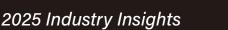
## CONSTRUCTOR AGC OF AMERICA'S MAGAZINE AGC OF AMERICA'S MAGAZINE January/February 2025

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## 2025 BAA Award Winners Will Be Announced at the AGC Convention April 8-10, 2025, in Columbus, OH.

convention.agc.org





## 2024 Grand Award Winner: Kiewit Infrastructure Co.

Colorado Department of Transportation -Central 70 Project



## READY, SET, GO

Jeanie J. Clapp Editor-in-Chief *Constructor* 

AS THE CALENDAR TURNS to a new year, many of us find ourselves reflecting on the past and setting our sights on the future. It's the perfect time to take stock of what we gained, consider what we've lost, review missteps and note areas of improvement. Doing so allows us to ready a solid plan for the new year, set the necessary steps to take and go for those goals.

So how can Constructor help you prepare for the year ahead?

Start by reading our cover story, "Future Forecast," on pages 12-14, and learn which construction markets are thriving, how the election results will impact the industry and what's ahead regarding labor concerns. These industry insights will better equip you in your decision-making process moving forward.

Plan to attend AGC of America's 2025 Annual Convention in Columbus, Ohio this April.

In January, AGC of America and Sage will release the results of their 2025 Business and Hiring Outlook Report. Visit agc.org for the full report. On pages 28-31, you'll learn what the association has planned for its must-attend event of the year: a great speaker lineup, awards programs, networking events and more. Nearly 200 exhibitors will be demonstrating new products and services in the Contractor Solutions Expo, designed to make your business run more efficiently. The 2025 Annual Convention is also the ideal time to connect and network. Collaboration can drive innovation, create new opportunities and lead to knowledge sharing. Building a strong network can provide support and resources, enhancing your business's resilience and growth potential.

Consider contributing to Constructor, either as an author of an educational article or as a source for a feature story. While our editorial calendar is mapped out for the year (https://bit.ly/2025ConstructorMK), we often deviate to keep you apprised of industry developments so you can respond swiftly to changes and capitalize on emerging opportunities.

If you see a gap in story coverage, please reach out to me (jeanie.clapp@agc.org) with your suggestion. It has always been (and continues to be) a goal of Constructor's to include articles that provide solutions to contractors, and I'd like to hear from you if you have a success story to share.

Resolutions involve change, something construction professionals are all too familiar with. But as you also know, with change comes opportunity ... for growth, success and happiness. I wish all of that for you in the coming year. Ready, set, go!



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ON THE COVER Photo courtesy of AGC of America

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## WHY YOU SHOULD RESOLVE TO GET MORE ENGAGED IN 2025



**Thomas Brown** President AGC of America

**AS PRESIDENT OF** AGC of America, I spend a lot of time talking to members about how they can get more involved in their national association. Which makes it all the more tempting to focus this column on the many ways members can resolve to get more engaged with AGC of America in 2025. Before we talk about *how* to get engaged, it is worth thinking through some of the reasons *why* members get engaged.

The short answer is there are many reasons why members like you should resolve to get more engaged in their national association this year. Among them is the fact that getting involved in AGC of America is the best way to impact the industry we all love. In the last year alone, engaged AGC members have crafted a construction industry decarbonization playbook. They have worked with federal safety officials to shape important rules on heat safety and the proper fit of safety equipment. And they helped improve federal procurement rules and improved the way the industry addresses mental health.

Engaged members have an unparalleled opportunity to learn from their industry peers from across the country. The members who attend our in-person meetings on topics like risk management, technology, safety or HR & workforce get to hear how their peers are tackling some of the industry's biggest challenges. And they get to brainstorm new solutions

to those challenges and share their own success stories with colleagues from across the country.

Getting engaged with AGC of America is also the easiest way to build up a nationwide network of industry contacts – and friends – that you can call on for help with projects, career advice and informal life coaching. When you get involved with your national association, you meet, work with and socialize with construction professionals from across the country. You bond with them and realize that they are people you can call to figure out how to overcome a challenge with a project, what to do to advance your career, or even how to balance the many obligations of work and life.

Engaging with AGC of America is the way to amplify your voice as an advocate for the industry. When we reach out to elected and appointed officials on our own behalf, we are speaking for one person, or at most

one company. But when we engage with AGC of America to, for example, testify on Capitol Hill or host a member of Congress for a project tour, we are no longer speaking on our own. Instead, we are the voice of an entire industry. That engagement is like a superpower, it takes the voice of one professional, and it turns it into the voice of an entire industry.

No matter how you choose to get involved with AGC of America, understand that there is no shortage of reasons for why you should be engaged. Getting involved in your national association gives you the opportunity to shape your industry. It allows you to become an even smarter, more accomplished professional. One who has a nationwide network of contacts they can call upon for help and advice. And it supersizes your voice as a representative of an entire industry. No matter how you opt to get involved in AGC of America this year, just know that there are many good reasons why you should do so. So, make sure one of your 2025 resolutions includes getting more involved in AGC of America.

The members who attend our in-person meetings on topics like risk management, technology, safety or HR & workforce get to hear how their peers are tackling some of the industry's biggest challenges.



## CONSTRUCTION SAFETY EXCELLENCE AWARDS WWW STARR INSURANCE

## 2025 CSEA Award Winners Will Be Announced at the AGC Convention April 8-10, 2025, in Columbus, OH. convention.agc.org



2024 Grand Award Winner:





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## THE **OPPORTUNITIES AND CHALLENGES** TO COME FROM WASHINGTON IN 2025



**Jeff Shoaf** CEO AGC of America

**AS YOU READ** this, we are on the brink of swearing in, again, President Trump, while Congress is set to reconvene with a new Republican majority in the Senate and continued slim Republican majority in the House. Total GOP control in Washington will create significant new power dynamics for the construction industry to contend with. But it will also pose new challenges while likely leaving others unresolved.

The new political landscape in our nation's capital is almost certain to lead to a more streamlined federal permitting review process. This was a priority for AGC and President Trump during his first term, and since then Congress has passed streamlining legislation that President Biden has tried to limit to green energy projects. That new legislation should make it easier for the incoming administration to shorten the time it takes to get to a 'go or no-go' decision on projects requiring federal permits.

The new administration is also likely to prompt OSHA to reconsider its approach to the highly controversial walkaround rule and to its heat safety rule. Most likely, the safety agency will revert to the prior version of the walkaround rule to ensure that only trained construction professionals can enter jobsites. And there is a good chance the new administration will reconsider portions

President Trump and a Republican Congress are likely to find ways to lift the many restrictions on who can work on federally funded and supported projects that the Biden administration put in place during the past four years. of the heat standard for the entire country that is the major flaw in the current heat safety rule.

