



# CONSTRUCTOR

■ The Voice of the Kansas City Construction Industry

■ WINTER 2013

## A Word From the President

### Time to be Encouraged, But Not Complacent

By Jerry Wiedenmann, President

As I look back on 2012, I feel encouraged by the hard-earned successes chalked up by our association.

Last summer we helped lead the charge for passage of Questions 1 and 2 in Kansas City, Mo. Voter approval of Question 1 paved the way for a long-needed, dedicated street maintenance and repairs fund. Question 2 authorized a \$500 million bond, primarily for the city's federally mandated sewer overhaul.

As a result of these programs, more than 20,000 jobs will be created in our community over the next five years, and they will be the kinds of jobs that support families. At the same time, members of our association will be able to stay in business and retain jobs.

I take pride in the fact that, due largely to our efforts, the Kansas

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Jerry Wiedenmann  
HCA President

## The Transportation Cliff: U.S. Driving Without a Long-Term Infrastructure Plan

Our association was extremely pleased when, just before a long-anticipated expiration deadline, Congress passed a new federal transportation program at the end of June.

Known as MAP-21 (Moving Ahead for Progress in the 21st Century), the program funds surface transportation projects at over \$105 billion for fiscal years 2013 and 2014. MAP-21 is the first long-term highway authorization enacted since 2005 and represents a milestone for the U.S. economy.

**“Infrastructure has been the elephant in the room in Washington for years. Only a few of the people running for office this year have mentioned it, and none of them have embraced it.”**

Washington Post, 10-27-12.

This program is long overdue. A World Economic Forum study reported that in 2010 America ranked 23rd for overall infrastructure quality, between Spain and Chile. America's roads, railways, ports and air-transport infrastructure were all judged mediocre compared with networks in northern Europe.

MAP-21 is going to help, but it ends in 2014. What then?

Peter J. “Jack” Basso, director of

program finance and management for the American Association of State Highway and Transportation Officials (AASHTO), gave an informative summary of this dilemma in the Nov. 7, 2012 issue of Fleet Owner.

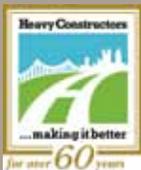
“When MAP-21 ends in 2014, transportation funding is going to face its own ‘fiscal cliff’ of sorts,” Basso said.

Basso explained that the Congressional Budget Office (CBO) projects that massive cuts in both highway and transit funding will occur in fiscal year 2015 if MAP-21 expires and nothing replaces it. He noted that the CBO projects that highway funding would be slashed to \$4.5 billion in fiscal year 2015 from \$40 billion annually now.

While Basso stressed that highway trust fund revenues would recover in FY 2016 and beyond, they'd only reach about \$34 billion a year—not nearly enough to maintain and expand the nation's transportation system, according to AASHTO's research.

An AASHTO report issued in 2010 indicates that the freight industry alone requires a sharp

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# MAKING IT BETTER

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## More Uncertainty Ahead

# Deep Budget Cuts Put Progress, Public Safety at Risk

**O**ur association has many concerns about the environment for our industry in Kansas, but we always welcome good news when we can find it.

Such was the case in November when KDOT announced that hundreds of projects, which will enhance traveler safety and preserve or expand the state's highway system, have been scheduled for the next two years.

One of the biggest projects is the Johnson County Gateway interchange at the K-10/I-435/I-35 junction. Significantly, all of the projects are part of the 2010 T-WORKS transportation program that our association fought so hard for.

In addition, hard work on our part during the 2012 Kansas legislative session helped prevent the diversion of funds from Kansas highways.

But the news is not all good, largely due to the gaping budget hole caused by the income-tax cuts signed by Gov. Sam

out a way to keep that battle from occurring, because it would make heavy constructors look like the bad guys who want to beat up on education. We must work with education supporters for our common good.

Another troubling issue is the proposed Property Tax Transparency Act that's being championed by Gov. Brownback and Republican legislators. The proposal would require the property tax mill levies of cities and counties to be automatically lowered as property valuations go up. One supporter said the legislation would still give local units of government flexibility to increase property taxes if they need more tax money, but they would have to vote for it publicly.

We asked Johnson County Commission Chairman Ed Eilert what he thought of the proposal. Eilert noted that Kansas cities and counties already are required, under 1999 legislation, to make a public declaration when property tax receipts are expected to exceed the property tax collections of the previous year.

