

ZACHRY *Force Report*

September/October 2012

The newsletter for the employees, families and friends of Zachry Holdings, Inc.



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Panel installers place solar panels on frames at the Mesquite Solar 1 project site west of Phoenix, Ariz. Photo/Alissa Hollimon

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ZPEPP® helps project teams deliver high-quality projects on time and on budget



We want to hear from you



The process for submitting information for any story idea is simple. Send your *Zachry Force Report* story ideas, including contact information for those involved, to *Zachry Force Report* Editor Brian Dwyer at dwyerw@zhi.com or 210-588-5813.

Story ideas and photos also can be submitted to members of the *Zachry Force Report* editorial board, listed on page 24.

An archive of all issues of the *Zachry Force Report* is posted online at ZHI.com and group intranet sites. If you would prefer to exclusively access the publication electronically and opt out of receiving the printed edition, simply send a note to dwyerw@zhi.com.

Dear Readers,

Zachry's corporate vision is to be a principle-based enterprise that combines the best in people and technology to create a special business experience, seeking always to make a difference. This vision is reflected in the innovative ways that Zachry employees utilize information technologies to deliver superior results for our customers.

The rapidly changing ways in which information is recorded, transmitted and stored have made data integrity and security increasingly important concerns for companies in all industries. The use of cloud-based computing, smartphones and other mobile devices in the workplace has created new opportunities as well as new hurdles for corporate information technology (IT) departments. In addition to protecting data quality, we must also address employee needs for continuous, mobile access to business data and personal information.

The various applications for mobile devices can create the possibility of compromising corporate information. Information security lapses can disrupt operations, increase risk exposure and adversely affect a company's ability to quickly respond to difficulties that arise. These risks have prompted some companies to allow employees to use only company-approved devices and apps rather than face the potential of a costly loss of data or productivity. Other companies have chosen to rely upon employees to exercise prudent judgment in their use of devices and apps.

At Zachry, we are continually striving to provide greater access and mobility for company information while preserving data integrity and security objectives. We appreciate the balance that must exist among safeguarding data, maintaining data accuracy and offering employees a level of information access that's necessary for them to function more effectively and productively. Zachry's culture helps us achieve this balance because it encourages collaboration across all departments and groups to achieve shared objectives. We also receive tremendous benefit and guidance from our corporate values, including integrity, which is highlighted in this issue of the *Force Report*.

Inside, you'll find an article about Zachry's propriety new software called QTAB. QTAB represents another milestone in Zachry's continuing efforts to improve the availability, timeliness, integrity and flow of data on job sites. Zachry's dedication to integrity in all our practices and procedures is further evident in articles about the Zachry Project Execution Planning Process (ZPEPP®), as well as recent company initiatives that incorporate safety into the

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Advancements in the IT field will undoubtedly continue to present exciting new opportunities to develop automated tools that improve efficiency and productivity.
— Norm Thurow, Vice President, Technology and Information Services



Photo/Alissa Hollimon

design process and take safety training in the field to new heights. Elsewhere, the cover story documents Zachry's progress toward delivering one of the world's largest solar power plants, while an article about a new engineering, procurement and construction (EPC) project shows how past success with a customer can generate repeat business.

Advancements in the IT field will undoubtedly continue to present exciting new opportunities to develop automated tools that improve efficiency and productivity. Along the way, there are sure to be some difficult information security challenges as we strive to manage and protect corporate data appropriately.

Regardless of how sophisticated technology becomes, Zachry's culture and values remain substantial advantages in approaching a variety of scenarios.

Zachry's principle-based, collaborative work environment will provide the framework that allows us to be innovative in the future as we look for the best ways to meet employees' data needs and protect the company's information assets at the same time.

Norm

Norm

news updates

New business expands across the Enterprise

Zachry employees around the country and across the Enterprise continue to build bonds with satisfied customers. Several new projects are under way thanks to Zachry's reputation for quality.



Nuclear Group

Zachry Nuclear Engineering is expanding spent nuclear fuel storage facilities at NextEra's Seabrook Station in New Hampshire and Dominion Energy's Millstone Station in Connecticut.

"Nuclear sites have to refuel every 18-to-24 months," explained Project Manager **Ryan Brookhart**. "Nuclear fuel is highly radioactive and must be controlled even after it is removed from power production. After the fuel cools, it is often moved to an onsite Independent Spent Fuel Storage Installation (ISFSI), where it can indefinitely remain."

The Seabrook Station project involves engineering, design and licensing support services to expand the facility's dry fuel storage capacity. It will double the storage capacity of the current ISFSI and wrap up in 2013. The Millstone Station project is expected to stretch into 2014. In addition to increasing the storage capacity five-fold, Zachry will also move and re-establish the facility's security system.



Construction and Engineering Groups

The Construction Group has the lead role in a joint venture with CB&I, which was awarded a front-end engineering design (FEED) contract for the Freeport LNG Development, L.P. (FLNG) Liquefaction Project near Freeport, Texas.

The partners will engineer and design three process units to produce liquefied natural gas (LNG), three corresponding pretreatment facilities, supporting infrastructure and utilities, a third LNG storage tank and a second LNG loading dock. The facilities will be constructed at two job sites. One site is adjacent to FLNG's existing regasification facility on Quintana Island and the other is north of that facility along the existing FLNG 42-inch gas pipeline. The Engineering Group is supporting the project with design of a 138-kV substation.

As the constructor of the existing regasification facility for FLNG, Zachry is thrilled to be involved with its



The Deer Park Energy Center is the site of one of two new power plant expansion projects for Zachry in the Houston ship channel area. Photo/File

expansion. "The project will be one of the largest in our recent history," noted Operations Manager **Chet Lloyd**. "It's expected to take up to five years and approach 17 million direct and indirect workhours."



Construction Group

The Construction Group has negotiated with Calpine to complete two expansion projects to supply combustion turbine-generators (CTG), heat recovery steam generators (HRSG) and related equipment at power plants in the Houston, Texas ship channel area. The first project, at Deer Park Energy Center, will add a fifth generator onto the 4-on-1 configuration that Zachry completed in 2002. The second, at Channel Energy Center, will add a third generator to a 2-on-1 configuration that Zachry built in 2001.

"At peak, Zachry will employ about 180 direct craft employees on each project, as well as 20 to 25 indirect employees," said Project Executive **Bobby Patterson**.



Industrial Services Group

The Industrial Services Group (ISG) will conduct a series of storage tank inspections and repairs on a continuous-presence basis for a customer that operates a petrochemical facility in Belle Chasse, La.