President Trump and a Republican Congress are likely to find ways to lift the many restrictions on who can work on federally funded and supported projects that the Biden administration put in place during the past four years. This will give workers from union and open shop firms an equal opportunity to help improve the nation's infrastructure. And we hope that President Trump will reconsider the Biden administration's efforts to mandate project labor agreements for all federal projects valued at \$35 million or more.

The new political environment, however, is likely to pose new challenges for the construction industry. Foremost among those challenges is trying to anticipate how the president's promise to deport

undocumented immigrants will impact the supply of construction labor. If the president focuses those efforts on undocumented immigrants who have committed crimes, pose a national security threat and/or been ordered to leave the country by a judge, the impacts on construction labor should be very limited. At the same time, we will be working to encourage Washington officials to expand the number of people who can lawfully enter the country to work in construction.

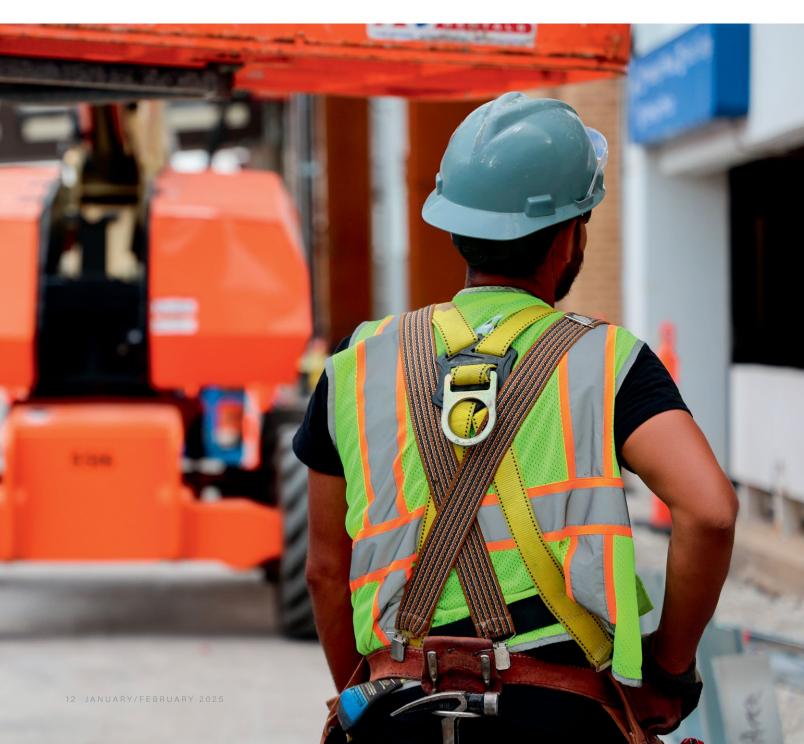
President Trump's threats to impose new tariffs on a broad range of imported goods will likely pose challenges for the construction industry by raising the prices of products that include components made overseas. According to Ken Simonson, "just the threat of tariffs tends to raise prices." Meanwhile, President Trump is unlikely to take steps to address the challenges many contractors have with the new Buy America Build America requirements. While we support efforts to reinvigorate domestic manufacturing, the current, inflexible approach has made it hard to source materials for projects when there is simply no domestically produced alternative.

Yes, big changes are coming to Washington this January. Those changes will likely present real opportunities for the industry. But they will also come with some very real challenges. The one thing that won't change, however, is our work to advocate for you, the members. No matter what may come, AGC of America will continue to have your back.

Happy New Year and may 2025 be a prosperous and successful one for this industry.



## Industry Insights for 2025



#### BY A.D. THOMPSON

new (not-new) presidentelect. An ongoing labor shortage. Positive gains in the realm of regulations. Uncertainty as the industry waits to see what will happen with immigration, and what the cost of doing business will be as the prospect of tariffs loom large.

Is the membership feeling optimistic? Is there trepidation?

"It's very much a mix," said Ken Simonson, chief economist, AGC of America.

As the new year takes shape, there is always much on the minds of the membership. What's worth considering?

In the wake of an historic presidential election and with input from contractors nationwide, the pros weigh in.

#### Data is Dynamic, Housing Halts (for Now)

Where housing, multifamily in particular, was hot, the market has flattened, but data centers, said Simonson, are still going strong.

"That trend will continue," he noted, "along with that of manufacturing plants, solar and utility scale battery storage."

Infrastructure, finally and steadily, will start to simmer as money turns into contracts for work around the country.

Notable here, the bipartisan support of infrastructure bills that were passed under the Biden administration, most of which should remain on target according to Alex Etchen, AGC's vice president of government relations, who discussed this, among other topics, in a recent postelection webinar.

"There was a very high amount of multifamily housing being constructed at the same time, which has meant that a lot of that has come on the market at the same time," Simonson pointed out. "There's a glut. Rents have flattened or even declined in some of the hottest markets ... and at the same time, developers have found that banks have been much less willing to lend."

Even so, Simonson believes it will work itself out over the next year.

"The markets that were previously growing are going to again be good candidates for multifamily by 2026.... We've been under-building housing, whether single or multifamily, rental or owneroccupied, for about 15 years now. There's still underlying demand."

On net, however, construction – he projects – should still be on the rise in 2025.

#### What We Don't Know....

While the overall market remains positive, uncertainty in the wake of the presidential election has construction pros in wait-and-see mode.

Two issues – immigration and tariffs – are the big question marks, said Simonson.

"The industry relies on many foreignproduced products, materials, components..." he pointed out. "And it certainly relies more heavily on foreign-born workers than other sectors."

New tariffs, obviously, could force prices up quite sharply. There could be supply-chain interruptions. And labor, of course, has been the No. 1 challenge for most contractors for decades.

"If the borders are tightened, and certainly if people who have been here are deported, or frightened out of working at identifiable jobsites, that will worsen the labor force problem for the construction industry." With more tech than ever in the education mix, a greater number of students are gravitating toward AGC-centric industries.

#### Labor Gains?

Ian Warner, however, feels like despite these challenges, the workforce pendulum is swinging back in construction's favor.

"I'm very optimistic," said Warner, director of industry workforce development & innovation for Trimble, Inc., a General Building Contractors member, which specializes, in part, in industrial technologies.

"The trades are becoming more of a valued career opportunity for high schoolers and young adults and people who are looking to transition careers."

The momentum, he believes, is shifting in the ways the training entities – from K-12 programs to union and non-union centers – are able to showcase what a construction job is and can be.

Twelve years ago, when he started his Trimble tenure, Warner estimates that between 1-10% of companies, depending on the region, were embracing technology workflows.

"Now, it feels like we're in the 40-50% range," he said, "with firms employing robotic total stations, laser scanners, mixed reality modeling, virtual estimating ...."

With more tech than ever in the education mix, a greater number of students are gravitating toward AGC-centric industries. While the overall market remains positive, uncertainty in the wake of the presidential election has construction pros in wait-and-see mode.