Eilert also pointed out that local governments have received less revenue from the state in recent times.

"The general concern would be that the Legislature is proposing a cap," Eilert said. "If revenues from the state are reduced or eliminated,

how do local governments replace those revenue

losses from the

state?

It could impact your ability to pay for bonded indebtedness."

Our association has concerns with the tax cap proposal. Many of our members perform work for cities and counties that rely on property tax revenues to help fund their street and road programs. History shows that caps will put a squeeze on infrastructure funding.

## In Other Words

"The cause of this shortfall is not a stalling economy. Rather, it was the reckless decision last session ... to cut taxes far beyond what was affordable."

*Wichita Eagle* Editorial, 11/16/12

"The majority of these projects are considered preservation work ... but there are also some big projects that will expand capacity ... and spur economic development."

Kansas Transportation Secretary  
Mike King, 11/14/12.

We also oppose proposals such as a Taxpayers' Bill of Rights to limit the size of government in Kansas; legislative term limits; and legislating by initiative petition. Such proposals threaten our industry from a variety of standpoints.

We have heard that there is a move afoot to rename KDOT the "Kansas Department of Infrastructure" and roll the Department of Commerce into it. We asked the governor's office about this and were told that no such plan exists. We are on the lookout to see if such a plan does in fact surface, because we will want to know what the impact would be on infrastructure funding and our industry. ■

Brownback.

As the *Wichita Eagle* noted in a Nov. 18, 2012 editorial, revenue forecasters have projected that the state will collect nearly \$705 million less in revenue in the next fiscal year (which begins July 1) than in the current fiscal year. Even if it spends down all of its cash reserves, the state will have a budget shortfall of about \$327 million next fiscal year, the *Eagle* said.

This budget mess could lead to a battle between infrastructure and education over a dwindling pot of funding. We need to figure



# Spirit of Cooperation, Progress Alive in Critical KC Northland Infrastructure Project

**P** pyramid Contractors and Comanche Construction, two stalwart members of our association, scored a touchdown for our industry when they finished the U.S. 169-Broadway Extension project ahead of schedule in October.

**“The contractors’ efforts are extraordinary, particularly considering the scope of construction and tight working conditions.”**

MoDOT District Engineer Dan Niec

“The contractors’ efforts are extraordinary, particularly considering the scope of construction and tight working conditions,” MoDOT District Engineer Dan Niec said as the project was winding up.

The project involved the removal and replacement of about a mile of bin wall holding up the east side of the northbound lanes, the repair and rehabilitation of the southbound lanes, and drainage improvements.

Gavin Barmby, owner of Olathe-based Pyramid, said the Broadway Extension job was one of the more challenging projects he has ever worked on. “Within an area that was 60 feet wide and a mile long, we had two different operations doing bridge repair and a total roadway replacement. We had the railroad tracks and rail yard on one side, and the Missouri River on the other side. You could not drive around the obstruction. You had to go to the other end and go around, or you coordinated together.”

## *Coordination was the Key*

“Our daily challenge was having access to the work,” said Barclay Hornung, vice president of Olathe-based Comanche. “Pyramid needed to use the lanes we were working in for access to their work, and we needed Pyramid’s side for access to our work. We had to coordinate that very carefully, and resequence the work sometimes daily in order to meet those access challenges.”

Barmby said he suggested to Comanche at the beginning of the project that the two



PYRAMID CONTRACTORS INC.



COMANCHE CONSTRUCTION, INC.

companies begin their segments of the work from opposite ends. “I suggested to Comanche that if we started from opposite ends, at the midpoint we could pass each other and we’d both finish our own projects. Our project was 5,000-some feet long and Comanche’s bridge was 3,000-some feet long.”

Along with coordination, construction crews put in long hours amid soaring temperatures. “The hours my people worked were probably 6 in the morning until 6 in the evening, six or sometimes seven days a week,” Barmby said.

“Sometimes we worked multiple shifts to contend with the heat,” Hornung said. “It was nose to the grindstone.”

Barmby said MoDOT “was a great partner in this deal. We worked together instead of working against each other. It was a project that had to be targeted to be successful, and it was successful. It helped the traveling public, which is always the goal.”

