

# 2019

ANNUAL REPORT



**AGC**  
THE CONSTRUCTION  
ASSOCIATION

## President's Message

# Dirk Elsperman



One of the most high-profile steps the Associated General Contractors of America took in 2019 was to update its logo. With the association's Centennial Celebration completed, we retired the special "100 Years" logo we created and looked for an image that celebrated our long history of accomplishments, recognized the incredible breadth of work we do, and demonstrated that ours is the only association that represents the entire commercial construction industry.

The new logo we created does exactly that. It includes a refreshed version of the same seal we have been using since 1918. But the most significant changes we made were to the words that accompany the logo. While we remain, and always will, the Associated General Contractors of America, we wanted to highlight the fact we serve the entire industry. That is why we made the letters "AGC" so prominent and underscore them with the line "The Construction Association."

If you had any doubt about the strength of this new logo, read through this year's Annual Report. In our catalogue of some of the association's most significant accomplishments, you will see just how we work to better the entire commercial construction industry. Whether through our advocacy work, the educational programs we offer, the networking we facilitate and the investments we make in bettering our industry's future and our local communities today, AGC is the Construction Association.

# Steve Sandherr

## CEO's Message

**A**t AGC of America, we understand that our key mission is to ensure the continued success of the construction industry **by advocating for federal, state and local measures** that support the industry, **providing opportunities for firms to learn** about ways to become more accomplished; and **connecting them with the resources and individuals they need** to be successful business and corporate citizens. As you will see in the pages to follow, we did just that in 2019.

We also took steps—thanks to the work of our AGC Education & Research Foundation and AGC Charities Inc.—to **invest in the future of our industry and in improving our communities**. Our Foundation is supporting hundreds of future construction professionals, improving the quality of construction education and helping enhance craft training. Meanwhile, AGC Charities Inc. supported key projects designed to help improve educational opportunities for disadvantaged children, continued to support the work of Warrior Canine Connection and highlighted some of the most noteworthy charitable projects undertaken by member firms and AGC chapters. It is important to note that the work of these two charitable organizations is made possible thanks to many generous contributions from members like you.

We are proud of what we accomplished on your behalf in 2019. We view our many accomplishments as foreshadowing for a second century of excellence as the Construction Association.



▼ AGC pushed for workforce development measures at a dozen different news conferences across the country in 2019.



**Invested  
> \$120,000**

to pilot innovative new techniques  
to recruit workers into the industry.



# Advocating for Measures to Support the Industry




## PILOTING NEW WORKFORCE RECRUITING TACTICS

AGC's Construction Advocacy Fund, the Construction Personnel Executives Group and individual member firms invested over \$120,000 to pilot innovative new techniques to recruit workers into the industry. As part of the pilot project, we used targeted digital advertising to reach groups in some of the largest metropolitan areas who have traditionally been under-represented in the construction industry. Ad recipients were directed to a special site AGC created modeled on U.S. military recruiting websites that are rich in video and photo content. Over 80,000 potential hires visited the website. Meanwhile, participating firms reported a twenty-percent boost in the number of applications they received during the pilot project.

## PUSHING FOR CAREER AND TECHNICAL EDUCATION FUNDING

The Association continued to take every opportunity to urge elected and appointed officials to boost funding for career and technical education to help establish more construction-focused programs in local high schools as well as community and technical colleges. As part of AGC's push, we hosted a dozen well-covered news conferences, many in partnership with our chapters, to push for career and technical education funding and other measures identified on the association's Workforce Development plan. We also met—individually and as part of several workforce-focused coalitions—with dozens of members of Congress to make our case for workforce development.





▲ AGC members and chapter representatives from Kentucky presented AGC's first Legislator of the Year award to Senate Majority Leader Mitch McConnell.

## FIGHTING—SUCCESSFULLY— FOR INFRASTRUCTURE FUNDING

AGC of America worked to block a planned \$7.6 billion cut in federal funding for highways, bridges and transit systems under the current federal highway and transit law—the FAST Act. Meanwhile, the association continued to push for new federal infrastructure measures and funding. As part of that effort, we re-launched the Hardhats for Highways campaign that allows employees of member firms to connect directly with Washington leaders to make the case for new infrastructure funding. We also arranged to have representatives of three different AGC member firms testify in front of House and Senate committees on the need for new infrastructure legislation. Thanks to AGC's efforts, a key Senate committee passed a new highway and transit bill that included a twenty-seven percent increase in funding for public roads, bridges and transit systems.