"People who wouldn't necessarily have been attracted to construction or geospatial or trucking are having these discussions now. They see it not only as a basic career opportunity, but an opportunity to create their own businesses, to move up into management."

While Simonson says it's too early to speculate about Gen Z numbers in the construction workforce, he does believe that the industry is making a greater effort to connect not only with students, but teachers, guidance counselors and workforce development agencies to send positive messages about careers in the field.

"It continues to be a hard sell," he said, but noted that the Bureau of Labor Statistics figures show that construction has been adding workers at a faster rate than the broader economy.

"Clearly, they're doing something right."

#### **Regions and Regulations**

Contractors are hopeful about seeing less federal regulation and a continuation, or even a reduction, in the tax relief that was passed back in 2017, Simonson speculated.

"These are two positives the industry is expecting," he said.

As for top markets, it's an ever-shifting landscape, but one where population growth and movement, along with the local economic circumstances, is always a deciding factor.

"Both of those favor Texas," Simonson said.

It's a top three state for population growth. It has a business-friendly reputation. And there's still a lot of land available.

Beyond the Lone Star State, markets including Phoenix, Nashville, Charlotte and several Florida metros are geared for growth. But there's a dark horse in the mix, too.

"Columbus, Ohio, has attracted not just a giant semiconductor fabrication plant, but also a large number of data centers, manufacturing [venues] and it's home to one of the largest, most successful universities," said Simonson. "It's also a state capital."

There are many reasons to watch it, he noted, for continued activity in institutional and public construction.

#### Wage Watch

Despite the potential positive growth on the labor front, Simonson says construction execs should expect to see wage rates continue to rise, and at a higher level than the broader economy.

"It's not just wages, either," he said. "It's the cost of finding and training workers, and what will need to be done to retain them and improve their skills."

These costs, he speculated, might be even higher amid the new political lineup, "particularly if immigration is shut off and people — even those legally in the country — are no longer feeling safe and willing to show up at construction jobsites."

#### **PAC Mentality**

It's high spirited.

"Election night was a very good night for the candidates our PAC supported," said Etchen, noting that the association's bipartisan Political Action Committee saw many wins. "AGC's PAC pulls voluntary personal donations from eligible AGC member company employees and uses these funds to help elect Democrats and Republicans to the House and Senate who support proconstruction, pro-business policies," he explained.

In this past cycle, a record-breaking more than \$1.2 million has thus far been employed to support candidates in 231 races, which accounts for roughly 43% of the Congress.

Election night saw 213 AGC-backed candidates on the ballot. And at press time, 197 of them won.

"That gives us a 92% success rate this cycle – a pretty good number when you're looking at this many races and this many candidates in an election cycle that saw so many changes."

Overall, said Simonson, members should feel positive, if cautiously so.

"I think the outlook for a more favorable business tax and regulatory climate has improved since the election," though it is balanced by the questions about immigration and tariffs.

"Business should expect a continuation of economic growth, job growth and also some disruptions and changes in priorities in terms of what government is going to be trying to do and sectors of the economy that are going to thrive or struggle."

A Republican trifecta, said AGC CEO Jeff Shoaf in a post-election webinar, makes for "a significant change of who's in power ... the dynamics in Washington, D.C. have certainly been altered ... and there's plenty of work ahead for our lobbyists who need to get to know who the new players are, who was promoted to bigger spots in the capitol or in agencies."

Be sure to visit agc.org/newssurveys for the results of the 2025 AGC and Sage Construction Hiring and Business Outlook.

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## NEW LINEUP IN DC ADDS TO OPPORTUNITIES BUT ALSO UNCERTAINTY



**Ken Simonson** Chief Economist, AGC of America

The president is likely to halt adoption of proposed regulations that have not been finalized and to pause and perhaps abandon the defense of rules that have been challenged in federal courts by AGC or others.

he shake-up in control of the White House and Congress opens the door to the possibility of a more favorable federal tax and regulatory environment for construction. But there is also more risk of higher costs and less labor availability.

President Trump and the Republican-led Congress are likely to preserve and expand many of the tax provisions in the 2017 Tax Cuts and Jobs Act that are due to expire at the end of 2025. However, to do so without adding to already large federal deficits, they may repeal or limit tax credits enacted in the 2022 Inflation Reduction Act (IRA) that encourage construction of renewable energy and carbon-capture projects.

The president is likely to halt adoption of proposed regulations that have not been finalized and to pause and perhaps abandon the defense of rules that have been challenged in federal courts by AGC or others. The administration may also try to roll back existing regulations, although undoing a rule can take as long as adopting it.

While the extent and timing of these tax and regulatory changes are not clear, the direction should be favorable, on net, for speeding up the approval, execution, and profitability of many construction projects. However, these positives may be at least partly offset by cost increases due to tariffs and an even tighter market for construction labor.

As a candidate in 2020, Trump threatened to impose "acrossthe-board" tariffs of 10 to 20% on all imports and 60% on imports from China. As with the tariffs on steel, aluminum and many products from China that he imposed in his first term, these measures are likely to trigger an immediate increase in the cost of a wide range of construction materials, components and equipment. Domestic producers that compete with imports would probably raise their prices at roughly the same time and rate, as happened in 2019.

Furthermore, U.S. trading partners are likely to adopt retaliatory measures harmful to U.S. exporters. Some of these firms and their owners and employees would suffer income losses that would lead to reduced construction.

Candidate Trump also called for restricting immigration much more severely and for mass deportations of foreign-born residents. As an industry that is heavily reliant on foreign-born workers, construction is at risk of facing an even tighter labor supply than at present. And the present situation is already dire: In the 2024 AGC/Arcoro Workforce Survey last August, more than 90% of respondents reported difficulty filling either salaried or hourly craft positions or both.

One additional category of uncertainty is federal appropriations. Much of the money for construction that was enacted in the 2021 Infrastructure Investment and Jobs Act, the IRA and the 2022 CHIPS and Science Act has been committed or remains popular with members of Congress from both parties. But the administration is likely to shift spending within program areas and ask Congress to cancel other spending. Funding for rail, transit and renewable energy — including related manufacturing — construction appears to be most vulnerable.

On balance, construction should continue to thrive in 2025. But there are new threats, disruptions and uncertainties in the outlook.



# Using AI to Improve Driver Safety

Motive's dashcams record and monitor driver performance

#### **BY NICK FORTUNA**

hen Ernst Concrete, an Ohio Contractors Association and AGC Georgia member, really needed its old dashcam system to perform, the hardware failed, leaving the company in a bind.

Burned by that experience, Ernst Concrete upgraded to Motive's new dashcams powered by artificial intelligence, resulting in meaningful cost savings and improvements to driver performance, according to Paul Fly, director of risk and safety at Ernst. Several years ago, two truck drivers from Ernst Concrete were involved in separate auto accidents that resulted in costly lawsuits. The truck drivers weren't at fault, but since the old dashcam system hadn't recorded the accidents, the company couldn't mount a robust defense in court.

