



ANNUAL REPORT 2011

ARTBA American Road &
Transportation Builders
Association

www.artba.org

CHAIRMAN'S MESSAGE



PAUL YAROSSO
President
 HNTB Holdings Ltd.
 HNTB Corporation

Working through a down economy has been challenging for everyone involved in transportation design and construction, and 2011 was no exception. The highly-polarized, hyper-partisan political atmosphere in Washington, D.C., and many state capitals across the nation also introduced a higher than normal level of uncertainty about future transportation construction market prospects.

By continuing to stick together during these hard times, however, better days can—and will—lie ahead!


No organization devotes more time, manpower or resources to building and protecting the U.S. transportation construction market than ARTBA. That's our core mission. ARTBA leaders testified at **three congressional hearings and before President Obama's Jobs Council** on the surface transportation bill. ARTBA's government affairs team also conducted meetings with nearly **100 new members** of Congress and provided them with state/local information about the benefits of transportation investment.

Our **number one accomplishment** was helping turn back the tide from a

possible massive cut in federal highway and transit investment in 2012. As I write this, progress is also being made on the long-term reauthorization bill. The Senate Environment & Public Works Committee unanimously approved a two-year proposal. House leaders have also expressed a desire to complete action soon on a bill.

Under the "Transportation Makes America Work Campaign" umbrella, we created the **award-winning "Reagan/Clinton" television and radio ads** that have saturated Capitol Hill much of this year and continue to run in key congressional district media markets. Partnering with the American Public Transportation Association and the U.S. Chamber of Commerce-led "Americans for Transportation Mobility" coalition, the ads generated 20 million media impressions.

ARTBA hosted the **first-of-its-kind "TransOvation Workshop & Exhibit"** to spotlight the industry's use of innovation and new technologies in transportation project delivery. We also introduced a host of new



programs such as the Bridge Preservation Action Team, Women Leader Awards Program, “Best of the Best” safety academy, and the Intelligent Transportation Systems Council.

There were also three notable industry victories, including the repeal of a requirement for governments at all levels to withhold three percent of nearly all payments for goods and services, including construction contracts, and new guidance from the Federal Highway Administration that will **speed the introduction of innovative products** into the highway and bridge market. ARTBA also helped to repeal new form 1099 regulations, which would have required most industry businesses to fill out I-R-S forms for all cash purchases of more than \$600 dollars.

An untold story of 2011 was that ARTBA **had your back fighting an onslaught of proposed federal regulatory actions. We have filed formal comments and/or testified on proposed regulations that could impact industry firms and agencies 22 times.** The association was also

involved in four, ongoing federal court actions to stop or limit unnecessary burdens on member firms and agencies.

These accomplishments, and the others outlined in the following pages of this annual report, are the results of good old-fashioned hard work by ARTBA’s D.C.-based staff, its volunteer leaders and contractor chapter partners. Please take a few minutes to read through it. You’ll see why ARTBA membership always provides a healthy return on your dues investment!

Paul J. Janni

Transportation Construction Market Development & Protection



March 30: In testimony before the House Highways & Transit Subcommittee, 2011 ARTBA Chairman Bill Cox called on Congress to jumpstart the highway and transit bill reauthorization process. "Until this is done, we are missing an opportunity to provide a long-term foundation for full economic recovery and renewed competitiveness," he said.

Shaping Transportation Policy

Throughout 2011, ARTBA worked continuously to frame the highway/transit reauthorization debate, testifying before three congressional panels, President Obama's Jobs Council and participating in key transportation policy forum discussions with opinion leaders. The policies emerging in the House and Senate proposals track closely with the recommendations put forward by the ARTBA SAFETEA-LU Reauthorization Task Force more than four years ago. ARTBA's staff and volunteer leaders worked with congressional leaders to push a bill that preserved current highway/transit investment levels.

The most notable achievement in the highly polarized environment on Capitol Hill: ARTBA and its volunteer leaders and state chapters, working with congressional transportation allies, helped shift the tide against a House proposal to cut overall transportation investment by more than 30 percent in 2012.



