

THE ROAD AHEAD

BUILDING TOGETHER



SUMMER 2018

FROM THE PRESIDENT...



Dear Team,

In preparing my contribution to this newsletter, I was reflecting on the year and all that we have collectively accomplished. In short, I think we have a lot to celebrate!

First and foremost, we have improved our safety performance this year and are on track to have a markedly better performance than in 2017. Our near miss program is 137% better than last year at this time. We still have much to do and there is always room for improvement, but the progress we are currently enjoying is directly attributed to each of your individual efforts. And with your continued efforts I know that we will continue to improve the safety of our team.

From a procurement standpoint, we have been very successful in obtaining new projects in all of our markets to insure our sustained growth and success for the future. We need to remain focused on our mantra

of "ATTITUDE & EXECUTION" which includes proper planning of the work on our projects and successful execution of the work to achieve optimum results.

From a growth perspective, we have been very successful in expanding our existing businesses and our footprint with both organic and external growth. Our ability to grow is directly attributed to the confidence that our stakeholders have developed as result of our collective hard work and success.

In reflection, we've had a lot of success, growth and good fortune that we should celebrate. Let's remain focused on our goals and objectives and finish this year off strong.

Well done team!



Alan M. Cahill
President/CEO
Hubbard Construction
Blythe Construction, Inc

CHARLOTTE ASPHALT

Asphalt teams in Charlotte have been gaining momentum in the private market over the past few years, and so far 2018 is no exception. In fact, with more than thirty-five private contracts currently in progress, they're on track to make this year their busiest since the economic downfall in 2008.

CONTRACTS

- **\$4 million contract:** Phases 7A and 7B of the Millbridge subdivision in Waxhaw, NC
- **\$3.5 million contract:** Widening and resurfacing the Avendale Subdivision in Fort Mill/Lancaster, SC

With contracts of this size coming through the pipeline, Project Manager Adam Snelson says the Charlotte asphalt division has every potential of exceeding last year's private sector earning total of \$23 million. Numbers which, according to Snelson, haven't been reached in ten years.

"We're completing projects now that were started by other crews and abandoned by their developers back in 2008. In fact, there've been two or three jobs that have come to us like that—leftovers from the downturn that are only now being completed." Snelson says that he is currently bidding upwards of 20 private contracts every month, covering an area of roughly 50 miles in each direction from Charlotte.

ASPHALT QUALITY CONTROL UPDATE



Behind the scenes of this summer's jam-packed paving schedule, technicians inside Blythe's Quality Control Lab have been just as busy, ensuring that every batch of asphalt that gets poured by road crews is mixed to meet NCDOT standards.

TECHNICIANS: QUALITY CONTROL

- Working 10-12 hour shifts, often round the clock
- Blythe has an in-house team of 15 certified lab technicians and 6 certified field technicians
- Technicians perform an average of 3 tests per day—the results of which are the basis of QC's role within the company.

"We test daily to make sure our product is what it should be," says Darren Hedrick, Quality Control Manager at Blythe's Charlotte laboratory. Results of the tests, which are uploaded each morning to NCDOT databases, are what Hedrick uses to make adjustments which can, on occasion, result in halted production but are vital to the paving process. "Because if our mix is even slightly off, and the material has to be taken up, guess what. Nobody gets paid."

NEW MIXES: FATIGUE CRACKING

This year, in addition to daily product testing, Hedrick is overseeing the design of new Job Mix Formulas as a result of changes made by NCDOT to all state asphalt specifications. The changes are an attempt to counteract a symptom known as "fatigue cracking" that is common to existing roads in North Carolina. "In 1998," Hedrick explains, "the Federal Government changed the grading system of liquid bitumen to make mixes more rigid, which lead to increased cracking. Subsequently, the state has changed their specifications affecting all projects let after February 2018, to require more liquid bitumen back into our designs."

Blythe recognizes the importance of our work and gives us every resource we need to make the highest-quality product possible."

Darren Hedrick, Quality Control Manager

For Hedrick's team of technicians, formulating the new mixes has been a lengthy process, as each new mix requires an average of two weeks to develop. "We stay very busy," admits Hedrick, "hidden away in our lab. We're fortunate, however, in that Blythe recognizes the importance of our work and gives us every resource we need to make the highest-quality product possible." He anticipates completing the new formulas by the end of this year.



I-85 CONSTRUCTION UPDATES

Four lanes in both directions open by December 15, 2018

A \$19 million mitigated agreement, acquired in mid-2017, requires Blythe to complete the planned widening of mainline I-85 two years earlier than scheduled.

To achieve this, Senior Project Manager Sam LeNoble says that every party and individual involved in the project has had to carry out a carefully coordinated plan. "Working in long narrow construction zones flanked by 65-mph traffic requires a tremendous logistical effort, and so far we've done a solid job of keeping everyone safe and keeping construction running smoothly," he says.