"The impact of not capturing large events is that you don't have that product to defend yourself," Fly said. "More times than not, the accidents are very defendable. We were not at fault." Founded in 1946, Ernst Concrete is a family-owned operation based in Vandalia, Ohio, and has about 800 trucks delivering ready-mix concrete and other construction materials to jobsites. With such a large fleet, any improvements to driver safety and risk mitigation add up quickly, and that's been the case for Ernst Concrete since implementing Motive's driver-safety solution.

Over a 13-month period, Motive's dashcams resulted in a 97% reduction in cellphone usage while driving, Fly said.

Similarly, distracted driving decreased 83%, and close-following events plunged 81%. The system's advanced computervision algorithms process images in real time to detect more than a dozen risky driving behaviors, including holding a cellphone in your hand and looking down from the road.

In a case like that, the system emits an audible tone and a verbal reminder to the driver to keep his eyes on the road. The face of the dashcam also provides a visual alert. The system saves the video recording of the incident and makes it readily accessible to fleet managers as a training tool.

Similarly, the AI-powered dashcams monitor the speed of the truck and its following distance, so whenever the truck gets too close to the vehicle in front of it, the driver gets an alert, and the incident is recorded. The same goes for incidents of hard braking, rolling stops, running red lights or stop signs, unsafe parking and even driver drowsiness. Motive's AI can flag excessive yawning that indicates that a driver is too tired to continue.

In a study conducted by the Virginia Tech Transportation Institute, the Motive AI dashcam was found to generate alerts related to several of these unsafe driving behaviors three to four times more reliably than leading competitors in the space, the company said.

If drivers obstruct the dashcam's view, intentionally or not, they'll get an alert to correct the issue, and that incident is recorded, ensuring compliance.

"I have never seen reductions [in unsafe driving behavior] like this within 13 months, and with AI technology, you can coach your drivers and design training programs for those who need additional training," Fly said.

Ernst Concrete estimates its total cost savings from using Motive at \$6.5 million, a return on investment of about 2,000%. Since the company's drivers are getting into fewer accidents, insurance premiums are down, there are fewer lawsuits to deal with, and it's losing less productivity to damaged trucks and injured drivers, Fly said.

When accidents do occur, the company can count on getting video evidence that could absolve its drivers of responsibility. Video clips also can help companies expedite their insurance claims. Accident videos upload to the system within seconds, minimizing the risk of lost footage. Video is captured even in catastrophic accidents, and managers are alerted with relevant video and telematics data.

"The AI technology and the quality of the system are very good," Fly said. "We're using the videos that we download as evidence in our defense that we can give to our attorneys if there's a lawsuit."

#### Widespread Adoption

In October, Motive had more than a million dashcams deployed across North America, with about 1.3 million drivers in its system, according to Abhishek Gupta, vice president of product. Customers typically see their accident rate decrease by up to 65%, and their insurance premiums dip about 25%, he said. Customers purchase the dashcams upfront and pay a monthly subscription fee for the software as a service.

Motive's dashcams can be installed in less than 10 minutes without a mechanic, and built-in driver training content allows an entire fleet to become familiar with the

	Safety						Request Video	
Overview Coachin	g Events Speed	ding Requests Ir	sights Dashcams					
	Summary / This we	ek vs. Previous Weeł		LAST WEEK LAST 4 WEEKS	LAST 12 WEEKS	Action Center		
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My Fleet Motive Av	~				0.9 < 0.1 ↓48% < 0.1 ↓26%	Review Coachable Events Last coached 2d ago		
			Event Behavior Close Following		% OF DRIVERS 38% ↓1	Review Recent Speeding From previous week Review Dashcam Issues From previous week		
40 May 23					25% <b>↑2</b> 33% <b>↑4</b>			
Braking Improved last week, positively impacting score	Speeding Increased last week, negatively impacting score	Acceleration Minimal change, no impact on score	Lane Changing Seat Belt Drowsiness		15% ↓1 3% ↓3 3% ↑1	Review Drivers to Coach From previous week		
			Near Collisions		1% ↓2	Notifications		
Driver Derformen	ce / This Week				View All Drivers	View Dashcam Updates 3 disconnects • 2 installs		



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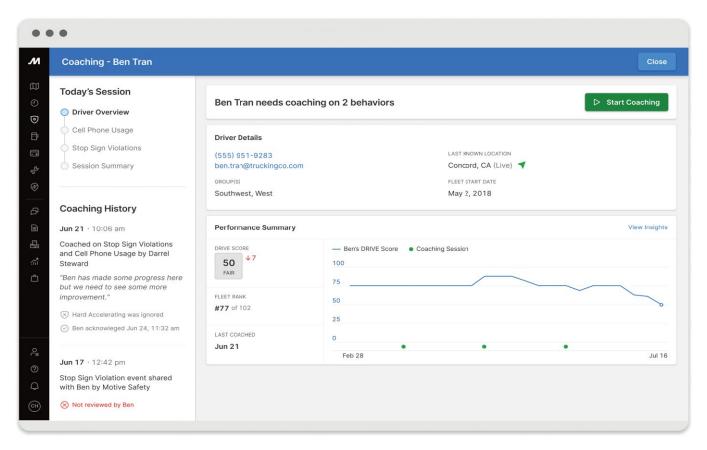
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system quickly. There's also a 24/7 support team to help clients address any issues.

"By reducing many unsafe driving behaviors, customers are able to decrease their accident rate fairly substantially," Gupta said. "That results in significant savings that they can put back into their business."

For its fleet, Ernst Concrete installed the dual-facing Motive Dashcam, which records activity within the cab as well as the driver's view of the road. There's also a model that records only the driver's view through the front windshield. The dashcams can be paired with a smaller Motive model called Omnicam, which records side- and rear-view activity for a 360-degree view of the truck.

With the Omnicam, companies can monitor the loading and unloading of trucks, giving them video evidence of unsafe practices that result in workplace injuries.

Fly said that when Ernst Concrete installed the dashcams, he and his drivers were surprised by the number of incidents the system recorded. But with the system monitoring their performance in real time and alerting them when they slip up, drivers quickly adjusted their habits, and the number of recorded incidents dropped precipitously. Drivers can watch their own videos and track their progress with Motive's smartphone app.

"Drivers will come back to the plant and say, 'I know, I know, I was following too closely. I won't do that again,' so they're essentially coaching themselves," Fly said.

Motive's platform enables fleet managers to gamify driving operations, creating a competitive environment to promote safety, Gupta said. The system can assign a safety score to each driver based on the number of infractions accumulated over a period of time, and managers can decide whether to penalize certain behaviors, such as tailgating, hard braking or cellphone usage, more than others.