July 20: Federal financial instruments and initiatives like a national "infrastructure bank" designed to attract private investment for transportation infrastructure projects should be included in the new highway/transit bill, ARTBA President & CEO Pete Ruane told the Senate Banking Committee. He also cautioned that such initiatives alone could not solve the funding problem caused by the constrained revenue stream into the Highway Trust Fund.



September 1: User fee financing of surface transportation improvements is sound public policy and a model envied around the world, 2006 ARTBA Chairman Mike Walton told President Obama's Council on Jobs and Competitiveness at a Dallas hearing. He emphasized that the Highway Trust Fund's short-term revenue challenges must be addressed so the nation can continue making infrastructure improvements.



Transportation Makes America Work (TMAW) Campaign

With the financial support of more than 70 industry firms and organizations, TMAW resources were invested in developing programs to build support for highway/transit investments in a new reauthorization bill. They included:

- An award-winning television and radio ad campaign featuring former Presidents Reagan & Clinton that generated 20 million media impressions;
- A 50-page evaluation research publication on P3s;
- A short video highlighting the achievements of the new Hoover Dam Bridge;
- A landmark study, sponsored by the ARTBA co-chaired Transportation Construction Coalition (TCC), from the Harvard Center for Risk Analysis on the public health impacts on traffic congestion that garnered widespread national media attention; and
- Policy events and roundtable discussions with “The National Journal” and “Washington Post.”

Significant resources were leveraged to support the activities of the U.S. Chamber’s Americans for Transportation Mobility, The Road Information Program and TCC.

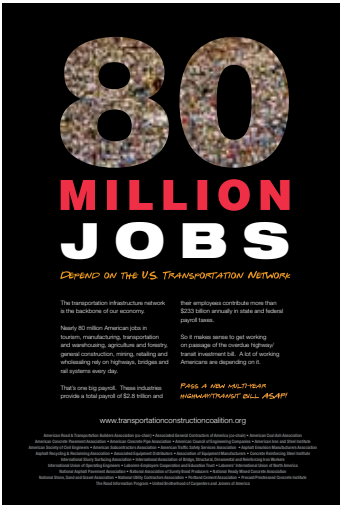
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Ad campaign featuring Presidents Clinton and Reagan.



Hoover Dam video highlighting the success story and public benefits of the new crossing connecting Arizona and Nevada. View: www.youtube.com/artba2007.



Print advertising urging action on the highway/transit bill.

3% Withholding

In a major victory for the industry, President Obama signed in November long-time ARTBA-advocated legislation that repealed a requirement for governments at all levels to withhold three percent of nearly all payments for goods and services, including construction contracts. The new law removes an unnecessary burden on transportation design and construction firms.

Legal & Regulatory Advocacy

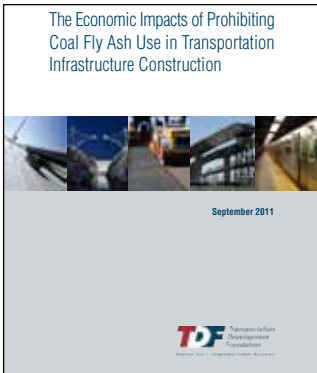
ARTBA was very active on the regulatory front, filing comments 22 times with key federal agencies on issues such as the Clean Air & Water Acts, the OSHA silica rule, transportation conformity, stormwater and retro-reflectivity. ARTBA was also the only construction-related association to participate in two U.S. Environmental Protection Agency (EPA) and U.S. Department of Transportation (US DOT) hearings aimed at examining current transportation regulations.

ARTBA led the industry charge resulting in a huge victory when the EPA withdrew its proposed rule to tighten ozone standards. If enacted, it would have jeopardized highway improvement projects in hundreds of counties.

To protect the market, ARTBA became involved in four legal cases involving federal Clean Water Act jurisdiction. In each, the association is working to ensure the courts do not expand federal jurisdiction in ways that unnecessarily increase regulatory burdens for transportation design and construction businesses.



