

**ZACHRY**

# FORCE REPORT

MARCH / APRIL 2016

THE NEWSLETTER FOR THE EMPLOYEES, FAMILIES AND FRIENDS OF ZACHRY GROUP





**COVER:** A worker looks down from atop a pipe rack that guides newly placed utility feed lines running from the existing Chevron Phillips Chemical (CPCChem) plant in Old Ocean, Texas, to the new CPCChem polyethylene plant being built by Zachry employees. The pipe rack and feed lines are part of a brownfield EPC project that Zachry is wrapping up in Brazoria County, Texas. Photo/Nick Grancharoff

Learn more about the project on page 18.



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Welders and pipefitters create art objects as part of training  
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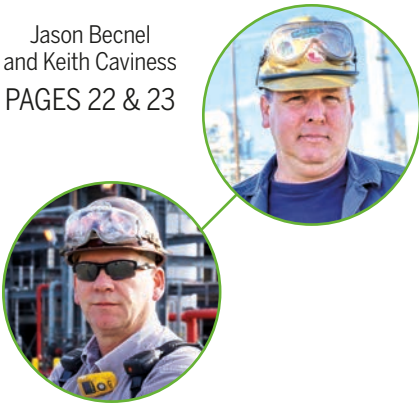
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**DEAR READERS,**

**We're already off to a great start** this year—we have a record backlog, and our workload is at an all-time high. Even more important, we have a diverse backlog of work, with a mix of major capital projects in the process and power markets, an expanding maintenance footprint—including several new sites in Louisiana and Texas—and significant turnaround work for JVIC. We're positioned well as we continue to meet the challenges of delivering work safely and effectively for our customers—and this is despite geo-political uncertainties, sizable declines in the price of oil and gas and a very fluid political landscape.

Our success and our unique position of strength in this dynamic environment are not mere happenstance. During the past few years, we've made strategic decisions, backed by thorough and thoughtful planning. We've complemented our diverse markets and service offerings by enhancing our brand, investing heavily in our people through training, and by acquiring new systems to help streamline work. We have a lot of work to do, and we need each employee to help get the jobs done safely and effectively.

Our employees are the backbone of Zachry, and we're committed to investing in their futures in a variety of ways. One way is through our Total Employee Rewards program, which includes our employee benefits, health and wellness, and employee assistance programs. Taking care of your health is so important. This includes taking care of body, mind and spirit. I encourage you in this busy time to take advantage of our benefits and wellness programs so that you can be fully present, focused and engaged while at work. That's vital to your safety and the safety of everyone on your team. Your participation in this area is critical; be sure to pay attention to all aspects of your health—do it for you, for your coworkers and for your family.

Another commitment Zachry makes to our people is to help them reach their full potential through training and development offerings. We're providing an opportunity for our craft people who show promise and desire to move to the next level through welder and pipefitter training. Welding has a proud legacy with its roots going back to the days of shipbuilding, steel mills and the build-out of the country's infrastructure. It continues to be a highly sought-after profession at many of our job sites. You'll see some of the handiwork from 37 graduates of our welding training program in this



**"Our employees are the backbone of Zachry, and we're committed to investing in their futures in a variety of ways."**

— Keith Manning, Executive Vice President, Enterprise Strategic Development

Photo/Nick Grancharoff

issue of the *Force Report*. Congratulations to these employees, who are now back on job sites using their newly acquired skills.

Another bricks-and-mortar manifestation of our strategic planning efforts is Zachry's new Westside Houston office. This office, in the heart of Houston's energy district, underscores Zachry's continuing commitment to our many petrochemical and refining customers. It's also a rock-solid sign to potential customers of our capabilities in engineering, procurement and construction (EPC) in the process market segment. Look for more great things from our Houston office, which is sure to present us with new business opportunities.

These are just a few of the great things that make it an exciting time to be at Zachry. As I reflect on where we are at this point in our history with record growth, I'm grateful to countless employees who have made significant contributions to Zachry over the years. And I'm excited about our future and the people we have here today.

At Zachry, every person matters. Every individual—whether a craft worker, supervisor, engineer, manager, estimator or assistant—brings something important to the table. I know we have the right people, with the right talent, in the right positions. Let's continue to work collectively toward elevating our performance this year. Thank you for all you do to make Zachry successful.



Keith



**We want to hear from you.** Please send your feedback or story ideas to [forcereport@zachrygroup.com](mailto:forcereport@zachrygroup.com).

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## “Communication

between the project management team, the safety management team and the customer is a priority.”

— Armando Acevedo,  
Project Safety Manager

### SAFETY MILESTONE AT P66 SITE

A recordable incident is any situation requiring a physician's care or hospitalization.

- The 2015 recordable incident rate stood at **0.09** at the Phillips 66 terminal site in Freeport.
- **0.28** is the industry standard for the recordable incident rate.

### TWO MILLION HOURS

## ZACHRY JOINT VENTURE REACHES SAFETY MILESTONE



Employees at the Phillips 66 Project in Freeport closed out 2015 with a major safety milestone under their belts. At the end of December, BMZ Export Terminal Partners, a joint venture between Zachry and Burns & McDonnell Engineering, reached 2 million hours without a recordable incident. The joint project involves expanding the Phillips 66 Freeport terminal's capacity to accommodate natural gas, butane and propane exports.

Zachry Corporate Safety Support Manager **James Lowry** credits the team's success to establishing safety programs at the very beginning of the job. By putting safety programs in place immediately, when only about two dozen employees were on site, safety protocols were firmly in place as more employees came on board. The job peaked at 2,200 people on site; as of December, approximately 1,350 people were working 400,000 hours per month.

“When you establish safety programs in the beginning, as the project grows, the programs grow with it,” Lowry said. “When new people come on, the people who have been here help train them in our safety procedures.”

At least once a week, all employees and subcontractors are asked to observe their peers on the job and assess safety performance using a checklist.

Open communication is another key to creating an exemplary safety record, said **Armando Acevedo**, project safety manager.

“Communication between the project and safety management teams and the customer is a priority,” Acevedo said. “We don't hesitate to stop what we're doing to get together and talk about project safety needs.” ■

### BIG WINS FOR ISG

## INDUSTRIAL SERVICES GROUP WINS NEW CONTRACT IN IDAHO, SAFETY AWARD IN UTAH



Zachry's Industrial Services Group (ISG) is making an impact in the western United States with a contract win and two outstanding safety recognitions.