Barmby, who founded Pyramid in March

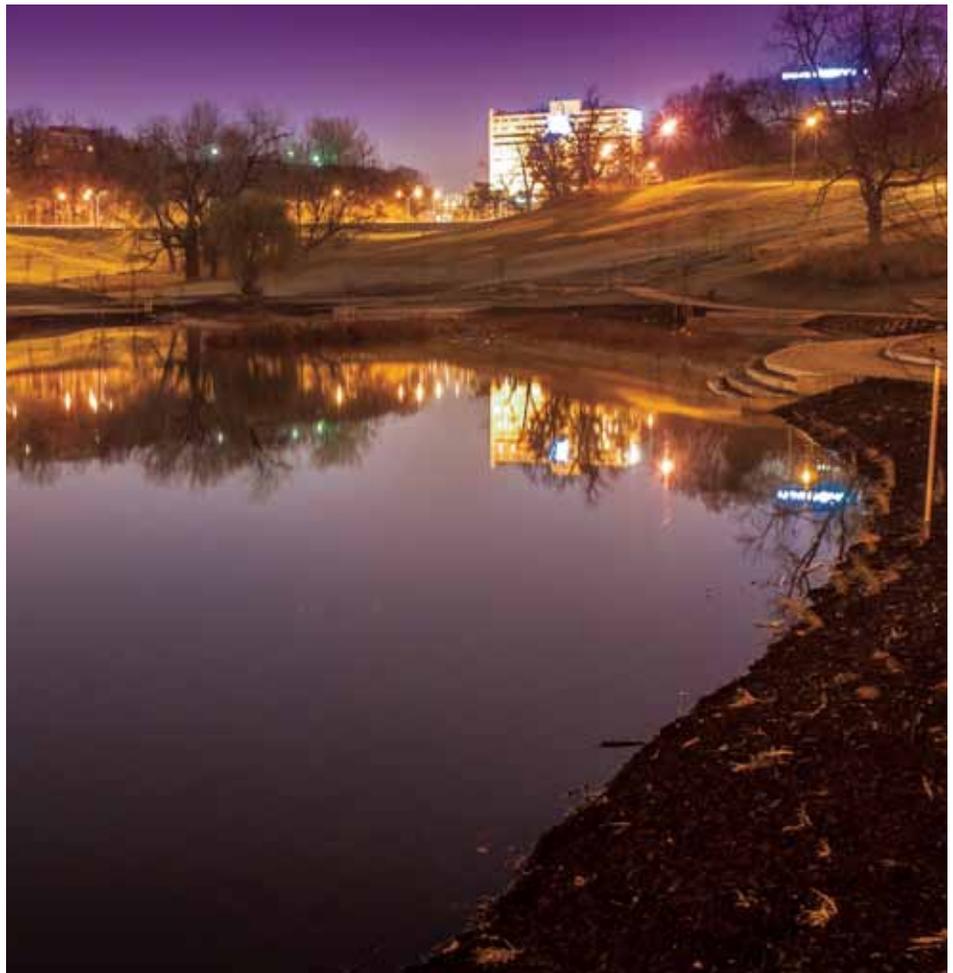
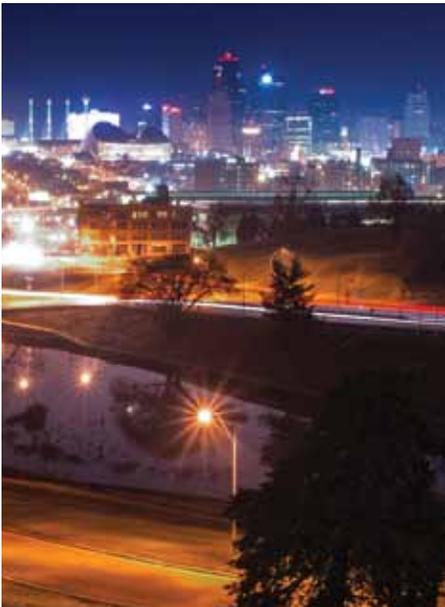
1994, also was the lead contractor on the much lauded repair project at the former Grandview Triangle—now known as Three Trails Crossing—after a wall and a section of roadway collapsed due to heavy rains in the summer of 2010. Pyramid finished the Grandview Triangle job more than 30 days ahead of schedule, and the Broadway Extension project was completed on Halloween—more than six weeks ahead of schedule.