## CHAIRING KEY FEDERAL SAFETY COMMITTEE

AGC of America's Senior Director of Safety & Health, Kevin Canon, was appointed to chair the federal Occupational Safety & Health Administration's Advisory Committee on Safety and Health. The Committee plays a key role in advising federal officials on the most effective ways to improve construction safety. This gives the association an important role in helping shape federal measures that can effectively improve the health and safety of the construction workforce.

## SECURING AN INCREASE IN FEDERAL CONSTRUCTION INVESTMENTS

AGC successfully lobbied for a \$12 billion increase in the federal and federal-aid construction account compared to the prior year. That is a nine percent increase in total federal construction funding. We also secured a number of pro-growth tax and fiscal measures that will stimulate demand for construction while saving contractors money.

**Blocked  
\$7.6 billion cut**

in federal funding for highways,  
bridges and transit systems.

## ROLLING BACK REGULATORY BURDENS

We made new progress in our efforts to roll back needless regulatory burdens in 2019, especially in the area of much-needed work to streamline the federal environmental review and permitting process. Our progress includes:

- Repealing the 2015 definition of the Waters of the U.S. (WOTUS) rulemaking that expanded federal jurisdiction over wetlands and triggered lengthy federal approvals and permits—in addition to state and local ones—for construction projects.
- Including key AGC reforms to the National Environment Policy Act (NEPA) environmental review process in a federal government-wide proposed rulemaking that would set clear timelines and page limits for reviews that can take more than a decade and generate tens of thousands of pages in reports.
- Removed the automatic assignment of “endangered species level” protections for threatened species that illegally expanded the scope of contractor-required mitigation and compliance under the Endangered Species Act, which delayed project delivery.



“Having AGC shine a spotlight on our program was invaluable.”

### MEMBER PROFILE

## Nate Berry Metropolitan Community College Omaha, Nebraska

Dean Nate Berry has the luxury of running what is likely one of the best supported construction education programs of any community college in the country. His program is in a brand-new, state-of-the-art facility purpose built on the school's Omaha campus. And the building is stocked with enough equipment, materials and tools to provide a broad range of courses to hundreds of students each year.

That support is paying off. Metropolitan Community College's construction programs, with the help of the Nebraska Building Chapter-AGC and the Nebraska Chapter, has seen a big jump in enrollments for college students. At the same time, the community college program is educating a growing number of local high school students as well.

But despite that success, too few people know about the program, either regionally or nationally. That is where AGC of America stepped in, working with the two local chapters to organize a news conference in November to put a spotlight on the program. Thanks to the association's efforts, Metropolitan Community College's construction program became headline news, featured in the state's largest newspaper and on local tv and radio news.

“Having AGC shine a spotlight on our program was invaluable,” Barry says. “It is one thing for us to talk about our success, but to have a respected organization like AGC come in and tout what we are doing is just incredibly helpful.”

He added that the work AGC of America is doing to share information about the program with members and chapters across the country is also helpful. “The more successful construction programs that exist in this country, the more likely we are to address workforce shortages. Having AGC spread the word definitely helps.”



**168**  
**students**

earned their CM from AGC's Building  
Information Modeling program.

**276**  
**professionals**

completed their CM in  
Lean Construction.



# Providing Opportunities for Firms to Become More Accomplished

▲ AGC is preparing the next generation of construction leader.


## HITTING CM MILESTONES IN BIM AND LEAN

AGC of America's highly regarded Building Information Modeling and Lean Construction education programs continued to attract construction professionals from across the country and across the world. One-hundred-sixty-eight students earned their CM from AGC's Building Information Modeling program in 2019, including the program's 1,000th recipient. Meanwhile, 276 professionals completed their CM in Lean Construction, also including the program's 1,000 credential recipient.

## LAUNCHING AWARD-WINNING REVISED TRAINING PROGRAM

AGC of America completed development of the revised Project Manager Development program in 2019. The association assembled a team of project managers from a range of AGC member firms to lead the revision effort. The inaugural offering of the new curriculum was held early in 2020 and was hosted by the AGC chapter in San Antonio, Texas. The new curriculum was bestowed with the prestigious MARCOM Platinum Award for the quality of the instructional materials.