ISG has secured a new maintenance contract to replace the incumbent contractor of 50 years at the Soda Springs, Idaho, Monsanto plant. Operations at the plant involve phosphate mining and processing phosphates into elemental phosphorus, which is a key element used to manage agricultural productivity.

“This significant achievement can be directly attributed to the remarkable work of our teams at the Monsanto Luling and Muscatine facilities,” said Petrochemical/Process General Manager **Don Empfield**.

The Zachry transition team completed its work last fall. Zachry is now fully supporting maintenance for the site on a daily basis and providing additional staff for scheduled outages.

In Utah, Zachry's ISG team received recognition from the Utah Safety Council for its safety performance at the HollyFrontier refinery in Woods Cross. The council presented the site team with a 2015 Award of Merit for overall outstanding safety performance and a 2015 Perfect Record Award for completing 12 consecutive months in 2014 without an OSHA recordable injury, illness or days away from work. This is the team's fourth year to receive the award.

“It's a top priority to maintain the highest level of safety standards. It's tied to the Heart of Zachry award, so it means a lot to us,” said **Gary Trdy**, project manager. “Our employees are the true heroes in this accomplishment. It helps to have a customer like HollyFrontier; its business model mirrors our policies and procedures, and promotes an environment of teamwork and transparency.” ■

### COMPLETE AHEAD OF SCHEDULE

## ZACHRY TEAM AT PORT EVERGLADES PROJECT MEETS TWO ACCELERATED TIMELINES



The adage, “Third time's the charm,” proved true for Zachry employees working on the Port Everglades Next Generation Clean Energy Center in Fort Lauderdale, Florida. Zachry's third consecutive turnkey engineering, procurement and construction (EPC) project for Florida Power & Light (FPL) is complete—almost four months ahead of the original project schedule. The new gas-fired, combined-cycle plant is up and running, ready to produce up to 1,250 megawatts of power, enough to energize more than 250,000 homes.

The construction schedule for the Port Everglades project was tight from the start. Zachry signed the contract with FPL in June 2013 and mobilized at the site in January 2014. Zachry was scheduled to complete the project and hand over the keys on June 1 of this year. This initial date allowed a 28-month construction schedule to build a plant with three combustion turbines and a steam turbine.

Then, soon after the original schedule was set, FPL asked Zachry to bump up the turnover date from June 1 of this year to April 1. Project Executive **Brad Reece** said the project team felt it could adjust the schedule and meet the earlier deadline, thanks in part to the experience and efficiencies gained while building two similar plants for FPL in Riviera Beach and Cape Canaveral.

After a hot 2015 summer put a strain on Florida's power grid, FPL made a second request to accelerate the project. It asked Zachry to have two of the three combustion turbines on line and ready to generate power

by June 1, 2015. The request was simple economics for FPL; having two turbines ready to generate power in June and July of 2015 could save the utility millions of dollars needed to purchase power on the open market. While Reece and the project team understood the reason for the request, moving the timeline up a second time stretched the already-tight schedule almost to the breaking point.

“It was very challenging and put a lot of stress on the project, but we worked around the clock to meet that June 1 (2015) deadline,” Reece said. “Because we're an integrated EPC firm, we were able to pull all the resources together to make it happen.”

Construction of the three FPL plants enhanced Zachry's reputation as a company capable of delivering major turnkey EPC projects. ■

### A UNITED EFFORT

## UNITED WAY: ANOTHER RECORD YEAR



Zachry employees have done it again. The 2015 United Way campaign resulted in another company record for pledged contributions.

Employee pledges totaled \$3.3 million during the 2015 fall campaign, which is 22 percent more than the 2014 record-setting campaign. With Zachry's generous dollar-for-dollar company match, the total pledged contributions from Zachry reached \$6.6 million.

About 9,400 employees working in more than 87 Zachry offices and job sites made a pledge during the recent campaign. The dollars will be spread among more than 180 United Way chapters in the United States to the thousands of partner agencies, making a tremendous impact on local communities where employees live and work. ■

### RETURN TO THE TRACK

## TEAM ZACHRY REVS UP FOR THE 2016 NASCAR SEASON



When the NASCAR XFINITY Series 2016 season kicked off at the Daytona International Speedway on Feb. 20, Team Zachry was fully present, in pit row and on the track with the familiar green-striped No. 44 Toyota Camry, driven by David Starr. Zachry returns to the XFINITY Series this year with a revamped TriStar Motorsports team and expectations for a great 2016 season. There's a lot of road time ahead for Starr and the Zachry team, with 33 races scheduled from February through November. ■



# FRONT-END ENGINEERING CAPABILITIES ADD TO RELIABLE EPC PROJECT DELIVERY



Zachry employees in the Houston Design Center gather to review the digital design at the very early stage of a new project. Pictured from left: Jeffery Schwartz, Alberto Prieto, Russ Gray, Rhit Nankani and James Moscovis. Photo/Nick Grancharoff



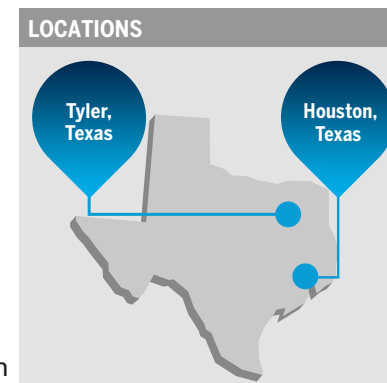
**Zachry's engineering design centers** in both Tyler and Houston, Texas, are increasingly being recognized for their process engineering expertise. Building upon deep experience in this specialized area, the company's process engineers help customers in the oil and gas, refining and petrochemical industries develop projects and reduce uncertainty in early project planning phases.

"There's a growing realization among customers that by involving us to provide Front End Loading at the concept stage, we can help develop robust system architecture, or design basis, for plants from the get-go," said

**Chris Henry**, director of operations at the Houston Design Center. "Bringing direct-hire EPC (engineering, procurement and construction) project planning and execution skills to the early development phase of a project complements our process design activities. Getting started on the front end allows us to introduce construction safety and efficiency concepts that improve the accuracy of our early project costs and schedule estimates."

Henry explained that Zachry's project execution workflow breaks a project into five stages. The first three stages of a project represent Front End Loading (FEL), also known as Front End Engineering Design (FEED). "Process engineering focuses primarily on the first three FEL stages, although Zachry's true strength is its ability to provide customers with a seamless, turnkey solution throughout the entire project life cycle," Henry said.