"Several customer contacts from this new site have worked with us at other locations. They were pleased with our ability to accurately plan and estimate project

schedules and costs, and then deliver projects safely and according to plan. They want to repeat these good experiences," noted Business Development Director **Terry Hart**, who established the contact and built the relationships. •



Supersized biomass projects reach milestones

Zachry is adding to its accomplishments in the renewable energy sector through engineering expertise. The company's Minneapolis Design Center has completed the startup and commissioning management of a biomass-fueled power plant near Nacogdoches, Texas and concluded design work on another biomass-fueled plant in Gainesville, Fla. These two 100-plus-MW generating stations are among the biggest single-unit, biomass-fired plants in the world and the largest in North America.

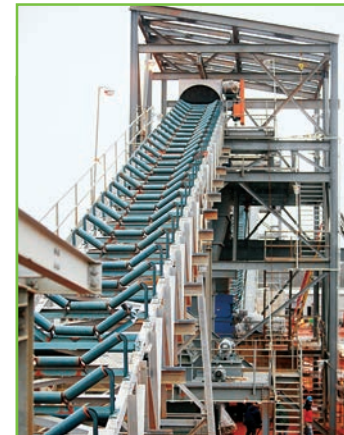
The Nacogdoches plant hit 100 percent load for the first time in May, and was commercially handed over during the summer. "We completed three years of involvement in the project design, then full-time, on-site support for more than a year," said Senior Project Manager **Peter Quist**.

The Gainesville plant is now under construction and expected to begin operating commercially at the end of 2013. The Zachry team recently finished detail design, integrating the plant's boiler, steam turbine and other major pieces of equipment together into an operational plant.

The Gainesville plant's design is slightly different, reflecting a change in federal regulations regarding emission control systems. Both facilities rely on waste wood, a green power source that is in plentiful supply. The plants won't burn whole trees, but the limbs and tops of trees along with paper industry waste.

"There's a lot of waste wood out there," said Quist. "Instead of letting it decompose in the forest or open-burning it, we're converting it to power."

On a normal day, the plants will burn 140 semi-truckloads of wood that would otherwise be left to rot or piled up to burn. The fuel for each plant will come from timberland sources in the surrounding areas.



The Piedmont Green Power Plant in Barnesville, Ga. is one of several renewable energy projects in Zachry's portfolio. Photo/Alissa Hollimon



SMARTFocus expertise saves Beaumont customer \$1.8 Million

A customer site in Beaumont, Texas, has implemented three ideas generated from Zachry's SMARTFocus program that will save the customer more than \$1.8 million over the next two years. **Keith Stringer**, Zachry coker operations superintendent, worked with Site Manager **Gary Hessler** and the site team to identify these innovative ways to save. Hessler attributes most of the savings to working with the customer and the site team to develop the most efficient and economical ways to complete the work.

For example, Zachry achieved the largest savings by restructuring the customer's bulk terminal charges for handling coke, a byproduct of the oil refining process. Previously, shipping companies paid fees to a third party who in turn paid the terminal operating company.

"We're set up differently," explained Hessler. "We're about time and material." Now, each vessel will pay the fees directly to the customer, which will cut out the middleman and save the customer \$1.3 million through 2013.

Using market savvy, Zachry found a more economical boat service provider, upping the customer's savings another \$266,094. What's more, by negotiating a reduced rental price for three D8 bulldozers, Zachry realized yet another \$269,280 in savings for the customer.

The savings were so substantial that the customer didn't believe it at first. But, once Zachry provided all the information, the customer demonstrated trust and made the changes that led to the savings.

"The SMARTFocus program shows the added value Zachry brings," explained Hessler. "It also reflects our culture. We look to the experts, our craft workers and supervisors, as the ones who know the job and know the work." •

SMARTFOCUS

These projects are further examples of Zachry's commitment to sustainable energy. The company is also finishing its first engineering, procurement and construction (EPC) project to build a new biomass-fired power station. This facility for Rollcast Energy is the Piedmont Green Power Plant in Barnesville, Ga., which will provide power for approximately 40,000 homes when complete this October.

These projects reflect Zachry's 30 years of experience with every aspect of biomass power projects, including equipment selection, general plan procurement, construction, startup and plant commissioning. •

One of the world's largest solar power plants closer to completion



A view looking to the northeast from block 5 of the Mesquite Solar 1 project west of Phoenix, Ariz.
Photo/Alissa Hollimon

Sun Power

Rising to challenges along the way, Zachry passes midpoint of monumental project

“Simple isn’t easy.” That is what Field Superintendent **Will Coston** would like to see on T-shirts for the team installing more than 800,000 solar panels in the Sonoran Desert west of Phoenix, Ariz.



“That’s kind of become our motto out here,” Coston said. “The work isn’t that difficult, but we’re installing thousands of panels every day in triple-digit temperatures, and that’s not easy.”

It’s an important distinction that speaks to the skill and drive of a team in the midst of accomplishing an enormous task. Working on one section, or block, at a time, Zachry, to date, has installed more than half a million of the roughly 830,000 solar panels needed for Sempra U.S. Gas and Power’s Mesquite Solar 1 project. All of those panels are converting the sun’s rays into electricity that currently amounts to more than 100 megawatts (MW) of power. That’s already enough for about 37,000 households. When complete, the plant will generate 150 megawatts, or enough to power more than 50,000 homes.

Zachry representatives are hopeful this project could become a signature highlight of the company’s growing portfolio of sustainable power projects. Zachry is well positioned to build upon this expertise because of its stellar reputation for building traditional power generating facilities and the current social and regulatory trends, which are prodding utilities to generate more power using renewable energy sources.

Building a reputation one panel at a time

The Mesquite Solar 1 project represents the first time that Zachry has provided engineering, procurement and construction (EPC) services on a solar power project.

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Frame Crew Member Francisco Gallardo makes certain that frames are properly aligned. Photo/Alissa Hollimon

Sempre solar plant is industry highlight

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Zachry hit the ground running in 2011 by installing enough panels from its consortium partner, Suntech Power, to get 42 megawatts of electricity on the grid by the end of the year.

“This project has drawn a lot of attention because of its size,” Business Development Manager **Jeff Hatfield** said. While a typical gas-fired power plant project can cover 50 acres, the Sempra site sits on 920 acres, which is more than 18 times larger. This giant scale underscores Zachry’s noteworthy accomplishments on the project so far. “Other customers in the market have seen how much we’ve done in such a short period of time and the rapid pace of installation,” said Hatfield.

Lining up the right resources in advance

About 250 employees remain on the project, after the overall number peaked at almost 500 last year during the push to begin sending electricity to the grid. The fact that Zachry has been able to maintain the established work pace is a testament to its logistical process.

