I would be able to retire and live a good life after work. This would have been very difficult for me on my own.

How does being an ESOP company influence our culture and employee engagement?
As company owners, we all are willing to work harder and smarter to ensure our piece of the operation runs optimally. It might mean eliminating waste, getting an extra price quote to lower costs, or treating our clients, subcontractors, vendors and co-workers with utmost integrity and care. It means truly following the Griffith Way!

How do you view our ESOP vs. a 401K?
Historically we have contributed 15% annually to our stockholders. This well exceeds the 6% allowed contribution for a 401k with half being contributed by the employee. Also, the growth in our stock has been great- overall a much better deal.

What advice would you give a younger or newer employee who might not understand the value of our ESOP?
Don't look at short-term benefits only. A few thousand dollars in salary somewhere else will not have the lasting power of the ESOP. Also, the growth in your plan takes a little time. Initially the annual contribution makes up most all the gain, but over time things change. In my case, after about 10 years I noticed the gains began to be in the growth of the stock price.... Which led me to work even harder.

How does being an ESOP company separate us from our competitors?
Our owner-employees have more care and will to succeed than those only working for

a wage. We understand the effects our hard work can have on the success of the company and the growth in our personal wealth.

How has your perspective on the ESOP changed, if at all, during your years with Griffith?
From the beginning I saw the benefit of the ESOP. Griffith Company was setting aside for me more money than I could myself. I remember as a young estimator trying to calculate the amount of my plan when I would retire. Believe me, it has far exceeded my craziest calculations. I am so proud to have been an employee-owner for all these years and I'm glad to leave the ESOP in great hands..... yours!

HANG UP YOUR HARD HAT

Anita Basurto, D10 - After a distinguished 27-year career here at Griffith, Anita Basurto retired at the end of 2021. She has positively impacted many of our lives and has been an invaluable asset to our company. We wish her much wellness and enjoyment in this next chapter of her life. We already miss you, Anita!



Vicki Perry, D30 - Vicki Perry, Dispatcher for the Central Region, hung up her hard hat at the end of 2021. Vicki came to Griffith Company in 2012 and brought many years of dispatch experience with her to the

company. We appreciate her almost 12 years of dedication to the field. Vicki spent her last few months here training Erin Allison to take on Dispatch and we are grateful for what a great job she did. We wish Vicki the best in her retirement.



Frank Varley, D41 - We are excited to announce Frank Varley has retired at the end of 2021. He will be enjoying his retirement with his wife Jolene after 40+ years in the industry - 10 of which he spent and ended with Griffith

Company's Landscape Division. Frank began his Griffith career as a Foreman, worked his way up to Superintendent as the division grew, then made the transition to Senior Project Manager. He has been integral in setting up field structure and helping our field with transitioning to new technologies to improve efficiency. He never hesitated to share his knowledge and experience with the division's young and growing team, simultaneously training, and motivating them. Frank has always been the heart of the Landscape Division and will be missed!



SAFETY CORNER By Randy E. Franklin, CSP, Corporate Safety Director

Safety Culture Drives Safe Operations

Every company desires safe operations, but the challenge is to translate this desire into action. Written rules, standards, and procedures while important and necessary, are not enough. Focusing on compliance with regulatory standards is disastrously myopic. Companies must develop a culture in which the value of safety is embedded in every level of the workforce. This is not done by osmosis. Company leaders at all levels must ensure that proactive safety activities like Task Hazard Analysis, Behavioral Safety Observations, and Jobsite Inspections are clearly established expectations by all leaders at every level. We define culture as the unwritten standards and norms that shape mind-sets, attitudes, and behaviors. A culture of safety starts with leadership because leadership drives culture and culture drives behavior. Leaders influence culture by setting expectations, building structure, teaching others, and demonstrating stewardship. A commitment to safety and operational integrity begins with management. But management alone cannot drive the entire culture. For a culture of safety to flourish, it must be embedded throughout the organization. Every company has a safety culture. The question is whether or not that safety culture is performing at a high level. Many safety cultures develop by default rather than by design, where bits and pieces of personal experiences become incorporated into daily activities that may or may not be effective. The optimal safety culture is one where everyone in the organization consistently does the right thing, even when no one is looking. It is designed with proactive, measurable safety activities at every level, and those become employee expectations that are broadly communicated and closely monitored by operational leaders.