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FRONT-END ENGINEERING HELPS PRODUCE A MORE EFFICIENT, MORE INTEGRATED AND MORE COST-EFFECTIVE SOLUTION FOR CUSTOMERS

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With Zachry’s EPC model, Front End Loading helps bring together what works best from an engineering perspective with what works best from a construction perspective. The result is a more efficient, more cost-effective solution for the customer.

LEARNING THE STAGES

In the process engineering environment, all projects begin with a business need or opportunity. This might be the need to de-bottleneck an existing plant or to increase storage capacity. Or, it may be to design and construct new facilities to process commodities that yield other high-demand products—for instance, converting raw natural gas into its basic components: methane, ethane, propane and heavier products.

Once a business need is identified, someone comes up with an idea to address the need. An idea is only an idea until a viable means to develop it further is selected and pursued. This stage is referred to as Conceptual Analysis (FEL-1). Process engineers assist with development of one or more high-level designs, as well as provide customers with a cost analysis. This cost estimate helps the customer determine the potential return on investment and whether the opportunity warrants further investigation.

In an ideal situation, a customer will approach Zachry with the idea and a request for further development of the conceptual design. “Customers typically involve us right around the end of Conceptual Analysis, after they’ve scoped the project out to at least a basic framework, completed their internal economics and business planning, and believe the project has potential,” said Tyler Design Center Process Engineering Manager Robert Justis.

As the project advances through the Conceptual Design (FEL-2) stage, Zachry provides process engineering design and project estimating for a preliminary capital cost. Once the customer selects the preferred concept, the project moves into the Advance stage (FEL-3), where the project’s scope is further defined.

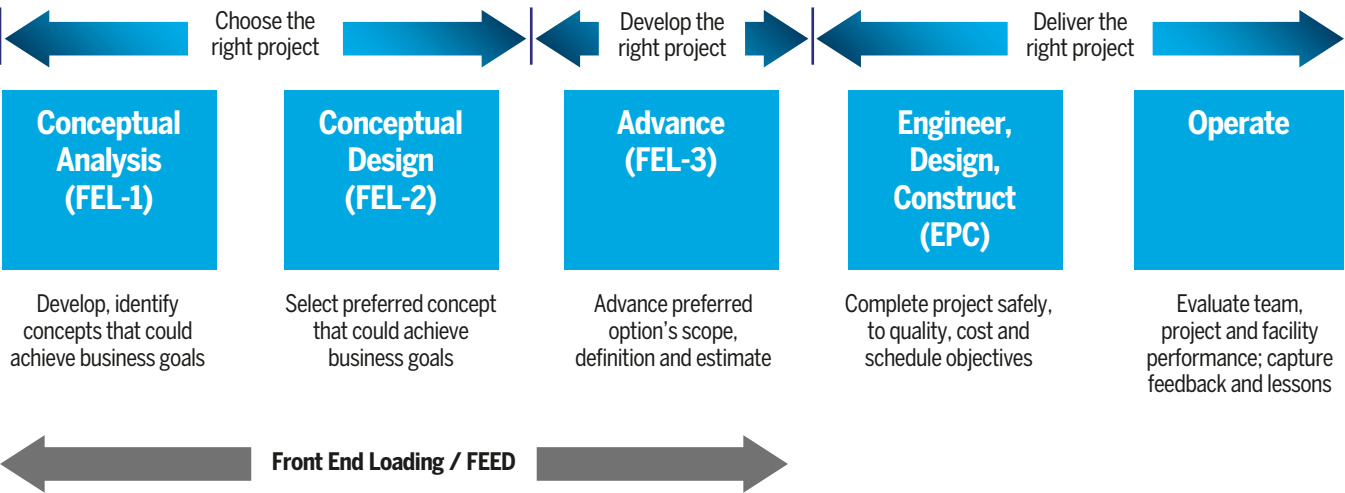


Joe Robertson, Rebekah Rodriguez and Jeremy Wright review project plans in the Houston Design Center. Photo/Nick Grancharoff

“If we’re involved by Conceptual Design, our engineers can assist the customer in making critical decisions that potentially minimize changes or rework later in the process.”

— Marilyn Wallace, Houston Design Center Process Engineering Manager

PROJECT EXECUTION WORKFLOW



“Some customers engage our services during the Advance stage; however, the ideal situation is to be involved no later than Conceptual Design,” said Houston Design Center Process Engineering Manager Marilyn Wallace. “If we’re involved by Conceptual Design, our engineers can assist the customer in making critical decisions that potentially minimize changes or rework later in the process.”

DEVELOPING THE RIGHT PROJECT

During the final Front End Loading stage, the project scope is fully defined so it can be advanced and authorized for expenditure. This stage involves other engineering disciplines, including Zachry’s estimating, safety, EPC execution planning and constructability teams, to provide critical input. Zachry also begins to incorporate Craft Ready Engineering and Design for Safety principles during this stage. All of these inputs add considerable distinction to Zachry’s customer deliverables.

DELIVERING THE PROJECT RIGHT

Finally, the project is conveyed to the civil, electrical and mechanical instrumentation engineers and the execution planning and EPC project management teams, which see it through EPC and into the final Operate stage. At this stage, the benefits of having a good Front End Loading process design are immediately apparent. “Once you have a good process design, other disciplines function optimally and seamlessly,” Wallace said.

TURNKEY PROJECT DELIVERY

Proper execution of the first three stages is critical to successful project execution. “Zachry’s ability to engage the right process engineering skills and integrate those skills with disciplined engineering, EPC execution planning and scheduling, and direct-hire construction and commissioning, set us apart from other companies,” Justis said. “This integration provides greater safety, certainty and predictability for our customers’ project life cycle results, and helps avoid expensive costs and schedule delays.”

He added that Zachry engineers have extensive experience with similar projects and industries. “Most of our process engineers have taken projects from conceptual design to detailed engineering and design, fabrication, and then into the field for construction and installation of the equipment, all the way through startup and troubleshooting,” Justis said.

“We have this immense experience in Front End Loading, in addition to Zachry’s vast experience on the construction side of projects,” he said. “When you add our construction expertise to the upfront engineering effort, we can optimize designs for customers to merge what makes good engineering sense with what makes good construction sense in a tightly integrated, highly efficient and cost-effective solution.”



# ZACHRY LEADERSHIP PROGRAM

## GUIDING FUTURE ENGINEERS BEYOND THE CLASSROOM



**Thirty-two sophomore engineering students** in Texas A&M University's Dwight Look College of Engineering have been chosen for the inaugural 2016 Zachry Leadership Program. More than 200 engineering school students applied to be part of the program, which kicked off in January.