Dan Pratt, the project executive at the start of the project, cited the importance of getting needed equipment and materials lined up and ready to go. “We stressed that on-time delivery was the only acceptable mode of operations and used our expediting resources up front,” said Pratt. “Building and maintaining a backlog of equipment and materials allows

our craft workers to be productive and go home feeling good about the work they were able to put in place that day.”

The work itself is repetitive, labor intensive and done on a massive scale. Trainloads of frames, crates of 57-pound panels and more than 1,000 miles of cable are just some of the components needed for this project.

“Logistics is probably the hardest part of all this,” Project Manager **Roger Junker** said. “We have to get the panels and frames into the staging area, then get them out to the block areas where they’re going to be installed.”

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Panel Installers Lamberto Salcido-Aguilar and Luis Martinez tighten mid-clips between solar panels. Photo/Alissa Hollimon

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— Jeff Hatfield, Business Development Manager
”



Sempra Solar Plant: By the Numbers

Mesquite Solar 1 project is extraordinary in all kinds of ways

Sempra U.S. Gas and Power's solar power generation plant in Arlington, Ariz. is unlike anything Zachry has ever built. As sections of the solar farm come online, the facility continues to develop into one of the largest plants of its kind in the world. Ultimately, it will include approximately 830,000 solar panels mounted on more than 90,000 posts.

These figures help to put the size and scope of the project into perspective:



Area: The Sempra site is 920 acres in size, which is **more than 18 times larger** than the site of a typical Zachry power project. That's bigger than six golf courses or almost 700 football fields including end zones.



Cable: There is enough cable on the project to stretch all the way from the job site to Zachry's Home Office, **more than 1,000 miles away**.



Weight: The total weight of all the solar panels to be installed is in excess of 23,000 tons. It's greater than three **Los Angeles class attack submarines combined**. (The Los Angeles class is the same type of submarine as the USS Dallas in the film, "The Hunt for Red October.")



Distance: The largest section of the plant has 80,000 panels. If someone walked up and down each row in that block, **he/she would walk 25 miles**.



Time: The installation process is so efficient that a post goes into the ground **every two minutes**.



Power: When complete, the plant will generate 150 megawatts of electricity. That's enough to power **more than 50,000 homes**.



A panel crew installs one of more than 830,000 solar panels on the project. Domingo Salazar (top), Eddy Valenzuela (middle) and Carlos Lopez (bottom). Photo/Alissa Hollimon



The foundation More than 90,000 metal posts must be driven into the ground to support the solar panels and their frames. Frames and panels are gathered in a staging area before they are taken to the block areas where they will be installed. Photo/Alissa Hollimon

Before Mesquite Solar 1 project in December 2011. Photos/Site



After Mesquite Solar 1 project in May 2012.



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Working smarter on a massive scale

As Zachry completes each major block of solar photo-voltaic arrays, the block gets hooked into the power grid. The resulting electricity goes to Pacific Gas & Electric (PG&E) under a Power Purchase Agreement between PG&E and Sempra, allowing Sempra to generate revenue before the project is finished. This immediate delivery of power couldn't happen on a project to build a fossil fuel plant.

With just about half of the original workforce remaining on the ground, the focus is on working smarter. Every day, thousands of panels continue to be assembled and installed. Workers rotate jobs on the site to prevent boredom and the potential for repetitive work injuries. Also, water and ice crews keep the workers hydrated, and dust control starts early each day in the arid climate. Crews water down the area where work will take place to keep scattered dust to a minimum. It's a matter of safety for workers and an environmental consideration for the local area. "We want to be a good community steward," said Coston. "We have to share the roads with our neighbors."

Zachry is contracted to complete the project and deliver 150 megawatts by April 2013. The project team continues to find ways to maintain steady progress. "We run at a more organized pace because we've figured out a better way to do it, leading to the efficiencies we've discovered," said Pratt. "We climbed the learning curve and, at the top, we can see the finish line." •

Project Team

Construction

Team led by Project Executive Dan Pratt, Project Executive Ron VanCleve and Project Manager Roger Junker:

Will Coston
General Field Superintendent

Fred Crowson
Buyer

Jami Fulton
Material Manager

James Hatcher
Quality Control Manager

Estella Hernandez
Employment Manager

Bill Johnson
Administrative Manager

Odon Lopez
Civil Superintendent

Jose Ontiveros
Electrical / Instrument
Superintendent

Tom Owen
Millwright Superintendent

Pete Peterson
Crane Supervisor

Chris Schmidt
Environmental Manager

Chris Smith
Mechanic

Tom Trabbic
Site Safety Manager

Benson Walls
Deputy Project Executive

Jeremy Young
Controls Manager

Engineering

Team led by Project Manager Tom Rerucha and Project Engineer Ron VanCleve. (VanCleve has assumed the role of Project Executive for the remainder of the project.):

Lawrence Butler
Lead Civil / Structural Engineer

Katie Helwig
Administrative Services Lead

Frank Pruitt
Lead Mechanical Engineer /
Field Engineer

Kyle Piepmeier
Lead Controls Engineer

Chad Rockwell
Technical Services Lead

Ted Smithson
Lead Electrical Engineer

Enhanced safety practices: Focus on smarter design and hands-on training

Safety is Zachry’s first and most important value, and the company believes that achieving a consistently safe workplace requires a multi-faceted approach. Recent safety innovations in both design and training methods illustrate this commitment to the safety of the company’s employees and customers.

A new approach: engineering for construction safety (EfCS)

When designing equipment or creating processes incorporates safety from the start, it minimizes exposure to hazards and automatically enhances work environment safety. This concept is the foundation of a company initiative called “Engineering for Construction Safety” (EfCS), which Zachry is developing and plans to implement across the Enterprise by early 2013.

“EfCS is a holistic approach to addressing occupational and safety hazards in the workplace,” said **Dave Tolbert**, risk manager. “With this approach, our engineers look at all aspects of the design, engineering and construction processes with an eye on making it all safer to build.”

The Engineering Group recently encouraged employees to take ownership of the new program and sponsored a competition to come up with a tagline for it. A committee narrowed nearly 150 possibilities down to 12 and then put them up for a group vote. **Scott Sevick** and **Jason Babcock**, both project engineers in

the Omaha Design Center, took top honors with the winning tagline: “Safety by Design; It’s No Accident.”

This tagline captures exactly what the program is meant to achieve in practice. For example, in the process of assembling a pipe rack, engineers would consider whether there is a way to assemble the pipe and associated pipe rack on the ground and then lift it into place, which comes with less risk. “That way, we could reduce the number of steelworkers and pipefitters who would be required to assemble pipe several stories off the ground,” said Tolbert.