The customizable scoring system allows fleet managers to prioritize the unsafe driving behaviors that are most common for that operation, maximizing the impact of gamification. At the end of each month or quarter, for example, the drivers with the highest safety scores can be rewarded with bonus pay, vacation days or other prizes.

"The product is more than just the dashcam hardware," Gupta said. "It's about the software and AI experience coming together."

#### **Rewarding Top Performers**

With many contractors struggling to retain drivers, companies might be reticent to put workers under the microscope with a dashcam system. But Gupta said there are many reasons why drivers are comfortable with this new technology.

First, the dual-facing dashcam features a privacy mode, so activity in the cab is recorded only when drivers are actively working. The camera remains off while drivers sleep, eat and recuperate from a long trip. Secondly, the system allows a fleet's safest drivers to stand out from the pack, giving them a compelling case to ask for a raise.

With the Omnicam, drivers get full visibility of their blind spots, which addresses a leading cause of accidents. They also get a clear rearview picture to enhance safety and combat cargo theft.

"The camera is meant to be a tool to help you do your job better," Gupta said. "Our customers don't have people sitting around, watching what their drivers are doing all day long. The goal of the product is to reduce cellphone usage and distracted driving, not to watch you do your job. This tool also rewards good drivers. If you're consistently driving safely, the camera and your safety score will show that."

Motive's system includes a new first-responder service for commercial drivers that expedites emergency response in the event of a severe collision. The service programmatically shares life-saving collision data such as vehicle location, driver name, make, model, license plate and other important information with first responders after a severe collision.

Fleet managers have access to drivers' dashcams through the Motive dashboard, so they can check on drivers who suddenly become unreachable. If there's an emergency, the manager can call a priority 9-1-1 number and be connected to local first responders anywhere in North America, ensuring that injured drivers and other motorists get help quickly.

Motive's safety team of more than 400 employees reviews customers' safety videos to eliminate false positives. Their expertise in identifying unique, realworld scenarios significantly improves Ernst Concrete estimates its total cost savings from using Motive at \$6.5 million, a return on investment of about 2,000%. Since the company's drivers are getting into fewer accidents, insurance premiums are down, there are fewer lawsuits to deal with, and it's losing less productivity to damaged trucks and injured drivers.

the accuracy of the company's AI models, Gupta said. As a result, drivers aren't penalized for mistakes they didn't make, and managers can focus on truly unsafe driving behaviors.

As an example, the system may mistakenly believe that a driver has run a stop sign, when in reality, that stop sign was intended for traffic merging into the driver's path. In that case, Motive's safety team will view the recording, recognize the mistake and overrule the system, so the driver isn't penalized. Having knowledgeable humans review safety videos gives drivers and managers greater confidence in the system's fairness and effectiveness, Gupta said. Given the many safety benefits of AI-powered dashcams, Gupta said he expects adoption of this technology to accelerate rapidly. Meanwhile, Motive is constantly working on new features to make its platform more effective and valuable to customers.

"We do expect to see the adoption of our AI capabilities increase dramatically," Gupta said. "We ran a survey last year interviewing about a thousand transportation leaders, and the vast majority said they want to use AI to improve their operations, but only 25% had actually deployed it, which shows that this technology has the potential to make a broad impact."

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## Construction Safety Week 2025

#### BY MIKE CHOUTKA, CEO HENSEL PHELPS AND CONSTRUCTION SAFETY WEEK CHAIR 2025

uilding a strong and safe industry is the foundation of Construction Safety Week. This week-long campaign started in 2014 when more than 40 companies joined forces to promote safety. United together, this collaboration of industry members committed to the continuous improvement of our safety culture has made a difference and their efforts are still making a vital impact today. As we head into our 11th year of Construction Safety Week, we want to welcome new firms to the movement. Joining us as a Safety Week member, sponsor or advocate is a symbol of your company's commitment to helping us



Joining us as a Safety Week member, sponsor or advocate is a symbol of your company's commitment to helping us build a stronger, safer industry.

build a stronger, safer industry. Your participation and support make it possible for us to continue to improve safety, strengthen our culture and be a driver of real change in the industry for years to come. Our supporters are recognized throughout our website, and in other promotional materials leading up to and during Safety Week such as print and digital advertisements, social media posts, e-newsletters, a PR Newswire press release, various industry presentations and more. Firms that join Construction Safety Week are recognized as industry leaders with the unique ability to influence other businesses to make the right choices regarding safety.

We are pleased to announce the 2025 Construction Safety Week theme, All in Together, which focuses on three key pillars: Plan, Own, Commit. Over the past few years, the theme has emphasized the importance of speaking up when something seems unsafe and valuing every voice when it comes to safety in the workplace. With this year's theme, we're focusing on taking action and ownership in the safety and success of our teams and projects.

All AGC members are invited to be part of Safety Week 2025 from **May 5-9**, **2025**. As we strive to make the safety of every person who works in Construction a top priority, we can come together to make a real difference and promote significant change. Online registration is now open. To learn more about how your company can participate, celebrate, show your support, and register for Safety Week 2025, visit www.constructionsafetyweek. com/about-us/support-safety-week/.

Offering free resources to support Construction Safety Week, our website has a robust variety of tools for companies to take advantage of and use throughout the year. These resources include everything from daily topics, event ideas, discussion topics, family activities and more. Also, new this year is an event planning best practices guide, a PR checklist and additional tools on successful safety programs in the industry. Some of these resources are also translated into Spanish and French. All of the aforementioned tools are available on our website, www.constructionsafetyweek.com/ plan-for-safety-week/resources/.

Thank you to all of our members. We look forward to celebrating our commitment to safety as an industry that's All in Together.

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## **JOIN US IN COLUMBUS**

## AGC 2025 THE CONSTRUCTION ASSOCIATION CONVENTION

## **APRIL 8-10, 2025**

The AGC Annual Convention provides contractors of all sizes and markets the opportunity to build their knowledge and skills for competing in today's marketplace, make business-critical industry connections, prepare for industry disruptions, and navigate the legislative and regulatory policies of the new administration. AGC brings together experts from across the industry to share their knowledge and help prepare contractors to meet the challenges of today and tomorrow. With more than 30 educational sessions spread out over the two main days of the program, there are ample opportunities to find the sessions most critical to your role and business.

### **KEYNOTE SPEAKERS**

#### Michael Sorrell

President, Paul Quinn College April 8, 2025 4:30 - 5:30 p.m.