The selected students are beneficiaries of Zachry Group's monetary contribution, announced last year, to Texas A&M's college of engineering. A portion of the Zachry gift will help build a massive, new 550,000-square-foot engineering building. Beyond the bricks and mortar, Zachry's contribution is intended to help students gain the skills to change the world, to make a difference.

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**Texas A&M sophomore engineering students** learn the ropes and how to land on their feet during an outdoor exercise designed to foster teambuilding and trust, as part of the new Zachry Leadership Program. Photo/Nick Grancharoff







**Thirty-two Texas A&M engineering students** gather with adult facilitators during a recent multi-day retreat that's part of the new Zachry Leadership Program. Photos/Nick Grancharoff

CONTINUED FROM PAGE 10

That is Zachry's vision, and the inspiration behind the new leadership program, said Community Investment and Philanthropy Director **Tinsley Smith**, who added that Zachry believes in supporting education and workforce development. "We were purposeful and deliberate in our efforts to make this gift truly meaningful," she said. "We wanted to directly touch students and help make them more well-rounded businesspeople through a non-traditional, experiential learning approach."

The leadership program, a joint effort between Texas A&M's college of engineering and Zachry Group, is designed to provide that kind of platform. "We're expanding upon what's being taught in the academic classroom and equipping students with a broader perspective of the world, and how they fit into it," said Engineering Development Vice President **Bob Gresham**. "Businesses want engineers who not only have technical competence, but who can also lead teams, understand business plans and think in an integrated fashion."

It's a philosophy that tracks with industry thinking. In its academic journal, *The Engineer of 2020: Visions of Engineering in the New Century*, The National Academy of Engineering urges the profession to recognize what engineers can build for the future through a wide range of leadership roles in industry, government and academia—not just through technical jobs. "Engineering schools," it says, "should attract the best and brightest students and be open to new teaching and training approaches."

At Texas A&M, Zachry is playing a huge role in designing the program while also providing resources, support and training. "Our intent is to invite students to think more broadly and deeply through personal reflections and dialogue with each other, and with remarkable people who bring different contexts," said Collaborative Dialogue Manager **Melissa Awbrey**. "It's all aimed at helping students reach their full potential."

Gresham explained how Zachry, in partnership with Texas A&M's engineering school, has designed a holistic program based upon three pillars: service, leadership



**Tammy Mallaise**, vice president of Employee Relations, leads a small group session during the recent retreat.

and business. It's a five-semester curriculum that includes a pre-semester component and weekly meetings during the semester. A new cohort of 32 students will be added every spring semester, and when fully established, nearly 100 students will participate in the program.

The pre-semesters are intensive three-to-four-day retreats specifically designed to complement students' existing course work. Foundational topics range from business acumen—like reading and interpreting financial statements—to more advanced content and experiences that focus on communications skills, organizational dynamics, ethics and corporate citizenship.

Throughout each semester, weekly meeting time is scheduled for students to share and discuss experiences and assignments, with Texas A&M's Zachry Leadership Program Director Tanya Wickliff facilitating. In addition, "reflection coaches" visit and facilitate more in-depth discussions with smaller groups of students. In the fifth and final semester, students apply learnings gained



**The Zachry Leadership Program** is aimed at helping students reach their full potential.

#### ZACHRY LEADERSHIP PROGRAM

- Students receive a **\$1,000 scholarship each semester** in the program.
- Students interface **with each other and with professionals** representing various disciplines.
- Participants earn a **Certificate in Engineering Leadership** and **15 credit hours**.

through the program by participating in special projects that will bring it all together.

"Perhaps some of these high-performing engineering students will one day work at Zachry, for one of our partners—or even a customer," said Gresham.

But what is most important is the hope that many students in the program will become leaders who make discernable differences in the world, wherever they end up working, Smith said. This is Zachry's vision. ■

## ZACHRY

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Find us on [www.facebook.com/zachrygroup](https://www.facebook.com/zachrygroup)



# LASTING INVESTMENT

## ZACHRY FOCUSES ON CORPORATE CITIZENSHIP IN BRAZORIA COUNTY, TEXAS



**Something unprecedented** is happening in Brazoria County, just south of Houston, and it might be more than you realize. Most are aware of Zachry Group’s three major construction projects in the county—the Freeport Liquefied Petroleum Gas Export Terminal for Phillips 66, the Chevron Phillips Chemical polyethylene plant in Old Ocean, near Sweeny, and the Freeport LNG project. The concentration of Zachry employees and job sites in one Texas county has spawned a multi-pronged community investment effort in Brazoria County that will have a lasting, transformative impact.

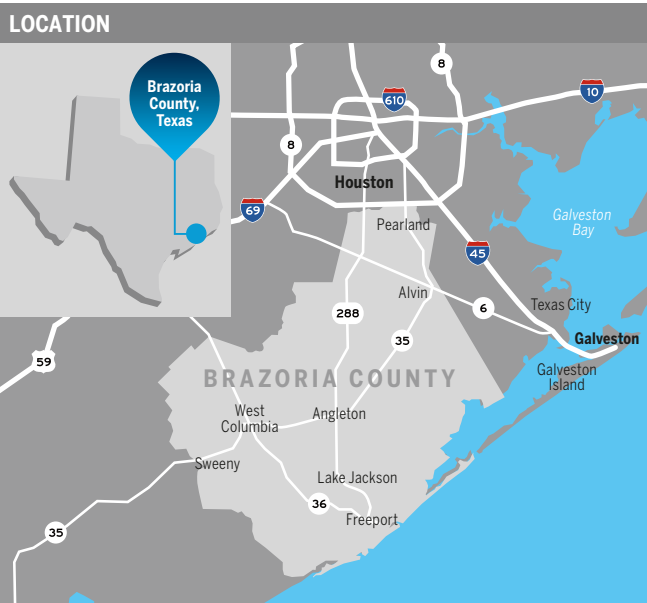
The concept of investing in communities has a long history with Zachry—it’s part of the company’s values-based business model, and it’s written into the Corporate Citizenship philosophy. It is a foundational business principle at Zachry, the understanding that success is tied to strong, positive relationships with individuals, groups and communities.

### ESTABLISHING A LOCAL PRESENCE

In Brazoria County, Zachry’s investment in community and relationship-building is sizable. The investment is a mix of employee Care Team activities and projects, targeted philanthropic work, and tried-and-true, face-to-face participation on local business and economic development boards, as well as engagement with meaningful community organizations.