A portrait of Chinmay Lad, a man with a beard and mustache, wearing a dark suit, white shirt, and patterned tie. He is smiling and standing in front of a stone wall.

“I could not have asked for a better resource than AGC’s BIM Education Program to fill the gaps in my knowledge.”

## MEMBER PROFILE

### **Chinmay Lad** **1,000th CM Recipient**

In 2019, Chinmay Lad became the 1,000th person to join the ranks of those who have earned AGC’s Certificate of Management—Building Information Modeling (BIM) designation. Lad, a 23-year old graduate student, is in the process of creating his future, of realizing his goals and achieving his aspirations.

After graduating from college in his native India, Chinmay enrolled at Virginia Tech’s construction management master’s program. It was there that he began to learn all he could about Building Information Modeling. “I wanted to learn about this process and how BIM is incorporated throughout the lifecycle of a project. I could not have asked for a better resource than AGC’s BIM Education Program to fill the gaps in my knowledge.

Lad says it covers all the aspects necessary for someone to become a BIM leader in the industry. “Everything that is not covered anywhere else,” he notes. “And the learning is supported by some fun activities that include Legos to demonstrate the potential of BIM.”

The process, Lad says, ranks among the best customer experiences he’s ever had. “The opportunity to learn from instructors well versed in the trade... and interact with like-minded learners passionate about BIM, each of whom had a different objective, was excellent.”

As a student, opting in for AGC’s educational program and exam was a big leap. Lad is pleased he took it. “CM-BIM has been a very important step in my path so far. The knowledge that I gained through the education program is unparalleled and unique.”

## OFFERING IN-PERSON EDUCATION SESSIONS

The association hosted thousands of construction professionals in 2019, providing them with in-person exposure to informative sessions on a range of topics and invaluable networking opportunities. This included organizing thirteen major conferences that were attended by nearly 6,000 people. AGC’s Safety & Health and Surety Risk Conference set records for attendance in 2019. The association also hosted 8 other smaller conferences on topics such as construction finance and chapter leadership for over 200 people. AGC also hosted six separate training courses for nearly 200 construction professionals. All told, AGC provided in-person education, training and networking opportunities to nearly 6,300 professionals in 2019, in addition to the many thousands who took AGC-developed training programs hosted by chapters and other organizations.

## EXPANDING WEBINAR PROGRAMMING

Over 6,100 people participated in AGC of America’s 55 different webinars in 2019, giving them an opportunity to learn about a range of key issues impacting the industry, including Davis Bacon compliance, the industry’s economic outlook, workforce shortages, and the impacts of marijuana and opioid use on the industry.

## TRAINING A SAFER WORKFORCE

We continued to offer training in core safety issues like crane operation and fall protection in 2019. For example, we once-again secured a federal safety grant that allowed us to train nearly 550 workers in fall protection in partnership with nine different AGC chapters. AGC of America also worked with dozens of construction safety professionals to provide our safety management training course and advanced safety management training course, which are held in partnership with AGC of America chapters.

## CRAFTING BETTER CONSTRUCTION CONTRACT DOCUMENTS

ConsensusDocs, a coalition created by AGC of America to create construction contract documents that are designed to distribute project risk equitably, launched its new and improved platform in 2019. This new platform consisted of a full back-end rebuild and new customer-facing website that offers an improved user experience. The new platform also has upgraded cyber security features and it is easier to integrate with other construction technology. The ConsensusDocs team also released three well-received new contract documents in 2019, the Standard Master Subcontractor Agreement, the Standard Project Work Order and the updated Standard Public-Private Partnership Agreement and General Conditions.

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**550 workers**  
**trained in**  
**fall protection**

▼ Thousands of members learned about key issues during in-seat and online programs offered by AGC.



**13 major**  
**conferences**

were attended by nearly  
6,000 people.



▼ AGC brought members of Congress like Kansas Republican Roger Marshall to dozens of members' construction projects to learn about key industry issues.

## 15 members of Congress

visited AGC member construction sites, in coordination with 17 AGC of America chapters.

## 70% of member firms

participated in National Construction Safety Week.



# Connecting Members with Resources and Individuals They Need to Succeed



## BRINGING CONGRESS TO OUR MEMBERS

AGC launched a new Congressional jobsite tour program in 2019. As part of that effort, we brought fifteen different members of Congress to AGC member construction sites, in coordination with 17 different AGC of America chapters. These tours provided a great, in-person opportunity to educate Congressmen and women about key industry priorities, including workforce shortages, infrastructure needs, the need for regulatory reform and workplace safety and health.