Tolbert is quick to point out that EfCS is an extension of the overall safety ethic and safety practices that are well engrained in the culture of the Engineering Group and the entire Enterprise. “The EfCS program provides the ability to get feedback to incorporate into the design process and allows us to take construction safety to the next level.”

EfCS in action

The Amarillo Design Center has already used EfCS to overcome a challenge in the field. The Construction Group conveyed to the Engineering Group that the large constants and variable springs on pipe hangers used to suspend piping systems are difficult to rig and install in a manner that is both safe and efficient.

“They wanted to know if something could be done to support the constants and variables without actually using the attachment point,” said Tolbert. “In other words, they wanted a way to rig the supports in some

manner that would allow the final connection point to be free.”

The safely engineered solution was adding lifting lugs, or ears, for the constants and a lifting bar apparatus for the variables (as pictured below). These modified pipe hangers allow construction employees to lift the support once for safer and easier installation. The ears can either remain on the units after installation or be removed.

New hands-on safety labs in the field

Safety training has always been a top priority at Zachry. Recently, however, the company developed and implemented an even more efficient approach to instructing new and existing employees on job sites how to properly use tools and how to protect against falls. Several departments worked together to create new mobile, safety training labs using shipping containers that fit on the backs of semi trucks. These mobile labs are equipped with power and air conditioning, workbenches, signage in English and Spanish, a comprehensive facilitator’s guide and shelving and pegboards to display hand and power tools.

“We’ve been developing tool-training labs and a fall protection program over the past several years, and they incorporate the very best available equipment,” said **Earl Chapman**, safety manager. “We clearly recognize that all human beings learn better when they have the opportunity to experience a situation firsthand. These mobile labs give us the opportunity to be very consistent and ensure quality control.”

Creating the labs required substantial collaboration between departments according to **Dan Barrow**, business unit coordinator and liaison between the Corporate Safety Department and the Equipment Asset Management and Services (EAMS) Department Tool Center. “We got a complete list of tools that EAMS wanted covered and their input on how to best conduct tool training. Then, with the

help of the Craft Training Group, we developed a complete manual with photos and information for all tools covered.”

“The mobile safety labs are especially valuable for site employees who may not be familiar with how to use specific tools,” said Barrow. “We have formalized this process and applied it across the Construction Group.”

Employees benefit from learning by doing

Barrow noted that Zachry has completed four mobile tool units. The company plans to continue producing them as needed. Fall protection training takes place right outside the tool training labs under the supervision of a subject matter expert (SME).

“We attach I-beams to teach employees how to properly tie off their fall protection equipment, which is part of their personal protection equipment (PPE) training,” said **Greg Sizemore**, senior manager of craft development. “In order to pass, employees must correctly tie off a retractable lifeline, then cross the beam without any missteps.”

Of course, projects are already engineered with the utmost safety in mind, though further advances in EfCS hold the potential of someday eliminating the need for PPE altogether. In the meantime, until every exposure can be completely engineered away, employees still need to receive proper hands-on training to learn how to be safe in all circumstances.

“This is a robust approach to safety training with regard to hand tools, power tools, PPE and fall protection,” said Sizemore. “All these efforts demonstrate our commitment to a safe and educated workforce. These initiatives are a collective partnership among several groups, and the result is a true team approach to job safety.” •

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Safety by Design;
It’s No Accident

A safely engineered solution:

Modified pipe hangers were specially designed to allow construction employees to lift the support once for safer and easier installation. Photo/Site

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Mobile training labs:
Valuable for site employees who may not be familiar with how to use specific tools, they offer on-site safety training. Photos/Alissa Hollimon

Execution Planning Department puts first things first

Acclaimed author Dr. Stephen Covey said it well: “Effective leadership is putting first things first. Effective management is discipline, carrying it out.”

This notion is reflected in how Zachry delivers its services. The Zachry Project Execution Planning Process (ZPEPP®) is a structured approach that the company’s Execution Planning Department champions. The department is dedicated to helping project teams deliver high-quality projects on time and on budget.

“It’s about ensuring effective and timely communication among all project stakeholders,” said **Matt Key**, execution planning director. “From the customers and design engineers to the craft workers, each person holds a vital role in planning, problem-solving and executing the project,” said Key.

Start from the beginning

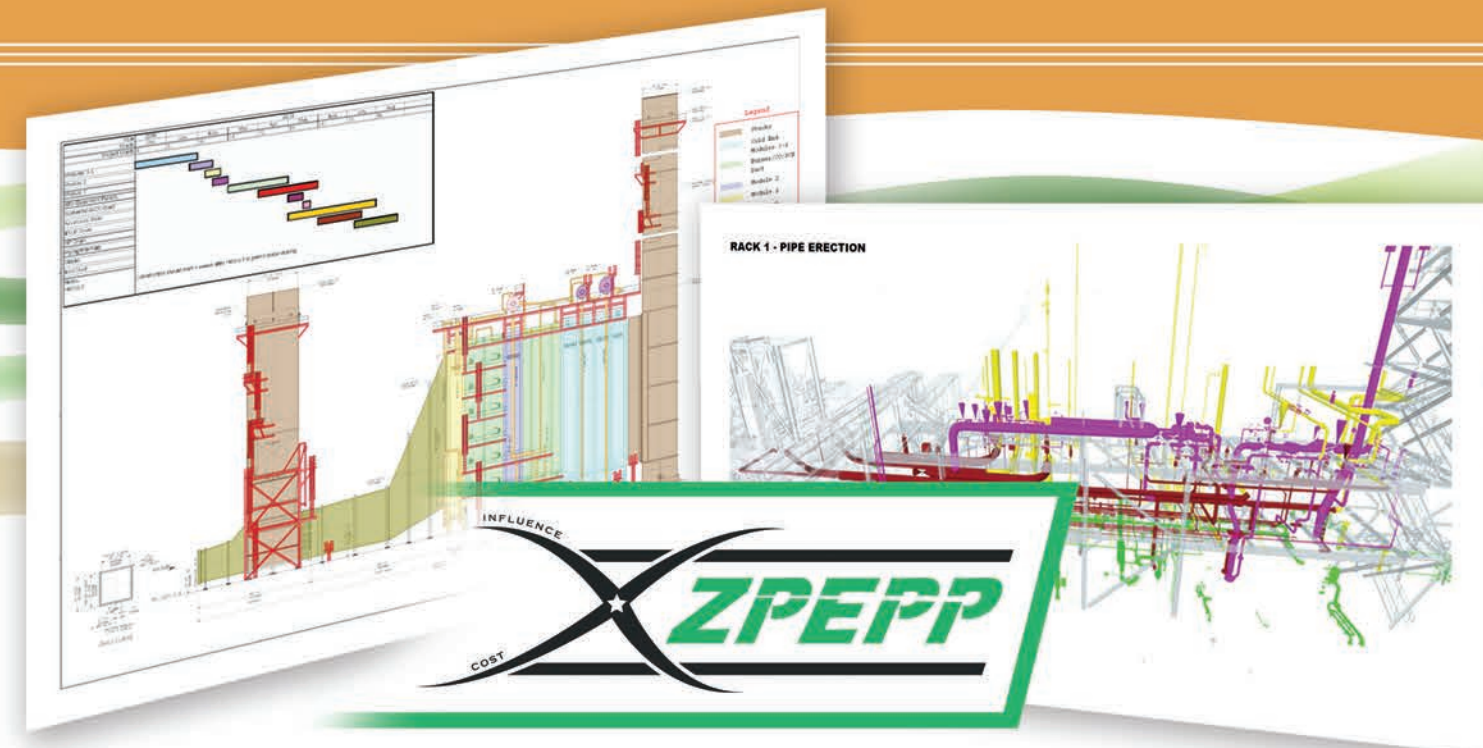
Developed in the late 1990’s through research with the Construction Industry Institute (CII) and project management consultants, ZPEPP links all of the critical components of project development. It touches engineering, procurement and all stages of construction, including commissioning and startup.