“It’s important for us to be there, on the ground, to be helpful in tangible, deliberate ways,” said **Jeff Kuhn**, senior director in External Affairs. Kuhn joined Zachry’s External Affairs team almost two years ago, soon after it became clear that the company’s workforce in Brazoria County could exceed 8,000 employees, a concentrated presence unseen in the company’s history. His role is to be Zachry’s face and voice in the county, interacting strategically with key people, groups, agencies and organizations.

“When I started in this position, I focused on meeting as many people as possible, understanding the right people to connect with so that when we have a need or an opportunity, we know who to go to,” Kuhn said. He spends three-to-four days a week in Brazoria County, attending meetings, giving presentations, participating in events and meeting with local officials, businesses, civic and



### ZACHRY’S RECIPE FOR CORPORATE CITIZENSHIP:

- Employee Care Team activities and projects
- Targeted philanthropic work
- Local engagement and participation

nonprofit groups. His tools are comfortable, well-worn shoes, crisp oxford shirts and the 31 green ties that hang in his wardrobe.

Zachry’s long but much smaller presence in Brazoria County helped pave the way for the current community investment work. “Every time I mention that I’m with Zachry, people’s eyes light up and I hear things like, ‘Oh, we love Zachry,’ and ‘Zachry is such a wonderful company,’” Kuhn said. “In almost two years in the area, I have yet to hear one negative comment about Zachry in the community.”

### TURNING CONNECTIONS INTO ACTIONS

Meeting people and making connections is the first step, Kuhn said. The second, larger step is determining ways to support Zachry’s work sites and its employees in the area, and also help identify tangible ways to support and improve communities within Brazoria County.

In a rural Texas county, it doesn’t take long to begin building new relationships, especially when you represent



Members of several Brazoria County Care Teams pose last November outside the Salvation Army child care center in Freeport. The volunteers spent the day putting a fresh coat of paint on classroom walls in the center. Photo/Freeport, Texas

Zachry. Kuhn’s phone and email are busy these days, as are the phones and emails of his External Affairs colleagues in the San Antonio Home Office. Together, the team responds to requests for assistance from Zachry job sites needing help with logistical challenges or government-related issues that arise and possibly threaten the work schedule, and from community groups wanting to learn more about Zachry’s projects in the county. The team also connects with local agencies seeking assistance or offering volunteer project opportunities to Zachry Care Teams.

“The full breadth of everything we do to support our Zachry work sites is encapsulated in our efforts in Brazoria County,” said **A.J. Rodriguez**, vice president of External Affairs. His team oversees Zachry’s community investment and philanthropic activities, builds relationships with local, state and federal elected officials and regulatory agencies, and manages media relations. “We are fully engaged there, and with the extraordinary help from all employees in the county, the entire Zachry team is having a tremendous, positive impact in all our areas of focus.”

### EMPLOYEE SUPPORT

A major area of focus is Zachry job sites and employees. Support in this area takes many forms. It can be as simple as helping a job site get a permit from a local or state agency, or it can involve coordinating the raising of utility lines so a convoy of oversized vehicles can get vital equipment to a job site.

“Any way we can support our job sites, construction projects and our employees through our connections and contacts, that’s our job,” Kuhn said.

Supporting Zachry employees also means supporting Care Team volunteer work. There currently are six Care Teams in Brazoria County. Most Zachry Care Teams function individually, engaging with the External Affairs team to consult and collaborate on projects and activities

that tangibly benefit selected nonprofit agencies and the community at large. In Brazoria County, the External Affairs team is guiding the Care Teams to communicate and collaborate.

“The impact of several Care Teams working together on a project is so much more meaningful than the work and efforts of just one team,” said **Tinsley Smith**, director of Community Investment and Philanthropy at Zachry. “The response from Care Teams has been positive.”

Care Team leaders in the county now correspond regularly with one another, and they’ll let other teams know when they receive a specific request for help or support. This past November, several Brazoria County Care Teams participated in a half-day project to paint the interior of the Salvation Army’s Kid’s Castle Day Care center in Freeport. More than 50 Zachry volunteers rolled up their sleeves and pitched in. Smith said the plan is for Care Teams in the county to collaborate on two or three major projects each year.

### UNITED WAY IMPACT

There’s much more to come, especially following the recent success of the United Way campaign. The large number of Zachry employees who participated in the recent campaign means more United Way dollars than ever will soon flow to Brazoria County nonprofit organizations. During the campaign last fall, more than 4,000 employees made a pledge to the United Way in Brazoria County, and their pledged contributions total more than \$900,000.

“These nonprofit organizations in Brazoria County have gotten by and done so much good, but there’s a lot of need and a lot that can be improved,” Smith said. “It’s such a wonderful feeling to know that the generosity of Zachry employees will have a lasting impact on Brazoria County. It’s the kind of investing that can transform a community.” ■





# ARTISTRY AT WORK



WELDERS AND PIPEFITTERS CREATE ART OBJECTS AS PART OF TRAINING

**37 skilled craft workers. 18 weeks. 4 teams.** Add a dash of imagination, and chances are you'll end up with something eye-catching and creative. That's what happened when a select group of Zachry craft workers recently attended an 18-week training course. In addition to learning new skills, the employees constructed art projects as part of the curriculum. Four teams, which included a combination of pipefitting and welding expertise, presented their ideas and isometric drawings to instructors and described how they would build their projects using only materials available in the lab.

**The result:** Four pieces of creative artwork currently on display in the Home Office building.





# ONE TEAM

CPCHEM BROWNFIELD PROJECT  
DEMONSTRATES HOW MID-CAP JOBS  
BENEFIT FROM ZACHRY'S EPC MODEL



**The gleaming new workhorse** isn't quite ready to roll, but the fuel is ready to flow into the tank. The workhorse is the new Chevron Phillips Chemical (CPChem) polyethylene plant under construction in Brazoria County, Texas, and the fuel is the infrastructure and piping that will energize and feed the new plant.

## LOCATION



That infrastructure connection was completed in March. It was a 27-month CPChem brownfield project, an engineering, procurement and construction (EPC) job that focused on putting feed lines in place between CPChem's existing plant and the new

polyethylene plant that Zachry is building on an adjacent site.

Project scope for the brownfield job included engineering, designing and constructing three infrastructure connection lines—two underground and one above ground—originating at the older, existing CPChem plant and running to the new plant. The connections are essential for the new plant; they will supply the critical elements and materials that the new polyethylene plant needs to come to life and operate as intended. The piping also will transport waste products out of the new plant.