## STANDING DOWN FOR SAFETY

AGC of America became a signature supporter of National Construction Safety Week in 2019. As part of that new partnership, we worked to encouraged as many firms as possible to hold safety stand downs during the week, which occurs in early May. According to the results of a survey we conducted after the fact, more than 70 percent of member firms participated in National Construction Safety Week in 2019. Of those, 15 percent participated for the first time ever. AGC's chief executive officer, Stephen E. Sandherr, also participated in the national kick-off event for the Week, which took place at a light rail extension project in Seattle, Washington. AGC will continue its support of National Construction Safety Week and is urging all members to hold a safety stand down focusing on opioids in the construction industry on Wednesday, May 6th of 2020.



## PUSHING FOR A MORE DIVERSE INDUSTRY

The association continued to connect member firms with the information they need to become more diverse and inclusive. This included holding a national media event in New York City to release the association's *The Business Case for Diversity and Inclusion in the Construction Industry*. We also continued to highlight and encourage other members to learn from some of the most successful diversity and inclusion programs in the country. In 2019, we recognized a number of firms, AGC chapters and individuals with the Willis Towers Watson Diversity & Inclusion awards during our Annual Convention, for example.

## SHARING WORKFORCE SOLUTIONS

AGC of America continued to connect member firms with important information about successful workforce development programs. This includes creating and distributing videos profiling Central Arizona College and its partnership with AGC member firm Sundt Construction and the construction program at Pittsburg State in eastern Kansas. We also staged news conferences at Southeastern Technical College in Sioux Falls, South Dakota and Metropolitan Community College in Omaha, Nebraska, to highlight the strong craft construction programs the two schools have created in partnership with local AGC chapters and member firms. We also organized sessions at several AGC conferences with creators of successful workforce development programs to share their success stories so other members and chapters can help create similar programs.

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## **AGC released** ***The Business Case for Diversity and Inclusion in the Construction Industry***





“It is very academic. And so in doing these exercises you see these ‘Aha!’ moments.”



## MEMBER PROFILE

### **Natasha Kay** **Turner Construction**

There was no balloon drop when Turner Construction’s Natasha Kay became the 1,000th Lean credential holder. Kay was simply delighted she had passed. “I am not a great test taker, so when I got the call, I was super excited.”

Kay is an industry legacy, her dad—a longtime employee of Bechtel—worked on the procurement side. She began her engineering career designing offshore oil rigs but shifted career tracks because her current role offers a different problem to solve each day.

“It’s never routine, it’s ever changing, which is a blessing and a curse,” Kay says. “But this is just why Lean construction is so fantastic, it keeps things organized and it keeps the lines of communications open and flowing.”

Kay decided to take AGC’s Lean Curriculum and credential to “ensure that I have Lean skills to be able to impact the projects that I’m involved with in the best way possible.”

The AGC Lean classroom experience offers those learning the chance to put it all into practice without the pressure of an actual project in the mix.

“No one is yelling. There’s no time constraints. There are no ‘job personalities’ affecting anything. It is very academic. And so in doing these exercises you see these ‘Aha!’ moments.”

**Willis  
Towers  
Watson**





## SHARING CONSTRUCTION SAFETY SUCCESS STORIES

AGC identified, recognized, and encouraged other firms to emulate some of the most successful safety programs within the industry. We did this as part of our annual Construction Safety Excellence Awards, which are sponsored by Willis Towers Watson. A key part of this recognition program is the work we do to share the lessons that these firms learned about ways to improve safety. The lessons are shared as part of a white paper we created with the awards sponsor and distributed throughout the construction industry. These lessons underscore a central tenant of AGC's safety philosophy, that nothing is proprietary about safety in the construction industry.



▼ AGC supported opioid safety standdowns in Connecticut and Massachusetts.



## HIGHLIGHTING SUCCESSFUL PROJECTS

The association continues to identify and highlight the most successful, innovative and challenging construction projects of the year. Through our Construction Risk Partners Build America Awards, AGC identifies the builders of the toughest projects out there, explores what made them successful and shares the information with members across the country. As a result, these awards don't just celebrate the men and women who build the best projects, they also elevate the quality of the entire profession by setting an ever-higher bar for contractors to meet.