Each project starts with answering a customer’s request for proposal (RFP). That’s when the planning professionals begin mapping how a project will move through each development phase. The work at this stage is vital to providing an accurate estimate and schedule. It also helps to make sure the entire project starts off on the right path, which is especially important for projects that can last years.

“Customers want to know that you have carefully thought through each stage of the project and that it can be successfully communicated and executed,” said **Ray Wenz**, senior vice president of the Cost Performance Team. “ZPEPP provides a refined structure that our customers are searching for, particularly those with a sophisticated understanding of planning.



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the project and that it can be successfully
communicated and executed.
— **Ray Wenz**, Senior Vice President,
Cost Performance Team
”



It’s a great selling tool that helps move Zachry in front of competition during the RFP review and selection process.”

Put into practice through project life cycles

From deal development to project execution, ZPEPP follows the entire life cycle of a project. Once projects are awarded, project teams need to get mobilized, which can seem a lot like a tugboat pulling a big ship out of a harbor. Regular planning workshops with all team members represent a critical component of what the Execution Planning Department does at this stage to gain momentum.

For example, at a project in West Palm Beach, Fla., the customer meets quarterly with the project manager, engineers and superintendents from each craft. Together, they review the project’s plan for the upcoming quarter and discuss critical engineering, procurement and construction (EPC) issues facing the project. They also review how each craft, including civil, structural, mechanical, pipefitting and electrical, will work with and around the others to achieve major completion milestones.

“We are planning months in advance, and customers are in there with us, gauging our progress and understanding their role and what they can do to help execute the plan,” said **Shawn O’Quinn**, Execution Planning manager. “Customers are more than satisfied and truly value Zachry’s attention to detail, eliminating the notion of ‘over-promising and under-delivering’ because they are with us in the trenches each step of the way.”

ZPEPP keeps customers consistently informed and involved. They stay up to date on a number of issues, including: how their deliverables impact the plan; how one craft will overlap with another at a location; who needs to build and assemble first; what equipment will be needed and used; and how materials will be ordered and delivered within that timeframe to maximize productivity.

“ZPEPP opens the door for tracking, planning and communication that assures our projects will not be unknowingly jeopardized during execution,” said O’Quinn.

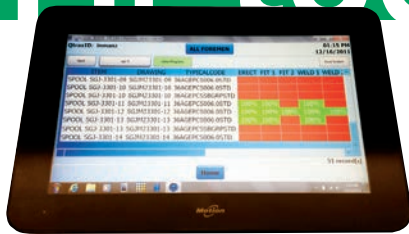
Perspective for what’s next

Of course, managing the engineering, procurement and construction (EPC) of multimillion-dollar projects comes with plenty of activity. “We work collaboratively so that the right sequence of engineering and procurement deliverables is delivered to sites at the right time,” said Key. “It’s a construction-driven planning process that drives EPC execution and it works.”

O’Quinn agrees. “Often, we are so caught up in the list of items that need to be accomplished today, that it takes a lot for us to step back and see the forest through the trees,” he said. “ZPEPP is a platform that provides perspective to the project team.”

“ZPEPP is about consistency and repeatability,” said Wenz. “It’s a discipline the Execution Planning Department has refined over several years, and a level of knowledge, expertise and integrity that Zachry customers have become accustomed to receiving.” •

Hi-tech in the field



QTAB brings real-time management at the tap of a finger

New tablet interface takes progress tracking to a new level

Steel-toed boots? Check. Hard hat? Check. Ruggedized tablet PC? Check. Soon, Zachry foremen, project managers and superintendents will count ruggedized tablet PCs, or durable hand-held computer devices, among their jobsite necessities too. These employees are responsible for managing time, materials and job progress, and their days of entering all that project data the old-fashioned way are numbered.

"The technology has been there and it was just a matter of time before it was integrated into our work flow," said **Zach Inman**, construction representative and the innovator behind Zachry's proprietary new software called QTAB.

QTAB is Zachry's new progress tracking application (app) for QTrax (Zachry's quantity tracking software) that uses ruggedized mobile computer tablets to input information in one, easy-to-use platform.

The "TAB" part of its name is short for tablet. The term "ruggedized" means they're specially designed for industrial work environments. For example, they can be dropped from up to six feet, have damage-resistant and anti-glare glass and can tolerate water and dust.

QTAB optimizes the flow of data by using the latest in tablet technology to increase efficiency and reduce the chance of errors during progress and time-capture processes.

"I knew that mobile computing technology could be used to make our jobs easier, more efficient and accurate," said Inman, pointing out that "we can place a take-out order, manage our banking, buy movie tickets and check the weather all within minutes using our smartphones. New apps are developed daily that help us manage our health, finances and vacations."

The birth of an industry innovation

Inman developed the idea while working an outage in Arizona in early 2010. "I was tracking time for 75 employees. I would be out in the field monitoring, and have to go back to my desk to input the time. I would spend a lot of time double checking my notes and time entries," said Inman. "I knew there was an easier, faster and less cumbersome way to do it."