## LEARNING OPPORTUNITY

The brownfield project may seem fairly simple and straightforward when compared to Zachry's larger projects in Brazoria County. In fact, the project is a valuable part of Zachry's project portfolio, because it

**"This was one of those projects** where having a great, collaborative team, and keeping everyone engaged throughout the project life cycle, made a difference and helped keep the schedule on track."

— Wade Stevens, Project Executive

demonstrates the ability to complete a mid-cap EPC project in the petrochemical industry, an area primed for growth.

The brownfield job's mid-cap project size provided a learning opportunity for Zachry's EPC model, and so far the lessons are coming back very positive. "I believe we demonstrated that our EPC model was a great asset to a project of this size—it definitely is a factor in our success," said Project Executive **Wade Stevens**, who added that the all-Zachry EPC team helped the project overcome obstacles and stay on schedule.

"This was one of those projects where having a great, collaborative team, and keeping everyone engaged throughout the project life cycle, made a difference," Stevens said. "It helped keep the schedule on track."

## SURPRISES EXPECTED

It's the nature of brownfield projects to hold surprises. Going into an older industrial site with a lengthy history—including an older plant that's still operational—can be a bit like navigating a minefield for a team coming in to build something new, especially if you need to install infrastructure below ground. That's why the Zachry team went to great lengths to document what

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**Above:** Pipefitters complete work on one of two underground feed lines. Photos/Nick Grancharoff

**Below:** Steel beams support some of the 55,000 feet of feed lines connecting CPChem's existing plant to the new polyethylene plant pictured in the background.





“We had a true team approach, a one-Zachry team approach, that kept everyone fully engaged, even after their piece of the project wrapped up.”

— Wade Stevens, Project Executive

CONTINUED FROM PAGE 18

had been at the site and what still existed. Zachry engineers from Omaha pored over all the documentation that CPChem provided, and 3D laser imaging was used to “see” and document everything that existed above ground at the old plant. And to check below ground, hydro-excavation trenches reached down as far as 8 feet below the surface to help ensure clear paths for the underground piping.

Like any brownfield job, even with all of the front-end diligence, obstacles surfaced. When they did, the Zachry team was ready.

“We knew things would pop up; that’s one reason it’s so important to bring in all three groups—engineering, procurement and construction—at the very early stages of the project, and keep them involved throughout,” Stevens said. “We had a true team approach, a one-Zachry team approach, that kept everyone fully engaged, even after their piece of the project wrapped up. Because Zachry’s reputation was still on the line, it wasn’t just engineering or procurement or construction; we were all Zachry, everyone had skin in the game to the very end.”

**Tom Lepert**, the team’s engineering project manager who’s based in Zachry’s Omaha Design Center, said the engagement and collaboration between the three Zachry groups was particularly strong.

“Wade (Stevens) brought the three groups closer together than I’ve ever experienced and made sure everyone was involved at the front end,” Lepert said.

“There was constant communication, and everyone knew what the schedule was and about any impacts to the schedule. Everyone was aiming for a team success, not just an engineering or procurement or construction success—we were all in it together.”

UNFORESEEN STARTUP

As an example, Lepert talked about a point in the project when the existing CPChem plant went through a startup that wasn’t on the project schedule. The startup meant a critical construction location would be off limits for several weeks. Not a problem for this project team, Lepert said. The team came together and quickly redeployed construction crews to other work locations, making sure the crews had the designs and equipment they needed. The nimble shift of resources kept the project on schedule and on budget.

**Matthew Glad**, the site construction manager, had the task of managing the boots and equipment on the ground, which is especially challenging during a brownfield project. He credited excellent communications between the project team and the two customers involved—CPChem and Conoco Phillips—with the project’s success. “On a brownfield site, there are so many moving parts, so good communication is imperative—it’s something that must be done to ensure that the work is done as safely as possible,” Glad said. “The openness and transparency—from our costs, to the schedule and the communication with our customers—has just been exceptional with this project.”

Having a “can-do” approach to challenges during a large or small project reflects the EPC model, which focuses on collaboration and solutions instead of stalls and finger-pointing. “When something came up, we all came together and fixed it, found a solution and moved forward,” Lepert said. “That’s what a successful team does—it works together and moves forward.” ■

SERVICEAWARDS

FOURTH QUARTER 2015

5 YEARS:

Enrique Lemus Adame  
Aldo Alanis  
Leopoldo Alcala  
Guadalupe Arjona  
Ross Baker  
Jose Balderas  
Juan Bartolomei  
Rhonda Beck  
Lisa Benner  
Ruben Berlanga Garza  
Jose Blanco  
Jay Blevins  
Sarah Bree  
Willie Brooks  
Venilaite Brown  
Juan Cansino  
Juan Gonzalez Cantu  
Lester Cardona Perez  
Gerardo Casas  
Thomas Clark  
Gustavo Contreras  
Abraham Cooper  
Maria Corona  
Colin Cummings  
Alex Cumplido  
Tony Czajkowski  
Taurus Dearman  
Billy Dunham  
David Dunnam  
Maribel Estremera-Ezell  
Patrick Evans  
Willard Fair  
Nelson Madera Feliciano  
Bobby Ford  
James Frenzel  
David Garcia  
Miguel Garcia  
Oscar Garcia  
Robert Garger  
Ramiro Garza Garza  
Fermin Garza Guajardo  
David Gonzalez  
Samuel Gonzalez Gonzalez  
Samuel Gracia  
Jose Guerra  
Gene Harrell  
Laquisia Hatcher  
Karen Hebert  
Mark Henry  
Juan Herrera  
Kevin Hodge  
Cody Hodges  
Charles Jameson

Diana Jeffords  
Marcus Johnson  
John Jones  
Quinn Josey  
Robert Justis  
Gregory Kaho  
Timothy Keepees  
Donna Keller  
Chad Klein  
Paul Lawhorn  
Adrian Leal  
William Leonard  
Thomas Lepert  
Joey Long  
Nelson Mojena Lopez  
Chance Lowery  
Kevin Maloney  
Reynol Marroquin  
Arturo Martinez  
Brigido Martinez  
Daniel Martinez  
Bruce McKinney  
Christopher McLain  
Juan Mendoza  
Michael Mills  
Daniel Mireles  
Clarence Monmouth  
Eugene Moralde  
Jeff Mouser  
Ignacio Munoz  
Pedro Munoz  
Vivian Nelms  
Andrew Oliver  
Jose Oros  
Gerardo Orozco Perez  
Coleman Palmer  
Peter Payne  
Jose Garcia Pedraza  
Noe Pena  
Jennifer Perez  
Jose Perez  
Samuel Perez  
Juan Perez-Monreal  
Ronald Phillips  
Sherry Porter  
Roberto Santos Quiroga  
Kent Richard  
Norman Ayala Rivera  
Kevin Robertson  
Santo Rosado  
Santiago Salazar  
Armando Salinas  
Ronnie Sassman  
John Scoggin  
Travis Scott