The extent of information available on Safety Culture and leadership behavior can be overwhelming. It is important for each operating division to identify in simple terms, the actions and behaviors that can positively shape an organization's Safety Culture. This is not an action to be passed on to the HSE department. This is everyone's shared responsibility and must be driven and owned by visible operational leaders who have the most influence over the greatest number of employees with the highest levels of risks associated with their work.



Griffith Grapevine

Birth Announcements

Please join us in Congratulating Landscaping Division's Nicolas Gallo Ponce and his wife, Elizabeth in welcoming their new baby girl. Baby Nayely was 6.6lbs and 19" and she came into the world at 11:59am on Sunday, February 6, 2022



Congratulations to Proud parents, **Adriana Esparza**, Project Accountant for the Landscape Division & Diego Martinez on the birth of their baby girl, Amanda Valentina. She was born January 9th and was 6lbs 12oz, 20 1/9".



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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Upcoming Events:

- Wednesday, April 27**
Administrative Professionals' Day
- Saturday, May 21**
Mark your calendar for this year's annual Safety Picnic at Oak Canyon Park. Detailed invitations will be mailed in April to all current employees.
- Monday, May 30**
Memorial Day
- Monday, June 13**
Board of Directors Meeting
- Friday, June 24**
Summer BBQ

Visit us on the Web at:
www.griffithcompany.net



A Manager's Perspective:

By Luke Walter
Vice President/Regional Manager, Southern Region

Reflecting on the last year seems like trying to look at the detail on a moving train from five feet away; what a blur. I continue to be thankful that our work has been continuous and that, despite a global pandemic, our future looks bright. As we jump out of 2021 and into 2022, we have seen a lot of things change in the Southern Region; old things have come to an end, and new things are flourishing. In 2021 we completed our largest solo venture project at Pier E in the Port of Long Beach. With an original contract value of roughly \$152 million and duration of just under three years, the Southern Region along with the Concrete, Landscape, Underground, Structures, and Environmental Divisions was able to execute this crucial project for the Port of Long Beach. This work was the final stage to complete the port's ambitious \$1.5 billion Middle Harbor program.

Did I mention a global pandemic? Our team, led by Darrell Waterman, was able

to complete the final third of the project under strained pandemic conditions causing supply chain disruptions, labor issues, bankrupt subcontractors, permitting delays, and cost increases. Compounding these with the indirect effects of staggered workforce hours,

remote working, masked conversations, and a real sense of fear that beleaguered many for several months, Darrell's team of Brandon Turner, Reza Kamalizad, and Harjot Chahal persevered through it all and worked closely with Port staff to bring the project to a successful close. Way to go Pier E Team!

Also in 2021, we completed a large project for the Los Angeles County Department of

Public Works. The main scope of the project was to remove sediment from the Devil's Gate Reservoir to allow for increased water capacity behind the dam. Originally contracted for about \$66.5 million to be completed in four hauling seasons (April through October), Griffith

Company finished the project one whole season early and saved the County over \$13 million bringing the work to completion for just over \$53 million. Also finished under pandemic conditions, the team comprising Rick Pike, Joe Carattini, Austin Boone, Justin Whitted, Joe Andalon, and Martha Aguirre performed exceptionally well and brought the project to a successful early completion. Well done!

continued

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



Loading Bottom Dump Trucks for Export at Devil's Gate Reservoir

Executive VP'S View: Looking Back and Looking Forward

By Ryan Aukerman, Executive Vice President

2021 came and went very fast and it shaped up to be another great year for Griffith Company. I greatly appreciate the hard work and discipline by the many men and women of Griffith, to help us achieve great results. This was made possible because of careful planning, coordination, and solid execution of the work that we do best, further attributed to solid collaboration between our Estimators, Superintendents, Project Managers, Foreman, Project Engineers, field forces, administration, and office staff. It takes every single person working together and helping one another to make our company the great company that it is.