Inman brought the idea to Zachry's Project Controls and Technology and Information Services (IT) Departments and worked together with them to bring the concept to reality. The QTAB proposal was introduced in 2010, and feedback from craft specialists, general foremen and foremen helped refine the user-friendly interface. QTAB was ready for rollout in the summer of 2011 and the first ruggedized tablet PCs were delivered to a project site in Cape Canaveral, Fla. in August 2011 for field testing.

"We worked with Zach Inman for several months providing input on how the program should work," said **Brian Smith**, detail planning manager at the Cape Canaveral site. "When we first got the tablets, the general foremen and foremen in the field needed to get used to doing something a different way. But, now, they track me down looking for their tablets," he said, noting that Pipe General Foreman **Jason Heflin**, Steel General Foreman **Cesar Rebolledo** and Boiler General Foreman **Jerry Rollins** were among the initial tablet users on that site. "It has saved them so much time and frees us up to do so much more," said Smith. In fact, the Cape Canaveral team's continued input and support were integral in QTAB's success.

Smith added that the ruggedized tablets are designed to take punishment and be user-friendly at the same time. These are key factors in more easily training superintendents, planners, general foremen and foremen at other job sites. "The tablets are tough and can withstand the



Planning Manager Brian Smith and Structural Steel General Foreman Cesar Rebolledo work with the QTAB ruggedized tablet at the Cape Canaveral job site. Photo/Site

elements in the field," said Smith. "If our team likes it, we know others within Zachry will like it, too."

Already making a difference in the field

Designed to enhance both the accuracy and speed of capturing progress and employee time cards, QTAB brings the recording process out to the employees' work areas so data can be entered on the spot. It's also smart enough to integrate critical information such as drawings, work packages and other key communication tools. It can even increase the quality of communication with photos and progress exports to Excel®.

"No more invalid cost codes. No more progress without actuals, and actuals without progress. No more repetitive data entry," said Inman.

Technology and Information Services Vice President **Norm Thurow** chalks up the success to collaboration.

"It's the nature of how teams successfully work together at Zachry to improve efficiency and productivity. We are pretty creative and are always wanting to do things better. QTAB's success comes from the collaboration, knowledge and applied expertise of Zach Inman, IT personnel and all the innovative craft specialists who provided input on how to make it highly functional."

Zachry is one of the first companies in the construction industry to leverage mobile computing technologies for use on job sites. Plans are under way to enhance QTAB/QTrax by offering web apps with an offline mode that allows more flexibility and accessibility from anywhere at any time.

"QTAB has raised the efficiency bar for Zachry in the area of progress and time capture, showcasing the innovation and application of modern technology in construction," said Inman. •



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ZACHRY

Golden Spread project expands business with existing customer

Past performance builds future relationships

Zachry is continuing to use past performance to grow existing customer relationships. After a series of engineering projects for the Golden Spread Electrical Cooperative, Zachry has begun providing engineering, procurement and construction (EPC) services on a project to expand one of Golden Spread's existing power stations. This new project involves installing a GE 7FA combustion turbine (nominal 150 megawatts) in a simple cycle configuration at the Mustang plant near Denver City, Texas.

"This is a perfect example of how Zachry's long relationship with a customer can grow into an Enterprise-wide opportunity," said **Rick Blanchette**, EPC operations manager.

The current project grew out of the Engineering Group's success in executing projects for Golden Spread, including work on the Antelope power station near Abernathy, Texas and several engineering studies.

Project Executive **Dudley Reynolds** attributes this win to the "one Zachry" approach that focuses on offering customers turnkey EPC service capabilities.

"We allowed them the opportunity to visit three turnkey project sites and meet with the customers," said Reynolds. "Bringing a truly integrated EPC team was one of the key benefits to this project."

How turnkey leads to a "fast track"

Zachry began engineering and procurement in April, pre-mobilization in May and construction in early June. The project is scheduled to be complete in the spring of 2013.

According to Project Manager **Robert Guerra**, 120 to 130 employees will be working on this project at its

continued on page 20



(Left) Pipefitter Chris McClain checks the level of the top of a pipe that will be embedded under the combustion turbine. (Right) Structural Ironworker Jay Krout grinds slag on the exhaust stack. Photos/Alissa Hollimon



(Left to Right) Surveying Party Chief Ron Mertz, Field Survey Superintendent Dave Hinds, Civil General Foreman Juan Herrera and Surveyor Eric Diaz Fernandez review anchor bolt locations. Photo/Alissa Hollimon

Turnkey capabilities benefit customer

continued from page 18

peak. “One challenge for us is the aggressive schedule on this project,” Guerra said. “However, I am very confident we will meet it.”

Zachry’s turnkey approach allows the company to identify the long-lead equipment and other essential elements that can challenge a project schedule. Being able to seamlessly access resources across the Enterprise will help position Zachry to meet the customer’s fast-track schedule.

Golden Spread is providing the combustion turbine (CT) and auxiliaries, CT stack, auxiliary transformer and the generator step-up transformer. Zachry’s High Voltage Solutions team will provide a 230-kV substation with an adjacent switchyard. The team’s capacity to deliver such project components is another example of Zachry’s integrated processes that could help speed things up. “We spent a lot of time in the planning process to ensure we could complete this on a fast-track timeline,” said Blanchette.

Aside from the tight schedule, Blanchette noted that technology also sets this project apart. Zachry will install a mechanical refrigeration inlet air chilling system on the gas turbine. A typical gas turbine’s power output is greatly reduced at high temperatures. That means its power is reduced in the summer when demand is higher. However, by chilling the air, the power output of the plant can be increased. “This means Golden Spread can serve more members when they need it most,” said Blanchette.

Key lessons to continued success

Zachry’s integrated EPC capabilities continue to lay the groundwork for a variety of future opportunities. The organization has been able to adapt its proven approach to projects of all sizes.