Pyramid was the prime contractor on the Broadway Extension project. Besides Comanche, subcontractors included Realm Construction Inc. of Blue Springs.

“You’re only as good as your people that you have,” Barmby said. “We had a good group of subs and I have a good group of guys. We have an open door policy, all the way from the labor on the job to the superintendent on the job. I know everybody on a first-name basis, so when I am out on a job and we interact, we know what our goal is and what we have to get done.” ■

## City Beautiful

Member contractor J.M. Fahey Construction Co. worked over the summer with the Kansas City Parks and Recreation Department on a \$3.4 million project to improve safety and transform the infrastructure and landscape through Penn Valley Park. The project included adjusting the alignment of Penn Valley Drive and providing new curbs, gutters, storm drainage and streetscaping. The project also added new curbs, gutters and sidewalks to 29th Street, and both 29th Street and Kessler Road were repaved.



## Generating Work

Kissick Construction Company recently completed the construction of a new hydroelectric plant for the Bowersock Mills and Power Company in Lawrence, Kansas. Located 30 feet below the river, the foundations and utilities for the structure were constructed by creating cofferdams inside the river to redirect the water around the site. Once the deep foundations for the project were set, a reinforced concrete structure was built to create eight open chambers for the river water to flow through. Above the chambers, more concrete was placed to house four hydroelectric generators and turbines which will work to produce the power from the water as it flows through the generating station. The \$25 million dollar project took more than four years to permit and construct.



## Miles of Pavement

HCA Members O'Donnell & Sons Construction and Superior Bowen Asphalt have been busy putting down pavement at the new 443-acre, \$250 million intermodal facility located in Edgerton, Kansas.



AdvanceKC plan to streamline process

## KC Back on Road with New Funding for Infrastructure

Last August, extensive educational efforts by our association helped win the day for Questions 1 and 2 on the Kansas City, Mo. ballot. Together these programs are expected to create more than 20,000 jobs over the next five years and fix much of the city's long-neglected infrastructure.

Passage of Question 1 laid the groundwork for a dedicated street maintenance and repairs fund. Question 2 authorized a \$500 million bond, primarily for the city's federally mandated sewer overhaul project.

Our association is grateful for the leading role played by Kansas City Councilman Russ Johnson, chairman of the council's Transportation and Infrastructure Committee. Passage of Questions 1 and 2 has put Kansas City "in a lot better shape," Johnson said. "The city has dealt with underfunded infrastructure for years. And part of the problem is we have a lot of infrastructure and not a lot of people to pay for it."

Johnson said it had been a long time since Kansas City voters had approved a new sales tax increase. "But we told people that if you do this, we will dedicate a floor amount of money for street maintenance. The mayor led the charge and he did a good job. We went to the folks like the Heavy Constructors and we want to thank them. They did a great job in helping us promote that to the voters."

The higher sales tax will provide an additional \$15 million to \$17 million a year for street maintenance, Johnson said.

Sherri McIntyre, Kansas City's Public Works Director, said the passage of Question 1 enabled the city to "immediately put another \$3 million into just purely mill and overlay contracts," including work on Wornall Road and Barry Road. "We're seeing how much we can get done before it gets cold. This influx of money is getting us going in the right direction."

**"This influx of money is getting us going in the right direction."**

Sherri McIntyre, Public Works Director

Bill Downey, a consultant to Kansas City's Water Services Department, said the \$500 million in bonding authority is being folded into a Five-Year Capital Improvement Plan that will allocate between \$750 million and \$1 billion over a five-year period beginning in 2013. Besides the federally mandated Overflow Control Program, the five-year plan will include upgrades of basic water services, distribution systems and piping in the streets, along with improvements of facilities that purify water, clean up wastewater and pump water.

The long-range scope of the water and sewer project extends for 25 years and will involve the expenditure of \$4.5 billion—one of the biggest infrastructure projects the Kansas City area has ever seen.



"It's a jobs creator for the Kansas City market," Downey said. "It's going to take the skills of all of those contractors who have worked with us before."