Overall, our estimating teams bid 1,162 projects at a combined value of \$2.9 billion dollars. We were low on 154 of those projects and a value of \$633.5 Million. The operation teams placed \$318.2 Million of work in the ground spread out over 318 projects. Last year started the launch of our new San Diego operation, opening an office in Scripps Ranch and landing the largest solo project to date in our company history.

As we look forward to 2022, the company is sitting in a prime



Ryan Aukerman

position to have another successful year. We have more backlog than ever and the opportunities out ahead of us are plentiful. Our work is more diverse than ever, in the market sectors we serve, owners/contractors we work with, size of projects we build, and types of deliver methods we perform. Our resume in alternative delivery continues to grow along with the additional strategic partnerships we forge, teaming with companies that are aligned culturally with ours.

Our biggest challenges moving forward are rising inflation, labor shortages, supply chain disruptions and a volatile political environment from both a state and federal level. It is very difficult to change any of these hurdles from a company standpoint but not from an individual standpoint. I would like to encourage you to become knowledgeable about the current political environment and get out to vote for candidates that help our industry. This is the only way we are going to be able to make a change with the political challenges we have ahead of us.

continued from Cover
We ended 2021 with some exciting new things that are picking up considerable



An Artist's Rendering of the Rail to Rail Corridor Enhancements

momentum in this first quarter of 2022. First, we were the successful low bidder on an \$86 million project for LA Metro in which we will be repurposing a 6.5 mile stretch of old rail corridor into a biking and walking path connecting the future Fairview Heights Station and the Slauson Station. Congrats to Jason Spear and his team on this big win.

contract in Griffith Company's 120-year history! This project at the San Diego International Airport is part of their Terminal

1 Redevelopment Program. Winning this contract, valued at about \$252 million and spanning six years, is the culmination of months of preparation and planning for the

expansion of our operations



Commissioning New Track for Pacific Harbor Lines

back into the San Diego market after almost 40 years.

Second, we won the largest

Congratulations to all divisions involved for putting in the



Rendering of the New Terminal 1 and Surrounding Aprons at San Diego International Airport

time and effort required to be successful on this pursuit. The pursuit was led by Brittney Gomes and Jesse Espinoza with support from Brad Olson, Jason Dennis, Brad Austin, and Mark Davenport. This was truly a team effort and monumental task. Congratulations!

Immediately on the heels of this victory, we quickly established a new, larger office location and onboarded a handful of new team members to help us achieve our goals in San

Diego. Notably, we hired Jesse Espinoza as our Area Manager to lead the team in San Diego. Jesse has experience in the San Diego civil construction market and was instrumental in planning and preparing to jump back into the San Diego market. He is doing a great job of providing leadership and guidance to his team.

Moving into this new year brings exciting new growth and



Griffith's Asphalt Paving Crew Working at Pier E at the Port of Long Beach

opportunities for Griffith. Let's keep this train rolling!

EMPLOYEE focus

Point of View: Interview with Tracey Novak



When did you start with Griffith Company?
March of 2004

What is your role here at Griffith Company, and what is a typical day like for you at work?

I am a Contract Administrator for the Concrete Division. I handle most of our Prequalification packages, special projects and assist with our subcontracts and purchase orders for the Concrete Division, San Diego Airport Project, and Bakersfield Offices. I have worked in many different departments at my time with Griffith Company that gives me a very comprehensive knowledge of the flow of work from project start to finish. I have worked in accounts payable, payroll, dispatch,

certified payroll, bid running, and contract administration.

What do you enjoy most about your job?

The variety of work that I encounter during the day. I enjoy helping our teams in any way I can.

What has changed here at Griffith Company in your tenure?