“It was the key to winning this project,” said Blanchette. “This project shows how we can competitively scale our work to smaller projects and still provide the Zachry experience.” •



Structural Ironworker Debra Wynn performs seal welding on the exhaust stack. Photo/Alissa Hollimon

Project Team

Teams led by Project Executive Dudley Reynolds, P.E. :	Rusty Scott Tech Services Lead	Abraham Hagstrom Electrical / Instrument Superintendent
Engineering	Eric Tucker, P.E. Lead Controls Engineer	Jim Hatcher Quality Control Manager
Hamza Ahmad, P.E. Lead Electrical Engineer	Trey Vuittonet Lead Mechanical Designer	Randy Hughes Procurement Manager
Robbie Burd Project Controls Lead	Construction	Mikeal Lee Project Controls
Edgar Campos Lead Electrical Designer	Team led by Project Manager Robert Guerra:	Ted Lemmon Civil Superintendent
Phat Do Lead Civil / Structural Designer	David Barraza Employment Manager	Scotty McCain Pipe Superintendent
Chad Ellis, P.E. Lead Mechanical Engineer	Ronny Blank Millwright Superintendent	Juan Montes Material Manager
Berin Schneider, P.E. Lead Civil / Structural Engineer	Donald Fields Mechanic	Max Salinas Site Safety Manager
	Tim Franklin Construction Coordinator	Brian Thorpe Administrative Manager

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➤ Health, disability or life insurance
➤ 401(k) / retirement plan

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Zachry Employee milestones

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STEPHEN AGUIRRE
VERONICA AGUIRRE
DWAYNE ALLEN JR.
STEVEN ALONZO
JASON BABCOCK
SAM BAKI
PAMELA BASS
DIANE BENGTON
JOSE BISARRAGA
DANNIE BRISENO
DAVID BROWN
KENNETH BROWN
KEVIN BROWN
JOHNNY BURNS
RAY BURTON
CHRISTOPHER BYARS
NICOLE CABALLERO
JESUS CABRERA
KEVIN CALAME
CRAIG CANTERBURY
ERIC CASSIMERE
CHRISTINA CONE
TRAVIS COOK
BOYD CORTEZ
LISA CORTEZ
RONALD COURINGTON JR.
ELBERT CRANE JR.
FRANKLIN CREACH
GERARDO CRUZ
ROBERTO CUZA
CAMBER DAVID
ALONZO DELEON
JEFFREY DELEON
MARGARET DELEON
NARCISO DELEON
TONY DEWITT
BRUCE DOMINO SR.
EDDIE DUHON
BRIAN DURHAM
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DAVID HIMAN
RICHARD HOLLOMAN
RICHARD HUGHES
DARNELL INGRAM
DEREK IRVIN
JOHN JACKSON
DAVID JOHNSON
MICHELLE JONES
JENNIFER KLAUITTER
CARROLL KRIDLER
BENJAMIN LANDERS
MICHAEL LANGHORST
JIMMY LAWRENCE
GUILLERMO LAZO
RICARDO LEAL
CHARLES LEDOUX
HUGH LEE JR.
KEITH LEE JR.
MICHAEL LEE
ANDREW LEWIS
ROBERT LOPEZ
ROY LOUPE
KENNETH LOVELL
MELVIS LUNA
GILBERTO MACHADO
LAURA MALDONADO
LEON MALLORY
PERRY MALONE
ANTHONY MARTINEZ
JUAN MARTINEZ
JERRY McGALLION
GLENN McMULLEN SR.
ELVIS MELENDEZ
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ALIX MENDEZ
EUTIMIO MENDOZA
JAMES MERCHANT
LARRY MEYER
MARTIN MEZA LARA
PETER MONTELEONE
YVONNE MORALES
DAVID MORIN
BLAKE MOSELEY
JEFFREY MOSES
JERRY MOSLEY
GABRIEL MOSQUEDA
JOE MURPHY
NADIA OCTAVE
MARTHA ODOM
JOHN ONEAL
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FELIPE PENA
ELIAS PEREZ JR.
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MANUEL PEREZ JR.
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JOHN PINTORE
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DONALD RAMSEY
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JASON REYNOLDS
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DAVID RODRIGUEZ
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GUADALUPE RODRIGUEZ
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RICARDO RODRIGUEZ
FRANCISCO RODRIGUEZ ORTIZ
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TREY VUITTONET
KENNTH WALDEN
GARY WARNER
RICHARD WATLER
TY WEST
JOHN WILLIAMS
KEVIN WOOD
ZOILA ZEPEDA

10 YEARS:

DEREK APPLE
RODNEY BERGER
JAIME BUSTAMANTE
ALBERTO CANO
HECTOR CANTU
CINDY CARDONA
JESUS CASTILLO
EPIMENIO CHAVEZ JR.
RUSSELL ELLEDGE
ANDRES ESCALANTE
RAYMOND ESPARZA
GUILLERMO ESTRELLA
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JUAN MEZA
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GEORGE PEREZ
RATOR PERRY JR.
RANDY PETROSKY
NYDIA RIOS
JUSTIN ROME
CANDACE SERDA
ELIUD SERNA
GARY THOMPSON
MEREGILDO VASQUEZ

15 YEARS:

SOILO ABAD
BAENSON CHO
GREGORIO CRUZ
AUGUST DELUCIA JR.
JESSE GARZA
SAMUEL GONZALES JR.

MARC GONZALEZ
STANLEY HAMMOND
BART HESTER
RICK JANSKY
RONALD LAUFER
SYLVIA MONTEMAYOR
LEONARD PARKS
VICTOR ROCHA
MARY RODRIGUEZ
ANTONIO VASQUEZ JR.
CARLA WETZEL
DONALD WIWCZAR

20 YEARS:

JOSE CASTRO
RANDALL EDWARDS
DENNIS FRIETSCH
MATTHEW GLAD
DEBBIE GREEN
RAYMOND HARDIN
ROBERT JENSEN
CARRIE KEUTHAN
YGNASIO LOPEZ
JASON MAY
RICHARD O'BRIEN
YSIDORO ROMERO
GRANVAL TURNER
LINDA WILLIAMS
YVONNE WOODS

25 YEARS:

ROY BOTELLO
MANUEL GALVAN
LINDA MONCEAUX
OTIS PIRTLE JR.
DOUGLAS SCHAD
GEORGE SEGOVIA

30 YEARS:

JUAN ALANIZ
JAMES SHARMAN

35 YEARS:

STEVEN BRYANT
RONALD DAWSON
JOHN GIPSON
ROBERT HOOD
ROBERT MERMELLA
JEFFREY YOUNG

40 YEARS:

JOHN BOWMAN

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ZACHRY

My name is Ray Lenz, and I am Zachry.

In my early 20s, I applied for a job with Zachry and went to work with a survey crew on January 6, 1975. I worked for the survey crew for about four months. Then, they needed somebody as a mechanic helper on the job, so I switched over to that. My experience was mostly working on my own vehicle. I liked it because I had a lot more to learn. With the survey crew, all I did was take readings and then set stakes, but working with the mechanics I got to tear down a machine and build it back together.

When the job finished the following year, I was let go, but I knew they needed help here in the shop. I went to work as a mechanic's helper in 1976 and I've been here ever since.