Andy Shively, manager of engineering for the Water Services Department, said the department is "looking at opportunities for efficiency, streamlining the contracting process to get the work out on the street in a timely manner. We'll reach out to contractors for their perspective on where the city can gain efficiencies."

Meantime, our association was pleased by Kansas City's recent approval of the Advance KC strategic plan, which is designed to streamline the process for developers and various kinds of companies that want to do projects in Kansas City.

Burdette "Pete" Fullerton, president and CEO of the Economic Development Corp. of Kansas City, said implementation of the plan will allow worthy economic development projects and related infrastructure to come on line more quickly.

"What everybody's wanting is when we see opportunities we can seize the opportunities more quickly and efficiently," Fullerton said. ■

### Wiedenman Encouraged, but ...

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highway program kept the funds we fought so hard for earlier. The 2012 legislative session in Topeka saw two separate attempts to divert money from Kansas highways. One would have made off with \$400 million over five years. We defeated that scheme, which was followed by an attempt to funnel \$75 million worth of state

highway dollars into education. We put a halt to that move on the last day of the veto session.

I was very pleased when, after years of effort, Congress passed a new federal transportation program at the end of June. Known as MAP-21 (Moving Ahead for Progress in the 21st Century), the program funds surface transportation projects at over \$105 billion for fiscal years 2013 and 2014.

But while we rejoice in our victories, we cannot afford to become complacent, because we face a variety of

challenges in 2013. In Kansas we must keep a sharp eye on an extremely conservative governor and legislators who constantly hunt for new ways to cut expenditures. In Missouri we must continue to support prevailing wage laws and fight "right-to-work" laws. And in the federal arena we must help find a way to fund our nation's transportation system for the long term.

With the help of our great members, we will tackle these challenges with grit and determination, and do all we can to make it better. ■

## Clashes Loom in Missouri

# Which Way Will Nixon Lead on Transportation?

**W**hen the votes from the November elections were tallied, no one would have blamed Missouri Republicans if they had done a collective happy dance around the State Capitol Building in Jefferson City.

As was noted in the Nov. 11, 2012 Kansas City Star, Missouri Republicans achieved a historic feat on Election Day, rolling up a two-thirds supermajority in both legislative chambers, enough to override any veto by Democratic Gov. Jay Nixon.

House Speaker Tim Jones, a Eureka Republican, said the day after the election that “the governor will need to understand the importance of true, actual negotiation during the legislative process. The checkmate that he possesses in the form of a veto is now equaled by the overwhelming numbers that we have in the House and Senate.”

Jones’ statement cannot be disputed. But the numbers don’t tell the whole story. Jones is a Tea Party Republican. Sen. Tom Dempsey of St. Charles, who has been designated as the new Missouri Senate president, is a moderate Republican.

Jones has said on his blog that he looks forward to working with Dempsey



Gov. Jay Nixon

“to move Missouri forward and pass the small government, free market policies that our state needs.”

But because of Tea Party vs. moderate philosophical differences, we could see future clashes. For example, the House might pass legislation that the Senate doesn’t want to handle. Then the House might retaliate by holding Senate bills hostage until the Senate acts on House bills. The resulting gridlock would be bad for Missouri and bad for our industry.

Then there’s the question of what Gov. Nixon’s priorities are in terms of transportation infrastructure as he dives into his second term. We’ve heard some encouraging words from the governor. In August, *emissourian.com* reported that Nixon said he’d be willing to lead a serious discussion on transportation needs, including possibly using tolls to finance road and bridge projects—if he were re-elected.

Nixon said at that time that it was vital to address the transportation funding issue, especially since the state was coming to the end of the bonding process used to finance priority projects over the past couple of years. As the bonds come due, the state will only have money to pay down the bonds and maintain roads and bridges, not embark on any major new initiatives, transportation officials have warned.

So we will be watching very closely to see exactly what Gov. Nixon does to move transportation infrastructure forward in Missouri.

We’ll also be watching for developments on other issues that impact our industry. We have successfully fought for the past several sessions to keep Missouri’s Prevailing Wage Law in effect and we will continue to do so. This crucial law establishes a minimum wage rate that must be paid to workers on public works construction projects.

And we will continue to lobby against efforts to enact a so-called “right-to-work” law in Missouri. These kinds of laws bar employers and workers from negotiating contracts that include clauses requiring workers to pay union dues or an equivalent fee to cover collective bargaining costs.