Michael Shine  
Jeffrey Silva  
Jacob Sloan  
Raymond Smith  
Maxine Snyder  
Eugene Soto  
Robert Starr  
Annette Tallsalt  
James Thompson  
Clayton Tyler  
Marcelino Valenzuela  
Randy Welford  
Ronald Westbrook  
John Westervelt  
Julio Zapata

10 YEARS:

Raul Alcocer  
Matthew Alvarado  
Shelly Amos  
Tracy Bishop  
Lindy Bourgeois  
Phillip Bradford  
Clay Carpenter  
Robin Crisp  
Douglas Daniel  
Ryan Davis  
Warner Dumas  
Vanessa Dunn  
Robin Ferguson  
Stephen Fortune  
Jose Garcia  
Rayford Garcia  
Joe Gonzales  
Hector Gonzalez  
Billy Gould  
Stephen Gray  
Johnathan Hancock  
Cassandra Higgins  
Jerry Imhoff  
Mike Jimenez  
Kenya Johns  
James Kinter  
Jeffrey Kuhn  
Garrick Ledford  
Raul Aguilar Lemus  
Gerald Lewis  
Wendi Long  
John Moore  
Anne Morris  
Sherolyn Morris-Henderson  
Andy Nestoss  
Shannon Neugent  
Justin Norris  
Sergio Fajardo Orozco

Adolfo Perez  
Bryant Perkins  
David Pilkington  
Joseph Podgurski  
Ellen Radcliff  
Brenda Ramirez  
Delbert Richardson  
Howard Richardson  
Daniel Rodriguez  
Radermon Scypion  
James Sirls  
Tammy Smith  
Guadalupe Soto  
Alvin Suire  
Michael Trapolino  
David Tucker  
Israel Villarreal  
David Vogt  
Stephanie Watson  
Brandi Wilbanks  
John Williams  
Camilla Wood

15 YEARS:

Anand Abhyankar  
Antonio Aguilar  
Randy Branch  
Greggery Carter  
Leonardo Castro  
Ralph Collins  
Scott Crouch  
Mark Dalglish  
Juan Deleon  
Mark Ellis  
Jeff Fawvor  
Carlos Garza  
Kathy Goode  
Connie Gossage  
Barbara Harry  
Scott Ingalls  
Terrence Johnson  
Kent Kissell  
Louis Kruse  
Sandra Martin  
Karen Matcheski  
David McDonald  
Dale McLaughlin  
Francisco Montalvo  
David Newlon  
Jeffrey Orise  
James Owens  
Razvan Pavel  
Jerald Phelps  
Sandra Rabago  
Louis Sandoval

Boyce Smith  
Christopher Stephens  
James Tamblyn  
David Taylor  
David Vinson  
Earl Zwickey

20 YEARS:

Brenda Atkins  
Juan Avalos  
Joseph Boetto  
Darrell Corbitt  
Heriberto Feliciano  
Juan Fernandez  
Jose Garcia  
Miguel Guerra  
Kevin Harvey  
Michael Kerst  
Darlene Lee  
Ramon Reyna  
Lamar Salinas  
Orlando Salinas  
Jim Thomas

25 YEARS:

Charles Cowan  
Antonio Davila  
Gerald Kirkland  
Danny Kirkwood  
Jennifer McCann  
Kirk McDonald  
Barbara McLerran  
Mark Noble  
Clayton Norton  
John Sandefur  
Rodney Sweat

30 YEARS:

Angelo Anderson  
Gregory Davis  
Perry Slaughter

35 YEARS:

Caron Gipson  
David Krawietz  
Ben Olivares

40 YEARS:

Terry McCoy  
Ida Ranney



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# I AM ZACHRY

## MY NAME IS JASON BECNEL AND I AM ZACHRY.

### I AM ZACHRY

With 20 years of service, I still get excited about coming to work. And with Monsanto considering an expansion of its plant here in Luling, Louisiana, I feel like there's plenty to get excited about. As a civil foreman in the Industrial Services Group, I understand that expansion is going to mean a lot of work for a lot of people in the St. Charles Parish.

I had been working at the plant about a year when Zachry took over the contract. That's when I joined the company, and I've been here ever since. I started out as a scaffold installer. I did some iron work and some carpentry for about five years before I moved to the civil engineering area. I moved up a little bit and then when my boss was promoted about two years ago, he recommended me for his job. That's a pretty good recommendation, and that's how I became a foreman.

This is one of the reasons I wanted to be part of Zachry. I've seen how the company handles its business and how it treats people. My family is the most important thing in my life, and I know Zachry is family-oriented, too. You see it in the way the company, and the people who work here, are involved in everything going on around town.

Monsanto is located in Luling and is surrounded by small communities where everybody knows everybody. I volunteer with United Way to build and maintain wheelchair ramps in the community, and most recently, I helped build a barn for the Greater New Orleans Therapeutic Riding Center.

When I'm volunteering, I work with a lot of people who are my coworkers during the week. That makes me feel good about where I work. That's something I get from my job that goes beyond a paycheck. I want to feel good about where I work and the people I work with.



Photo/Josh Hailey

**“Jason approaches every job in a professional manner. He's completely reliable. I know he's going to perform every task safely and in the best possible way. He's a great role model for everyone else on the job site. I see him working with the younger people, and I know he's teaching them how to do their jobs right.”**

**— Audie Dufrene, Craft Superintendent, Zachry Industrial Services Group**

I'm one of the older guys on the job now, and I know there are young people watching how I do things. I know when I was their age, I was in a hurry. I wanted everything right now. That's just part of being young. But, if I gave them any advice, I'd tell them to be patient. I didn't get to the position I'm in overnight. You know what you need to do today. Do that job, to the best of your ability, with a good attitude, and tomorrow will take care of itself. That's a lesson I've learned over the years. And that is why I AM ZACHRY. ■

## MY NAME IS KEITH CAVINESS, AND I AM ZACHRY.

### I AM ZACHRY

As a JVIC Senior Project Manager, I manage large western region turnaround projects. Each project is a huge coordinated effort with a concentrated amount of work in just 30 days. We've had jobs that required 60,000-to-200,000 man hours with work from 300-800 workers.