When I started at Griffith Company, we typed documents on a manual typewriter and most communications with job sites and other companies were done via fax machine. The pace of work is much faster and the compliance requirements are much more stringent.

What do you like to do during your spare time?

I love camping, watching sports, spending time with my family, gardening, cooking, and walking on the beach and the Bolsa Chica wetlands.

What would people be surprised to learn about you?

That I am an avid sports fan, I love the RAMS, DUCKS, ANGELS and love to watch soccer. We camp in our Airstream Bambi Trailer and my husband and I ride a motorcycle together and have gone on long rides out of state together.

If you could sum up Griffith Company in one sentence, what would you say?

Griffith Company celebrates the life experiences of their employees so that we know, trust and care about each other.

WELCOME, NEW HIRES!



Katrina Houston, Receptionist



Deanne Ramirez, Labor Compliance Administrator



Sandra Torres Gonzalez, Labor Compliance Administrator



Fanny Uriostegui, Labor Compliance Administrator



Flor Callahan, Executive Assistant



Linh Tran, Estimating Coordinator



Yuliana Carrillo Varela, Project Engineer



Jesse Espinoza, Area Manager



Teresa Ramirez, Administrative Assistant



Aykut Altindis, Project Engineer



Marcela Bravo, Project Administrator



Dienna Brink, Dispatcher



Dawn Devilla, Project Engineer



Jorge Fernandez, Site Safety Manager

No picture available



Seifeldin Maussa, Project Engineer



Caleb Reynoldson, Project Manager



Fabian Roman, Assistant Project Manager



Carson May, Project Engineer



Genevieve Martinez, Site Safety Manager



Steven Becerra, Project Engineer

Christina Rios, Project Manager



Daryl Addison, Project Engineer Intern



Guadalupe Gonzalez, Project Manager

Maurice Montoya, Project Engineer

Heather Pike, AP Clerk



Steven Ramer, Project Superintendent



Catalina Rivera, Project Engineer

Kian Babaei Nejad Moghaddam, Assistant Project Manager

Employee Appreciation Day

Griffith Company celebrated Employee Appreciation Friday, March 4th with lunch for all office personnel. It was a great way to show appreciation for everyone's hard work and dedication.



Griffith Quarterly Photo Competition

By Ron Roberts

Recruitment & Public Relations Specialist

2021 Annual and 4th Quarter Winners:

Our Griffith Quarterly Photo Competition is an opportunity for our Project Managers, Project Engineers, Estimators and Superintendents to proudly showcase quality photos from their respective projects. A winner and runner up for each Quarter of the year are awarded a gift card each and publicly acknowledged. An Annual Winner is also awarded and announced for having the best photo submission from among the 4 Quarterly winners. Our 2021 Annual Winner is listed below along with our 4th Quarter winner and runner up.

4th Quarter Awardees (2021)

• 4th Quarter Winner: **Awad Issa** – one \$50 Amazon gift card. Route 57 Improvements: "NB Brea Canyon On-Ramp Grind Overlay".



• 4th Quarter Runner Up: **Erick Garcia** – one \$25 Amazon gift card. Brea Canyon Road: "Rock Blanket".



• 2021 Annual Winner: **Guy Duplantier** – one \$100 Visa gift card. Cogswell Reservoir Post-Fire Emergency: "30 Ton Rock Truck and D6 Dozer Dwarfed in the Reservoir Pioneering Access Roads".



Congratulations to our annual and 4th Quarter winners, and a big thank you to all who participated in last year's competition.

Celebrating 100 years

By Ron Roberts

Griffith Company will be celebrating 100 years of incorporation this year. As most of you know, we were incorporated as "Griffith Company" on December 7th, 1922. Our Company originally incorporated as "Fairchild-Gilmore-Wilton Company of Los Angeles" in 1902 and was renamed "Griffith Company" and ultimately incorporated as such in 1922. Although we will primarily celebrate this very special milestone in December during "Griffith Appreciation Week", we still plan to honor it throughout the year.