Long Island Contractors' Association Executive Marc Herbst represented ARTBA at a March 2011 U.S. DOT hearing called to discuss the impact of federal regulations on transportation projects.



Coal Ash Study

ARTBA's economics and research team published and widely distributed to congressional offices a 100+ page study, "The Economic Impacts of Prohibiting Coal Ash Use in Transportation Construction," that provided momentum for House-approved legislation to ensure the continued use of coal ash as an important transportation building material.



2.

Providing Industry Leadership

Among the many examples of ARTBA leadership on behalf of the industry in 2011:

Strategic Planning

Initiated by 2011 ARTBA Chairman Bill Cox, the Strategic Planning Committee completed its work and put forward comprehensive recommendations endorsed by the Board that address ways for ARTBA to assist its members in the future if the surface transportation reauthorization results in either a cut or no growth in federal funding for transportation programs. The committee called for creation of a clearinghouse for transportation investment strategies, research, legislation and advocacy programs to benefit members at the federal level, but also provide value to ARTBA state chapters.

Bridge Preservation Action Team

To create a broader and even more unified voice, ARTBA successfully merged the independent Bridge Preservation Association with ARTBA's Bridge Policy & Promotion Council to form the new "Bridge

Preservation Action Team." BPAT is focused on maintenance practices, procedures, products and technologies to help enhance performance and service life.

Policy & Advisory Councils

During 2011, ARTBA's councils across a variety of transportation modes were active with meetings, networking and policy development, including the launch of an Intelligent Transportation Systems (ITS) Council.

The Bridge Policy & Promotion Council held policy and educational sessions at the International Bridge Conference and ARTBA National



Convention. The council's Project Delivery Methods action team also put the finishing touches on a Design-Build "white paper."

The Ports & Waterways Council developed a new policy statement for Board consideration in 2012 that will include expanded water transportation infrastructure advocacy.

Young Executive Leadership Council (YELC)

Chaired by AECOM's Chris Fronheiser, the YELC was key to development and promotion of the first-ever "TransOvation Workshop & Exhibit," a forum focusing on innovation and geared specifically



toward the industry's "rising stars."

The YELC expanded its use of social media via LinkedIn, initiated a monthly grassroots advocacy-focused conference call to increase involvement in the political process, and facilitated a successful pilot "mentoring" program at the ARTBA National Convention to connect young executives with long-time ARTBA leaders.

Council of University Transportation Centers

ARTBA continued to provide management support to the Council of University Centers (CUTC), an organization of more than 80 university-based transportation research centers that conduct cutting-edge research into transportation construction, management and policy issues, and help educate and train thousands of students each year. ARTBA managed CUTC's day-to-day activities, and many CUTC members are actively involved leaders in ARTBA's Research & Education Division.



ARTBA Political Action Committee

Under the leadership of co-chairmen Ken Rezendes, K.R. Rezendes, Inc., and Bob Burlison, Florida Transportation Builders Association, the ARTBA Political Action Committee successfully raised funds to support candidates for federal office who advocate for increased surface transportation investment.



Members of the Young Executive Leadership Council.



ARTBA Political Action Team reception in Monterey.

ARTBA Awards Programs

Industry leaders from around the nation were recognized for their outstanding leadership as part of ARTBA's annual awards program, which included:



2011 ARTBA Award

The association's highest honor: Charlie Potts, chief executive officer of Heritage Construction & Materials.

Division Awards

ARTBA Division Award winners, who were selected by their peers, included:



Nello L. Teer, Jr. Award (Contractors): Bill Cox (left), president Corman Construction.



Guy Kelcey Award (Planning & Design): Bob Close, vice president, Parsons Brinckerhoff.



John "Jake" Landen Memorial Highway Safety Award (Traffic Safety Industry): Robert Hull, Utah Department of Transportation engineer for traffic and safety; and Owen Denman (pictured), retired president and CEO, Barrier Systems.



Public-Private Partnerships (P3) in Transportation "Entrepreneurs of the Year": Kome Ajise (left), P3 program manager, Caltrans; and Jordi Graells, president, Abertis USA, receive their award from P3 Division President D.J. Gribbin.