In 2007, Dr. Michael Sorrell faced a life-altering decision. He was part of an ownership group that was on the verge of purchasing the NBA's Memphis Grizzlies, and he would serve as the team's president following the completion of the deal – a dream come true for him. At the same time, he was approached by Paul Quinn College, a failing institution, to serve as the historically Black college's president in the interim while they sought out a permanent appointment to take over the role – a search that was proving difficult as the school continued to falter. Dr. Sorrell accepted the role, hoping it would be a brief side quest on his journey to becoming an NBA executive. In reality, it marked the beginning of a transformative and innovative era for the school that continues to this day. Dr. Sorrell has spearheaded one of the great turnaround stories of our time – leading Paul Quinn's evolution from one of the worst in the nation to a higher education powerhouse. As the longest-tenured president in the college's history, he has instilled a "WE Over Me" mentality in students, faculty and the community at large and has been revered throughout his historic tenure for his ability to reimagine organizations to better serve the needs of the people that depend on them. He is a testament to the power of purpose and vision.

**Dr. Ayanna Howard** Dean, College of Engineering, Ohio State University April 9, 2025 11 a.m. - 12 p.m.

A former senior NASA robotics researcher and Mars Exploration research engineer at the space agency's storied Jet Propulsion Laboratory (JPL), co-founder of a trailblazing ed-tech company, and dean of the 10,000-student strong College of Engineering at The Ohio State University, Ayanna Howard, Ph.D., is a true leader in artificial intelligence (AI) and robotics engineering.

According to Howard, AI is poised to enhance every aspect of our professional and personal lives, particularly in such areas as remote work, health care, education and manufacturing. But she emphasizes we must ensure the ethical development of these increasingly prevalent technologies.

## **SPECIAL EVENTS**

#### AGC Charities' Operation Opening Doors – Attendee Volunteer Event

Monday, April 7, 2024 7:30 a.m. – 3 p.m. Pre-registration requested Sponsored by United Rentals Contact Nahee Rosso at nahee.rosso@ agc.org for more information or with questions.



#### Sarah Robb O'Hagan

CEO, EXOS April 10, 2025 3 - 4 p.m.

Described by the media as everything from "Superwoman undercover" to "The Pied Piper of potential." Sarah Robb O'Hagan is an executive. entrepreneur, author and founder of Extreme Living – a content platform designed to help individuals, teams and organizations play to their highest potential. She is also the CEO of EXOS, the leading human performance coaching company, which counts 30% of the Fortune 100 companies among its clients. In this role Sarah and her team work with individuals ranging from C-Suite leaders and their teams, to pro athletes and elite level military personnel who are looking to improve their performance in work, sport, and life. Moreover, Sarah and her team are leading the conversation around the future of high performance in the modern-day workplace – with research and new methodologies to help clients create cultures that reduce burnout while promoting productivity.

#### AGC Education & Research Foundation Gala - Hosted by the Consulting Constructors' Council

Monday, April 7, 2024 6:30 - 10 p.m.

Ticketed Event — Separate Registration Required Gala Tickets - \$350 per person (60% tax deductible) with proceeds going to support scholarships for students seeking careers in construction.

To sponsor a full- or half-table, please contact Adam Lingenfelter at adam.lingenfelter@agc.org



#### **Braindate Lounge**

Tuesday, April 8, 2024 11 a.m. - 4 p.m. and 6 - 7:30 p.m. Wednesday, April 9, 2024 7:30 - 11:30 a.m. and 12:30 - 6 p.m. Thursday, April 10, 2024 7:30 a.m. - 1:30 p.m. Open To All Attendees Sponsored by FedEx

The Braindate Lounge is back! Braindate will help you tap into the experiences and expertise of your fellow attendees. Visit the Braindate platform to post a topic, pose a question, or sign up for a topic someone else has posted. Then join us in the Braindate Lounge to participate in one-on-one or small-group conversations based on the topic you signed up for. Be sure to take advantage of this terrific opportunity to connect with other attendees and have meaningful discussions.

#### First-Time Attendee Welcome Reception

Tuesday, April 8, 2024 3 - 4 p.m. Open to first-time convention attendees *Sponsored by Procore* 

#### The Baldwin Group Build America Awards (BAA)

Wednesday, April 9, 2024 7:30 – 9 a.m. Ticketed Event — Separate Registration Required *Sponsored by The Baldwin Group* Tickets: \$100.00 per person for Convention registrants (\$150.00 for stand-alone tickets)

#### Convention Opening Session featuring presentation of the AGC Diversity & Inclusion Awards

Tuesday, April 8, 2024 General Session: 4:30 - 6 p.m. Welcome Reception: 6 - 7:30 p.m. Open to all attendees *Sponsored by Autodesk* 

#### Women Thriving in Construction: Lessons from Men and Women Leaders in the Industry -Session & Reception

Wednesday, April 9, 2024 Education Session: 3 - 4:30 p.m. Networking Reception: 4 - 4:45 p.m. Open to all attendees

#### Wednesday Plenary Session featuring presentation of the AGC Innovation Awards

Wednesday, April 9, 2024 11 a.m. – 12 p.m. Open to all registered attendees



#### Contractors' Prayer Breakfast

Wednesday, April 9, 2024 6:30 - 7:30 a.m. Open to all interested attendees Ticketed Event — Separate Registration Required Tickets: \$150.00 per person



#### AGC Celebrate Construction Party at The Kee Columbus

Wednesday, April 9, 2024 7 - 10 p.m. Open to all attendees Sponsored by HCSS, ConstructConnect, Milwaukee Tool, Procore & United Rentals

#### Construction Safety Excellence Awards Sponsored by WTW and STARR Insurance

Thursday, April 10, 2024 7:30 - 9 a.m. Ticketed Event — Separate Registration Required Tickets: \$100.00 per person for Convention registrants (\$150.00 for stand-alone tickets)

#### Thursday Morning Plenary Session – AGC Economic Legislative & Regulatory Review

Thursday, April 10, 2024 11 a.m. - 12 p.m. Open to all attendees

#### Closing General Session featuring presentation of the AGC in the Community Awards

Thursday, April 10, 2024 3 - 4 p.m. Open to all attendees Sponsored by United Rentals

#### AGC Convention Closing Ceremony and Installation of Officers

Thursday, April 10, 2024 5 - 7:30 p.m. Open to all attendees Sponsored by The Home Depot



## CONTRACTOR SOLUTIONS EXPO

Join up to 150 exhibitors and over 2,000 attendees from across the construction industry for the 2025 Contractor Solutions Expo.

The Expo and all of the AGC Convention activities will take place in the Greater Columbus Convention Center, Columbus, OH.

The AGC Contractor Solutions Expo attracts business decision makers from leading general and specialty contractor firms across the United States. From small- and mediumsized business owners to execs with ENR Top 400 firms to the next-gen construction industry leaders, participants at the AGC Convention are responsible for buying or specifying hundreds of millions of dollars of products and services each year.

The AGC Contractor Solutions Expo includes more than nine hours of dedicated EXPO time for attendees and will feature a number of daily activities to drive traffic throughout the show floor, including:

- Opening Night Welcome Reception
- Daily networking receptions and happy hours
- Breakfast, lunch, and snack times for attendees daily (complimentary)
- Featured Exhibit Hall Areas including spotlighted areas with specialty drinks and cocktails

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## IS A CONSTRUCTION MARKET BOOM COMING?