## SHARING RESOURCES TO COUNTER THE SCOURGE OF OPIOIDS

We supported the work our Massachusetts and Connecticut chapters are doing to educate construction professionals about the risks of opioid abuse. These two chapters are on the vanguard of a growing awareness within the industry that construction workers are far more likely to be affected by opioid addiction than workers in many other sectors of the economy. That is why the two chapters created resource tool kits for the industry designed to educate workers about the impacts of opioids and help them identify signs of opioid addiction. AGC of America worked to generate widespread coverage of the two chapter's efforts and is helping share the opioid tool kits the chapters created with members across the country.

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## Two chapters leading the effort of raising awareness on opioid addiction



**Elevating  
the quality**  
of the entire profession.

▼ AGC's Education and Research Foundation provided scholarships to nearly 150 college students studying construction in 2019.



**> \$500,000  
in scholarships**

awarded to nearly 150 college students by the  
AGC Education and Research Foundation.





# Investing in Our Future and in Our Communities



## INVESTING IN FUTURE CONSTRUCTION LEADERS

The AGC Education and Research Foundation awarded more than half a million dollars in scholarships this year to nearly 150 college students. The Foundation was able to invest in so many scholarships because of contributions from members across the country. This included raising \$352,000 during the Consulting Constructors' Council gala in April during the AGC Annual Convention in Denver. It is also made possible by the many generous endowments that members established, including several new ones created in 2019.

## IMPROVING THE QUALITY OF CONSTRUCTION EDUCATION

The AGC Education & Research Foundation also made significant investments in improving the quality of construction education. This included funding 7 different industry residencies in 2019. This program places construction professors with AGC member firms for a semester. During their time with the member firm, professors learn about the latest construction methods and current challenges facing the industry. This allows them to update their curriculum materials and offer instruction that is more relevant to the needs of current contractors.



“Collin will graduate debt free in the spring of 2020 and immediately enter the workforce thanks to generous donations.”

## MEMBER PROFILE

### **Collin Zuehlke** **Scholarship Recipient**

In 2019 Collin Zuehlke received the Board of Certified Safety Professional Scholarship through the AGC Education and Research Foundation. He attends the University of Wisconsin—Platteville where he majors in Building Construction Management. In the summer of 2018, he interned at AGC member company, Miron Construction and was extended an offer for a fulltime position as Project Manager of the Masonry Division upon graduation. Collin will graduate debt free in the spring of 2020 and immediately enter the workforce thanks to the generous donations made to the AGC Education and Research Foundation scholarship fund.

AGC's Education and Research Foundation also awarded 23 scholarships ►  
for students enrolled in craft and technical college programs.



## SUPPORTING OUR STUDENT CHAPTERS

AGC of America continued to support and recognize its nationwide network of student chapters in 2019. These chapters offer emerging construction professionals an opportunity to learn more about the industry and our association, and many of them engage in meaningful charitable projects as well. We arranged to have hundreds of student chapter members attend the AGC Annual Convention where they had a special area to showcase their accomplishments to convention attendees. The association also recognizes, and rewards, the most accomplished AGC Student Chapters each year during the Annual Convention with awards and cash prizes.

## FUNDING CRAFT DREAMS

The AGC Education and Research Foundation also awards scholarships to students enrolled in craft and technical college programs through its Workforce Development scholarships. These scholarships make it easier for students who want to learn specific construction crafts to pay their tuition. In 2019, the Foundation, as it is known, awarded 23 different Workforce Development scholarships to students from across the country.

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## **Hundreds** of student chapter members attended the AGC Annual Convention



**23**  
**scholarships**

for Workforce Development awarded  
to students across the country.



## IMPROVING LOCAL COMMUNITIES

AGC Charities Inc. continued its work to improve local communities in 2019. This included organizing its annual Operation Opening Doors project, which coincides with the AGC Annual Convention. This year the group worked with young construction professionals with the Colorado Contractors Association chapter to rebuild a playground for a Head Start program in Colorado Springs, down the highway from the AGC Annual Convention in Denver. AGC Charities continued to support its Centennial charity project, Warrior Canine Connection. In February AGC Charities presented the veterans' support group with a check for \$275,000 to help finance the renovation of a historic barn to serve as the group's new National Healing Quarters. AGC Charities also organized a special effort to feature veterans working for member firms that ran during the summer in the association's *Constructor* magazine. And AGC Charities hosted staff from AGC of America in the fall to help build new fences for Warrior Canine Connection.