Our association agrees with those who characterize right-to-work laws as “right-to-work-for-less” laws. It has been shown time and time again that wages and benefits are lower in right-to-work states. Our association members depend on unionized work forces for quality employees, and union investments in training assure safety on construction projects. Our unions help us make it better, and we aim to keep it that way. ■

## U.S. Running Out of Road Without Long-Term Plan

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increase in infrastructure funding as overall freight demand is expected to double in the next four decades, from 15 billion tons in 2010 to 30 billion tons by 2050.

Then there are the infrastructure problems faced by commuters. The 2011 Urban Mobility Report, published by the Texas Transportation Institute at Texas A&M University, reported that the amount of delay endured by the average commuter in 2010 was 34 hours, up from 14 hours in 1982. The cost of congestion was more than \$100 billion, nearly \$750 for every

commuter in the United States.

The federal tax on gasoline, the primary method for funding roads and bridges since 1956, has lost about one-third of its buying power since it was last raised in 1993. States add their own taxes to the mix, but the federal tax accounts for roughly half of capital spending for transportation infrastructure.

Other methods of funding infrastructure have been discussed for years. The alternatives include:

- Taxing miles driven.
- State and local governments paying more.
- More toll roads.
- Tying the gas tax to inflation.
- General tax revenue instead of a gas tax.
- A sales tax dedicated to transportation.

A Feb. 24, 2012 story in USA Today reported that many transportation experts see a vehicle miles traveled (VMT) tax as the likeliest alternative or complement to a gas tax. But the newspaper noted that it’s difficult to gauge the political viability of a VMT tax.

Our association does not advocate for specific methods of funding transportation infrastructure over other methods.

But one thing is certain: we are out of gimmicks when it comes to paying for badly needed infrastructure expansions and improvements. We have reached a tipping point, and the days of passing stop-gap measures at the 11th hour must come to an end. To ensure the ongoing viability of our country, we must work together to devise a realistic plan for funding our long-term infrastructure needs. ■



# MAKING IT BETTER

Heavy Constructors Association  
of Greater Kansas City  
3101 Broadway, Suite 780  
Kansas City, MO 64111

Want more information on our Association, members and issues?

Check out our website, **KCHeavyConstruction.org**.  
Regarding membership, contact Ed DeSoignie at (816) 756-6443



photography by Jeff Roberts

## Welcome 2013 Officers, Directors and Affiliates

### Executive Committee

- **Jerry Wiedenmann**, HCAGKC President, Wiedenmann & Godfrey Construction, Inc.
- **Trey Bowen**, HCAGKC Vice President, Superior Bowen Asphalt Company, LLC
- **Barclay Hornung**, HCAGKC Treasurer, Comanche Construction, Inc.

### Affiliate Committee

- **Bryan McCoy**, Roadbuilders Machinery and Supply Co.
- **Shane Ham**, Foley Equipment Co.
- **Matt Rosenthal**, Hunt Martin Materials
- **Bill Bundschuh**, Pretech Corp.
- **Tara Edwards**, Carter Energy Corp.

### HCA At-Large Directors

- **John Bowen**, Superior Bowen Asphalt Co.
- **Bill Clarkson Jr.**, Clarkson Construction Co.
- **Kevin Fahey**, J.M. Fahey Construction Co.
- **Don Godfrey**, Wiedenmann & Godfrey Construction, Inc.
- **George Hornung**, Comanche Construction, Inc.

### Division Directors

- **Mark Dombrowski**, O'Donnell & Sons Construction
- **David Grossman**, L.G. Barcus & Sons
- **Rob Loch III**, Loch Sand & Construction
- **Steve Kellerman**, Clarkson Construction
- **Jim Kissick**, Kissick Construction



(L to R): Barclay Hornung, Jerry Wiedenmann, Trey Bowen



(L to R): Bryan McCoy, Bill Bundschuh, Tara Edwards, Shane Ham; Not pictured: is Matt Rosenthal



Front Row (L to R): Don Godfrey, Jim Kissick, Bill Clarkson, Jr.; Back Row (L to R): George Hornung, Steve Kellerman, Mark Dombrowski, David Grossman, Rob Loch III; Not pictured: Kevin Fahey and John Bowen