I've been with JVIC for 12 years and I currently oversee two Tesoro refinery large piping and mechanical turnarounds: A 2,200-acre refinery in Martinez, California, and the Salt Lake City refinery, the largest in Utah, with a total crude-oil capacity of 58,000 barrels per day.

Not too many companies do what we do and do it well. Refineries lose money when they're down, and we might have millions of dollars on the line for 30 days. Our job is to get in and get out on schedule. We perform maintenance on refinery units that wear out over time. Most need rework every three-to-four years, and we do pipe work, re-tube furnaces, pull exchanger bundles, tower work, machining and torquing.

It's high-risk work that requires highly trained, specialized craft workers. Doing it safely is the most important thing. You get it done safely and right—and the schedule takes care of itself.

Preparations and logistical planning for a turnaround take about three-to-four months. We get a scope of work from the customer and then we budget, put together a schedule and identify the types of crafts needed to do the job.

As project manager over the last four years, I've worn a lot of hats, completing eight major turnaround projects. It's a hectic lifestyle when a turnaround starts. A typical day for any turnaround is 12-to-15 hours long. I'm part human resources, part inspector and part general foreman. I spend about three-to-four hours in meetings and the rest of the time, I put out fires.

But I enjoy it. I've always been one of those people who thrives under pressure, and when you do this for a long time, you get programmed that way. You start a job, and it's go, go, go for 30 days. You try to take a week off after the job, and it's hard to wind down.

I've been in California at the Martinez plant managing 300 workers for the past four years. When that job ends, I'll jump into the Salt Lake City turnaround where we're just getting started.



Photo/Tustin Ellison

**“Keith's knowledge of every discipline of our turnaround work has allowed him to execute over 200,000-plus man hours with the best records in safety, quality and integrity.”**

**— Tom Barraza, JVIC's Western Region Operations Manager**

Prior to becoming a project manager, I worked in quality control and planning, and as an inspector. That's where I learned to appreciate many of the varied and specialized crafts required for turnarounds. We do lots of jobs out here, and the key to our achievement is the people who work with me. I have a group—a base crew—that follows me from job to job, as do the other 8-to-10 project managers across the country. Their familiarity with turnaround work and their expertise are what make each project a success.

With 15-hour days, I don't have time for much else. I volunteer every year for JVIC's major fundraiser, and I also enjoy golf, as well as hunting and fishing. Right now, I don't have any time for it. Maybe later. I'm too busy having fun at work. And that is why I AM ZACHRY. ■

## NOMINATE A PEER

Do you have a co-worker who lives the Zachry values? We want to hear from you—especially craft employees! Send your nominations to [ForceReport@Zachrygroup.com](mailto:ForceReport@Zachrygroup.com).



## ZACHRY HOLDINGS, INC., ITS SUBSIDIARIES AND AFFILIATES OBSERVE EEO, HARASSMENT POLICIES

### EQUAL EMPLOYMENT OPPORTUNITY POLICY (EEO)

It is the policy of Zachry to assure that employees and applicants for employment are to be treated without regard to their race, religion, sex, color, national origin or age. The company will not discriminate against individuals because of a physical or mental disability, or status as a disabled veteran or veteran of the Vietnam Era. Zachry's policy of nondiscrimination applies to all work-related actions; including but not limited to employment, upgrading or promotion, demotion, transfer, layoff or termination; rates of pay or other forms of compensation; recruitment or recruitment advertising; selection for training; and apprenticeship and pre-apprenticeship programs.

Reasonable accommodations will be made for qualified disabled persons according to existing state and federal law. Requests by qualified disabled persons for reasonable accommodation are encouraged by the company.

All employees are requested to encourage women, persons of minority races and disabled persons to apply for employment with the company or to apply for training under available programs.

### POLICY AGAINST HARASSMENT

Zachry is firmly committed to a work environment free from all forms of harassment of any employee or applicant for employment by anyone, including supervisors, co-workers, clients/customers, other contractors or visitors. Such harassment may be in violation of the harassment policy as well as state and federal discrimination laws.

This policy prohibits any conduct (verbal, physical or visual) by an employee or within the work environment that belittles or demeans an individual on the basis of race, religion, national origin, sex, age, color and disability. This policy specifically prohibits sexual harassment as well as all other forms of harassment. Sexual harassment includes any unwelcome sexual advances, requests for sexual favors or other verbal or physical conduct of a sexual nature when:

- Submission to such conduct is an explicit or implicit condition of employment;
- Employment decisions are based on an employee's submission to or rejection of such conduct; or
- Such conduct unreasonably interferes with an individual's work performance or creates an intimidating, hostile or offensive work environment.

### RESPONSIBILITY

All employees are responsible for complying with the company's Equal Employment Opportunity Policy and its Policy Against Harassment and for reporting possible violations of these policies.

### WHO TO CALL

Dispute Resolution Program  
P.O. Box 240130  
San Antonio, Texas 78224-0130  
1-877-350-0129

### COMPLAINTS

Any employee or applicant for employment who feels that they have encountered a situation that may be in violation of these policies is encouraged to make known their concern as soon as possible. Applicants for employment are encouraged to utilize the Dispute Resolution Process by contacting a Dispute Resolution Manager. Employees are encouraged to discuss their concern or complaint of alleged discrimination with their immediate supervisor. The supervisor's obligation is to try to resolve the concern or complaint. If it is not resolved at the supervisory level, or if the employee is uncomfortable discussing the issue with their supervisor, the employee should either contact the project/department manager or utilize the company's Dispute Resolution Process. Supervisors who fail to act on employee questions or complaints brought to them under these policies are subject to disciplinary action, up to and including discharge.

The Dispute Resolution Process is coordinated by the company's Corporate Responsibility Department at the Home Office. Employees must comply fully with any lawful investigation under these policies. In the event of questions about, or an investigation of, alleged discrimination by any governmental agency, the Corporate Responsibility Department must be promptly notified.

### CONFIDENTIALITY

In handling complaints, every effort will be made to maintain confidentiality. However, certain laws require the company act on information brought to its attention, and it will sometimes be necessary to do a full investigation in order to comply with the law. Investigations are intended to be a confidential process and every effort will be made to maintain confidentiality to the extent possible.

### RETALIATION

Retaliation against individuals who report violations of these policies is strictly prohibited. Employees who violate these policies or who attempt to retaliate against individuals acting under these policies will be subject to immediate disciplinary action up to and including discharge.

The FSC® label identifies products that come from an environmentally and socially responsible source.