## PUTTING THE SPOTLIGHT ON THE INDUSTRY'S SOFT HEARTS

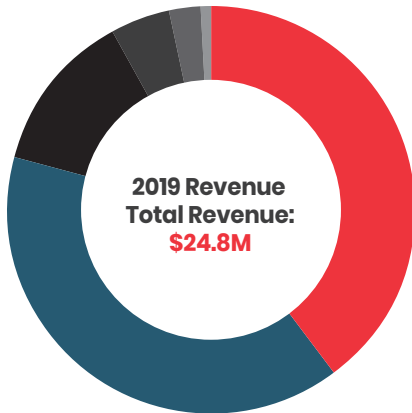
AGC Charities Inc. also continued to put a spotlight on some of the industry's most inspiring charitable projects. Each year the philanthropic group organizes the AGC in the Community Awards, which recognize the most-impressive charitable projects organized by AGC member firms and chapters. AGC Charities then works to get these projects covered in the media and shares their inspiring stories with members across the country. Among the projects recognized in 2019 were a new skate park for a child suffering from a rare form of blood cancer, a community-wide building day in Missoula, Montana and a new Special Olympics facility located near Missouri's state capitol. The projects are an emotional reminder that contractors may do tough work, but they have soft hearts.



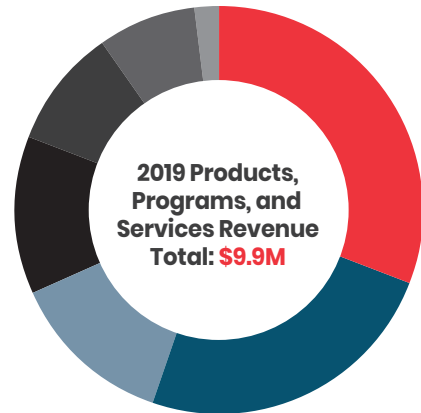
**Contractors** may do  
tough work, but they  
have soft hearts

◀ Images of AGC members and their outstanding charitable projects.

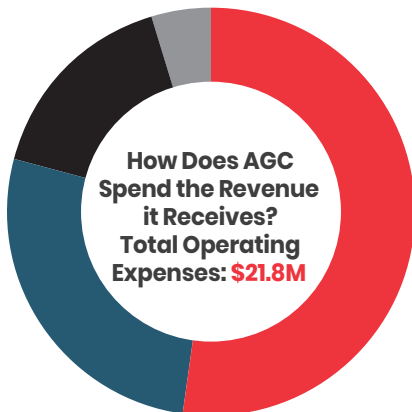
# Association Financials



Programs, Products, Services	<b>39.88%</b>
Dues Revenue	<b>39.37%</b>
Investment Income	<b>12.97%</b>
Construction Advocacy Fund	<b>4.61%</b>
Advertising/Misc.	<b>2.55%</b>
OSHA Grant	<b>.63%</b>

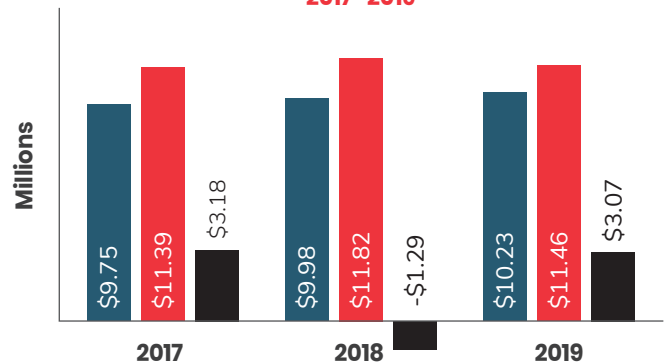


Convention	<b>31.07%</b>
Management Conferences	<b>24.47%</b>
Strategic Alliances/Sponsors	<b>12.80%</b>
ConsensusDocs	<b>12.62%</b>
Product Line	<b>9.35%</b>
Committee Meetings	<b>7.84%</b>
Credentialing	<b>1.85%</b>



Chapter & Member Support	<b>52.45%</b>
Government & Industry Affairs	<b>26.86%</b>
G&A/Support Resources	<b>16.09%</b>
Association Leadership	<b>4.60%</b>

**Revenue History**  
**2017-2019**



Dues Revenue	
Non-Dues Revenue	
Investment Income/Loss	

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