We used to work on bulldozers, excavators, maintainers and scrapers. I learned about another opening in the track shop, and I transferred there from the heavy shop and worked on bulldozer undercarriages. I got to be assistant supervisor, and in 1989 I took over the track shop and ran it until 2001 when we sold it to Holt Caterpillar. They bought all the equipment that Zachry had and offered me a job in their track shop. I talked to Holt, but decided to stay with Zachry because of my long history with the company. I respect the company's history and like the way they treat their people.

So, since 2001 I've been overseeing the undercarriages for Zachry. In the track shop, all the machines I service run on tracks instead of rubber tires. If they have tracks on them, I'll look out after them. I send out notices to all the equipment superintendents telling them when their inspections are due, and they get their mechanics to do an undercarriage inspection on the machine or they get the dealer in their area. From that inspection we can determine when it's going to be necessary to change components out like tracks, rollers and idlers.

I also help the purchasing department with new parts. Whenever the company purchasers buy locally and need something picked up, I go to the different suppliers and pick up the parts. That's just helping out so they don't have to hire another person to do that.

I know as long as I do a good job, I have job security here. That's another plus that I like. I look at it like this: They pay me for a good day's work and that's what I give them. That's why I AM ZACHRY. •



Photos/Alissa Hollimon

“ Ray is an extremely dedicated employee and has the most positive attitude about everything. He has the kind of work ethic that you don't find all the time anymore. He believes that when you come to work for this company or any position, you're supposed to do whatever it takes to ensure the success of the project or department. Ray is the consummate team player. He's the type of person who will walk over to everyone he sees in the morning and ask the same questions: "Is there anything you need? Is there anything I can do for you today?" He's been a great asset to the department and the company for more than 37 years. — Carlos Alvarado, Equipment Service Manager, EAMS

NOMINATE A PEER

Do you have a co-worker who lives the Zachry values? We want to hear from you — especially craft employees! Please send your nominations to Brian Dwyer, *Zachry Force Report* editor, at dwyerw@zhi.com or call (210) 588-5813.

I AM ZACHRY

My name is Dave Lovett, and I am Zachry.

I've worked in construction for more than 40 years. Early on, I moved from one contractor to another, according to which one paid the most. Then, one day I went to work as a welder for Zachry, a company I knew nothing about, at the Pirkey Power Plant in Hallsville, Texas, and everything changed.

At the end of each day, I began to notice stickers on the backs of co-workers' hard hats showing how many years of service they had with Zachry. Some had 10, 15 and even 20 years. I was amazed and couldn't help but think that this company must be something special.

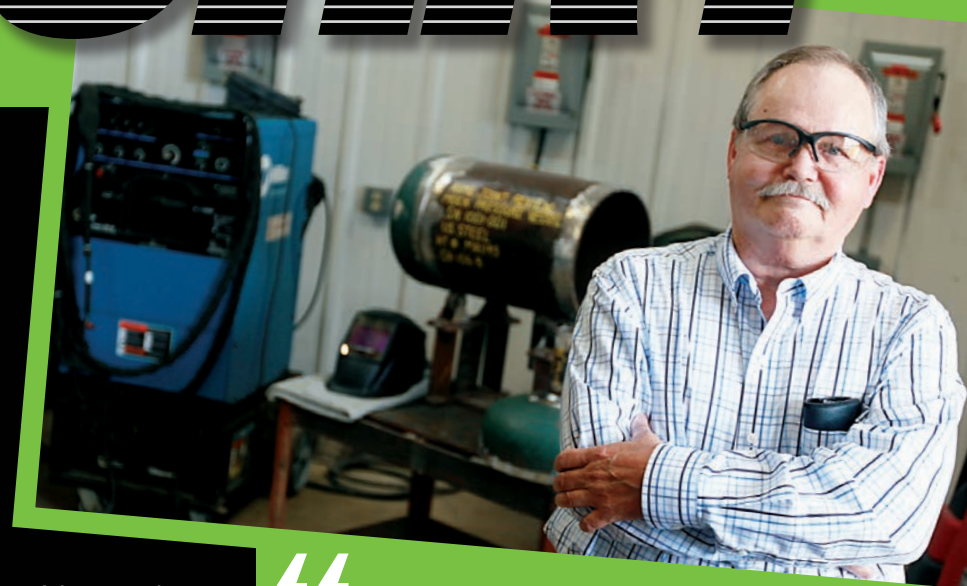
Now, 29 years later, I see why.

I work as a field quality control manager, but in my case, I wear two hats. In quality control, I train and assist new managers and fill in as a temporary manager at field sites all over Texas, and in Louisiana, Florida, Nebraska, Arizona, Arkansas, Maryland and Puerto Rico. That's basically anywhere Zachry has work.

I'm also responsible for qualifying Zachry weld procedures in the Corporate Weld Lab in San Antonio, welding numerous types of alloys using multiple types of welding processes. To date, I have qualified more than 400 welding procedures, so they call me the "weld guru" around here.

I once had to go to China to help troubleshoot some welding challenges the team was having on site, and also did lots of support work for a job site in Russia. Those didn't include duties as a quality control manager, but I'm always glad to support the team and lend my perspective wherever needed.

One of my favorite things is fabricating mock pressure vessels in the lab so that Zachry can renew its American Society of Mechanical Engineers (ASME) code stamps. I only do this if we don't happen to be building a boiler anywhere in Texas when the code renewals are due. So, I've fabricated many mock pressure vessels when the timing works out that way.



“ Dave is always willing to help. In fact, he responds to all requests cheerfully and with courtesy. Dave often is brought into situations that require his leadership to resolve. He was most helpful when we had weld problems at the Beijing Embassy. He not only identified the problem, but then came up with the solution and trained the welders with the fix. He always engages in a positive and productive manner leading to resolution without alienating others. — Lynn Manck, Project Manager

I have always had a passion for welding. My dad was a welder, and after serving in the Army for three years, I chose welding for my career. But, I like to do more than weld. I have good people skills and communication skills, which make quality control a good place for me. In quality control, integrity and honesty are the most important things. I don't falter in those and always put my reputation at the highest standard. There have been tests over the years, but when I have to stand my ground, I do the right thing. It's easy at Zachry, though, because I've always felt support from the top down. This company is run with the utmost in integrity and it shows. On my own hard hat right now, the last sticker is for 20 years. Because I fly to temporary jobs around the country, I'm often borrowing a hard hat. But I'm still fascinated by the stickers. They show that people like working at Zachry, and stay. They also mean Zachry is a family-oriented company that works to keep us. I'm proud and grateful for all the opportunities I've had here, and that is why I AM ZACHRY. •

EEO Policy

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:

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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.



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