S.S. Steinberg Award (Research & Education Division): Dr. Melissa Toolley, center director, Texas Transportation Institute's University Transportation Center for Mobility.

3.

Providing Network & Business Development Opportunities

Key ARTBA-hosted or -supported events—such as the Federal Issues Program, 23rd P3s in Transportation Conference, 2nd International Conference on Transportation Construction Management, Annual Transportation Construction Legal & Regulatory Forum, National Convention, Transportation Construction Coalition Fly-In, International Bridge Conference, National Bridge Industry Workshop, TransOvation Workshop & Exhibit, Work Zone Safety Power Workshops, four regional meetings, Traffic Safety Industry Division summer meeting, and breakfast/lunch events at AASHTO's regional meetings—provided an abundance of networking and business development opportunities, and policy forum discussions for more than 2,500 industry professionals from across the U.S. and the world.



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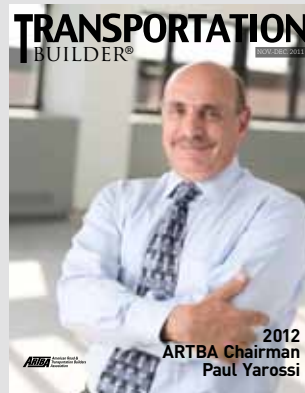
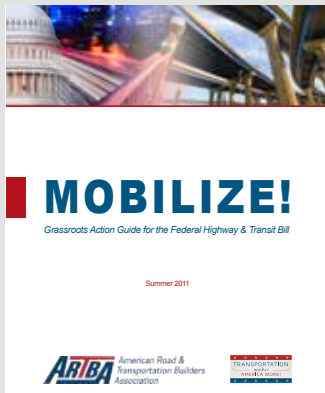
Information Sharing & New Member Services

ARTBA introduced new programs and services to better serve its membership, including:



- Hosting TransOvation, a first-of-its-kind, interactive professional development hour-earning work shop aimed at fostering a culture of innovation within the industry. It featured key business (Nike) and industry leaders (Parsons Brinckerhoff and 3M) who shared their secrets to fostering a corporate culture of innovation within their firms. The two-and-a-half day event was led by bridge leaders, Ted Zoli of HNTB and John Hillman of HC Bridge Company.
- Creating a Women Leaders in Transportation Design and Construction Council and an awards program to recognize the contributions and achievements of the industry's women executives.
- Hosting a gala dinner to honor the 2011 and 2010 inductees to the new ARTBA Foundation "Transportation Development Hall of Fame."
- Developing a Transportation Builder Institute "Best of the Best Academy" to detail the keys to building successful corporate safety programs.
- Pioneering ways to communicate news to the membership via video and print with the new digital "Washington Newsline" and "WashingtonNewsline Plus."

Membership was value-enhanced by these “core” services and benefits:



- Grassroots mobilization
- Regional leadership teams and market/policy discussions
- www.artba.org
- Digital “Washington Newsline” and “Washington Newsline Plus”
- Expanded “Infostructure”™ webinar series
- Video messages and social media
- Economic and market intelligence reports, and custom research
- Awards and scholarship programs
- Transportation Builder magazine
- Annual Membership Directory
- Safety training and professional development academies

EXECUTIVE COMMITTEE



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Council of State
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Long Island Contractors'
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Hauppauge, N.Y.



Larry Peterson
Planning and Design
Division President
Kleinfelder
Kuna, Idaho



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Immediate Past ARTBA
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Corman Construction
Annapolis Junction, Md.



Taylor Bowlden
Traffic Safety Industry
Division President
3M Traffic Safety Systems Division
Washington, D.C.



Jim Madara
Past Chairmen's Council
Representative
Gannett Fleming, Inc.
Allentown, Pa.



Steve McGough
Materials & Services
Division President
HCSS
Sugar Land, Texas



Tim Zahrn
Transportation Officials Division
President
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Engineering Department
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