The first logistical step was taken last fall, when teams shifted all traffic to the two inside lanes in both directions in order to complete work on the outer lanes and the widening portions. Now, as the outer lanes finish, traffic-shifts at the ramps are taking place to complete the small sections where the old ramps cross over new construction.

- 100 Blythe employees and 56 subcontractors are currently on-site to maintain an effective pace.
- Concentrating on soil stabilization and grade work in the remaining mainline sections.
- Completing the construction of the lower portions of the ramps for three new interchanges.

LOGISTAL CHALLENGES: RAILROAD

Norfolk Southern Railroad in October of last year requested for a full redesign, which forced related components to be temporarily paused. Nonetheless, he says, "We've managed to plan our work around the halted railway sections, keep traffic moving, and continue moving forward with the project."

BENEFITS OPEN ENROLLMENT 2019!

During the month of November 2018 you will have an opportunity to revisit your benefits and make changes, add or drop dependents, add or drop coverage.

Exciting news! The Hubbard Group will also be moving to a new benefits online platform! More information to come.



CHARLOTTE CONSTRUCTION

Division leaders in Charlotte are continuing to increase Blythe's presence in the private construction market, having already completed several long-term projects in 2018 and made substantial progress on others that remain ongoing.

PROJECT: UNION ACADEMY CHARTER

Completed Phase II in July, ten months after beginning work.

- \$1.4 million contract (Myers & Chapman)
- Reconfigured several parking lots and all entrances and exits
- Added new classrooms, offices, and gym

Construction Project Manager Ted Dietz points to the Union Academy job as the fruit of Blythe's renewed focus on the private market after years of limited activity following the economic downturn in 2008. "In the last three years, we've made a conscious effort to build relationships with private contractors, and it's paying off," he says. "We got the Union Academy job, in part, because of a successful 2016 project with Myers & Chapman."

ADDITIONAL CONTRACTS: PRIVATE SECTOR

- Future **ProLogis** facility on Distribution Center Dr.
- Repurposing a **former military manufacturing facility** on N. Graham Street.
- Final stages of the **Haven Campus Community project** off NC-49.

The **Haven Campus Community project** has been fraught with multiple design changes, unsuitable materials, and a congested worksite. Despite these challenges, says Dietz, teams have done an exceptional job completing the project, and it's precisely because of successes like Haven Campus that Blythe is in its current position. "We're reviewing new projects all the time, three or four every week. But we've reached a point, finally, that we're able to be selective about our bids, and about which general contractors and developers we choose to work with." And that, he says, is a good place to be.

HIRING NEEDS

Primary focus: Winston-Salem, Greensboro, and Charlotte

- Machine operators
- Graders
- Pipe foremen
- Laborers
- Hourly employees to compensate for the increased workload

With numerous major construction projects underway throughout the Carolinas this summer, Blythe's HR Department is amping up its recruitment efforts to match the heavy demands of the company's labor force.

RECRUITING: EMBRACING SOCIAL MEDIA

From job fairs to Facebook and Twitter

In addition to standard avenues for recruitment, such as job fairs and websites like *Indeed* and *Career Builder*, Blythe is embracing social media as a tool for reaching prospective employees. The results, according to Victoria Jeter, are powerful. "Blythe is more active now on social media than at any other time in the company's history." Thanks largely, she says, to the efforts of Safety & HR Coordinator, Chardonae Ciarletta. "Chardonae has helped to completely revamp Blythe's online presence. Everything from scheduling new posts, to filming video, to simply reminding employees on their way out the door to take photos of whatever jobsite or event they're going to."



COMMUNITY: STEM KIDS DAY CAMP

June 29 for ages 4-10

Blythe's online presence has enabled the company to reach out directly to the communities in which it is involved, and to promote civic initiatives like the inaugural STEM Kids day camp this summer. This event was designed to introduce children to Blythe and the construction industry in general. As Jeter explains, "This is a way for us to educate the next generation of builders, and show our communities how proud we are to be a part of them."

EMPLOYEE CORNER



SYDNEY CAHILL

Daughter of Hubbard Group President Alan Cahill and wife Leanne

Congratulations to Sydney who recently graduated with her Master's Degree in Recreational Therapy from Clemson University, after completing her undergrad at Western Carolina. Sydney is the Director of Activities, at Wesley Commons in Greenwood, SC.



HARPER HENDRICKS

Son of Allen Hendricks

Congratulations to Harper who recently graduated from Ardrey Kell High School and will be attending N.C. State in the fall to pursue a degree in Engineering.

Picture is of Harper, Allen and his wife Amy



SARAH MILLER SALAZAR

Daughter of Allen Hendricks

Congratulations to Sarah who was recently married to Pedro Salazar in May and they currently live in Charlotte.



NERINA PELLEGRINI

First child of Luca Pellegrini and his wife Danika

Please welcome Nerina to the Hubbard Group family. She was born on Tuesday, July 3, 2018.

Have a birth or graduation announcement?

Submit your photo and info to Josiah.Aiken@BlytheConstruction.com.

BlytheConstruction.com

704-375-8474: Text "construction" to 9511 to receive text alerts