#### BY KEYAN ZANDY, CEO, SKILES GROUP

s interest rates drop and election uncertainties dissipate, the construction industry could be on the verge of a significant market boom. Projects paused after design or only partially designed may soon re-enter the pipeline, creating a surge in demand.

While this could bring opportunities, it raises concerns that rapid demand could lead to rising prices, lengthening lead times and worsening labor shortages. However, this potential boom can be a gateway to success with the right strategies. Project owners must adopt a proactive and collaborative approach to navigate this potential boom successfully. Here are five strategies to prepare for these possible challenges ahead.

#### 1. Engage General Contractors and Trade Partners Early

Early collaboration with your construction manager/general contractor (CM/GC) and trade partners is necessary. By involving these professionals during the early stages of your project, you gain access to real-time insights that can shape the design and construction process. Your CM/GC should provide valuable information, such as:

- Current availability of materials, equipment, and labor
- Recommendations for managing cost escalation and contingencies
- Prefabrication opportunities to improve efficiency
- Design feedback from trade partners to optimize production

Early involvement aligns the design, budget and schedule, reducing the risk of unexpected disruptions once construction begins.

#### 2. Evaluate Trade Partner Workforce Capacity

As the market heats up, the risk of trade partners becoming over-committed increases. David Packard's wisdom that "More businesses die from indigestion than starvation" is particularly relevant in a booming construction market. Choosing contractors based solely on price could expose projects to serious risks, including: Delays from supply chain issues or shift-

- ing priorities
- $\blacksquare$  Quality concerns due to labor shortages
- Financial instability caused by delayed or canceled projects

CM/GCs should thoroughly evaluate trade partners by reviewing their financial health, work-in-progress (WIP) reports, manpower forecasts, and prequalification standards. This due diligence minimizes the risk of project delays or defaults caused by overextended contractors.

#### 3. Plan for Early Release Packages

The challenge of sourcing long-lead materials is a constant issue, especially in a booming market. Items such as switchgear, rooftop units, and generators can have lead times of six to 12 months or more. Coordinating early with contractors and trade partners allows owners to prepare early-release purchase packages during the design phase. Owners can mitigate delays and maintain project schedules by securing critical materials in advance.

#### 4. Leverage Proactive Permitting

Traditionally, permitting follows the completion of design work, but overlapping these phases can save months in today's environment. Work with local municipalities to explore phased permitting options, such as site work, core and shell and finish-out packages. This approach allows construction to begin before the design is finalized, helping projects stay on schedule even when faced with procurement challenges.

#### 5. Adopt Lean Scheduling Practices

In a market where lead times and labor availability are unpredictable, Lean scheduling principles are invaluable. General contractors utilizing the Last Planner System<sup>®</sup> can engage trade partners in collaborative scheduling, ensuring everyone is aligned on key milestones and handoffs. Lean scheduling — which promotes transparency, helps manage constraints and fosters teamwork — enables projects to adapt to unexpected challenges, thereby enhancing project efficiency and reducing the risk of delays.

#### Building Success Through Collaboration

The construction industry has endured many economic cycles, but a potential boom presents unique challenges that require a fresh approach. By prioritizing early collaboration, careful planning and trusted partnerships, project owners can position themselves for success in this dynamic environment. Whether navigating material shortages, labor constraints or escalating costs, success lies in embracing flexibility, innovation and collaboration.



# Build it Right the First Time

Improving your quality control programs and reducing worker injuries



#### BY BRIAN CLARKE, CSP

uild it right the first time" has been the slogan of commercial construction's quality control efforts for decades. "Not" building it right the first time leads to staggering costs and affects all aspects of a project. However, by involving your trade partners in your quality assurance/quality control QA/QC program, you'll get better results.

Historically, the construction industry measures contractor safety (i.e., injury prevention) excellence through the benchmarking of a construction firm's EMR and OSHA recordable rates. Measuring excellence through the absence of events is a challenge and a poor measuring tool in evaluating a successful safety program. Trade partners' safety pre-qualifications have advanced to evaluations of safety programs, planning, orientations, job hazard analysis, pre-task plans and weekly safety meetings.

The same challenges exist with the evolution of QA/QC programs, which commonly measure the lack of 'rework' (i.e., lack of claims). Best-in-class QA/QC programs mirror safety programs via their processes, policies and implementation. And yet costs of rework continue to rise in commercial construction.

Two main challenges exist for contractors in reducing rework:

- 1. Prequalification process of evaluating a "paper" QA/QC program.
- 2. Involvement of craft employees.

Improving the prequalification process, embracing craft involvement and sharing lessons learned have greatly contributed to the reduction of craft worker injuries. To state the obvious, the goal of both the safety and QA/QC programs is to prevent losses in regards to injuries and rework.

## The True Financial Costs of Rework

Risk managers know that incidents and injuries have hidden costs, and these hidden costs should be tracked and incorporated into management reporting processes. By providing an in-depth look at incident costs, company leaders can make better, more informed decisions about where to focus prevention efforts and spend limited resources.

Studies have found that like safety, rework has direct and indirect costs. The direct costs can range between 0.05% to 20% of a project's contract value, and the indirect costs can be as high as six times the direct costs ("State of Science: Why Does Rework Occur in Construction? What Are Its Consequences? And What Can be Done to Mitigate Its Occurrence?" *Engineering*, 2022). If quality events are not measured, the likelihood of repeated errors increases. To advance awareness of the impact on projects, the same financial tracking methodology of injury and accident costs can be used to report and track rework costs.

#### What Gets Inspected Gets Inspected. What Gets Measured Gets Results

Many safety professionals began tracking and reporting the hidden costs of injury accidents decades ago. Providing the C-suite (and all members of the construction team) with reliable data detailing the direct and indirect costs of incidents first raised the awareness and eventually led to action. Reduction in incident rates and costs soon followed. Just look how the construction industry measured "safety" 30-40 years ago compared to today.

#### The Parallels Between Injury Prevention and Quality Control

#### **CRAFT INJURY AND REWORK**

Recent research has confirmed that there is a symbiotic relationship between poor quality and safety incidents in construction projects. This research discovered a positive linear relationship between the recordable injury rates per 200,000 workers and the number of worker hours related to rework per \$1 million scope of project completed *(Relationship between Construction Safety and Quality Performance, Abstract,* J. Wanberg, C. Harper, M. Hallowell, S. Rajendran (2013)).

#### CONSISTENT AND MEANINGFUL COMMUNICATION AND ITS ROLE IN REWORK PREVENTION

Construction safety procedures have included toolbox talks as a method of communication, training and overall information sharing for many years. These toolbox talks also serve as opportunities for team building, story sharing and proactively driving safety culture. Quality control communications typically occur in leadership meetings and through procedural documentation, excluding craft workers. Most QC programs do not incorporate communication with — nor training of — craft workers in this manner or at this level. This is like having a great safety program with no weekly safety crew level meetings, no communication to the crews doing the work.

#### SUBCONTRACTOR DEFAULT

Subcontractors default for three primary reasons:

- 1. Lack of labor which leads to an inability to maintain the schedule
- 2. Financial insolvency
- 3. QA/QC problems

Subcontractor default insurance claims are a low frequency and high severity type exposure according to River Steenson, senior vice president, subcontractor default insurance, NFP, a member of multiple AGC chapters. Quality issues generate about 20% of all the cost to cure a subdefault insurance claim. That represents a massive opportunity to reduce the size of a claim by just focusing on each subcontractor's quality on the project site.

## SAFETY AND QUALITY IN CONSTRUCTION CONTRACTS

Safety of persons and property has long been part of the standard American Institute of Architects (AIA) contract. This language requires contractors to take reasonable precautions for safety and to promptly remedy damage and loss. The AIA indicates that quality control is, "an indispensable aspect of construction contracts" (Ensuring Excellence: Quality Control in Construction Contracts, AIA Contract Documents, 2023).

ConsensusDocs uses similar language in its general conditions that are embedded into all of its agreements, which are endorsed by AGC and over 40 other industry organizations. An example would be under the ConsensusDocs 200 Agreement Between the Owner and Constructor and General Terms and Conditions (2023) the following:

3.11.... Constructor shall prevent against injury, loss, or damage to persons or property by taking reasonable steps to protect: (a) its employees and other persons at the Worksite; (b) materials and equipment stored onsite or offsite for use in the Work; and (c) property located at the Worksite and adjacent to work areas.

Training and certification are key components contractors rely on to meet contract requirements. This includes training, certifications and continuous education, generally specific to professional staff. Most trade workers receive on-the-job training, making the sharing of quality information at that level lacking. The question is "How can trade specific, craft level ongoing quality training be completed?"

The challenge is how do contractors implement meaningful (trade-specific) QA/QC training for crews? The answer is simple and proven. Contractually require weekly, trade-specific, quality meetings, immediately following the weekly safety meetings.

#### WILL THE OWNERS PAY

During a recent presentation at a risk management conference, Silas Nigam, president, S+B James Construction, an AGC of California and San Diego Chapter member, was asked, "Will the owners pay?" (referring to the cost of on-site quality staff and additional related quality programs).

"They are not only paying for it," Nigam said, "they are contractually requiring it," much like every major construction project, requiring on-site safety professionals.

The next step in the evaluation process of a contractor's QA/QC program includes more in-depth prequalifying of trade partners and requiring weekly trade-specific quality craft meetings. **COMMERCIAL UNDERWRITING** 

As a co-presenter at the above-reference risk management conference, Travis Davis, senior vice president, Alliant Insurance, a member of multiple AGC chapters, stated, "We're all familiar with the rapidly rising costs of construction claims; recently what is getting the most carrier attention are claims related to quality of work. Top construction underwriters often have authority to adjust liability premiums up to 40% based on a subjective evaluation of each company's commitment to risk management. In my experience, the best path for a contractor to maximize this pricing advantage is to demonstrate a top-down commitment to quality AND a bottom-up training program centered around frequent craft training on quality. This proven formula is exactly what has been successful for

improving jobsite safety over the past several decades."

#### **Recommendations**

- Starting with responses to requests to proposals, general contractors' QA/ QC programs should identify steps to reduce rework with project-specific examples. Embracing the industry problem of rework costs and communicating with the owner what specific action items will be completed to reduce rework will help.
- 2. During the prequalification process of trade partners, have less emphasis on claims defense and more emphasis on prevention of rework. Require project-specific "pre-qualification" plans identifying specific areas of concern with planned controls, rely less on trade partners being "corporate" or third party "prequalified.
- 3. Require contract language requiring trade-partners' inclusion of weekly, trade-specific, craft-level quality training (sharing of lessons learned). As the industry has proven over the

last few decades, improved project safety happens when we measure and share results, communicate clear expectations during pre-construction, have enhanced prequalification processes and engage craft employees.

Owners and contractors both benefit from focused efforts on engaging craft employees in injury prevention and will benefit equally when craft employees are asked to engage in trade-specific quality control. Engaging the people doing the work in project safety and quality control reduces both injuries and rework. A contractor's QA/QC program benefits the budget, the schedule and worksite morale because skilled construction professionals strive to build it right the first time.

Brian Clarke, CSP has more than 35 years of experience in the construction safety/ risk management industry. Clarke is the managing member of GEWllc, a safety consulting company specializing in the construction industry In addition, he is the founder of Quality Safety Times, a subscription service providing trade-specific quality and safety topics to the construction industry.

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## HARD HATS AND HEALTHY MINDS: PROMOTING MENTAL WELLNESS IN CONSTRUCTION

#### **BY JEANIE J. CLAPP**

n an era where technology drives efficiency and precision in construction, it's easy to focus on tools and systems. Yet, at the heart of every project are the people — the workers whose skills, collaboration and resilience make it all possible. The construction industry thrives on human effort, creativity and problem-solving. However, the physical and mental demands of the job can go unnoticed, creating stress that can lead to burnout. Prioritizing mental health wellness is essential, not only for the individuals on-site but for the success of the industry as a whole. After all, the human element is construction's greatest asset.

About 10 years ago, Ed DeAngelis, founder and CEO, EDA Contractors, a General Building Contractors Association and Association Construction Contractors of New Jersey member, recognized that his teams needed tools to allow them to better manage workplace stressors and other emotionally demanding situations. DeAngelis recently sat down with *Constructor* to talk about the importance of mental health in the workplace and what the impact EDA's initiatives are having.

Q: What inspired you to prioritize health and wellness at EDA Contractors, and how has it influenced your leadership approach?

*A*: The construction industry is extremely demanding. Often there is a lot of activity happening on a project site and, at times, this can result in intense physical and emotional stress and strain. About 10 years ago, we began steps to foster emotional intelligence in all workplace interactions.

We realized, as a company, and, more importantly, as human beings working in a collaborative environment, that taking steps to foster calmer work experiences, and taking moments to breathe, were beneficial. It was at that time that we launched a wellness strategy to begin operating with humanity. We started our journey toward building a culture of psychological safety on a foundation of emotional intelligence training. What we found was that the emotional intelligence training paid off financially, with improved productivity and fewer delays and mistakes, but, more importantly, our employees were *happier*, which was our most rewarding outcome.

Q: Can you describe some of the key health and wellness programs that EDA Contractors has implemented for its employees?

*A*: We have provided access to *LifeMatters* for all employees. Through this program, employees can receive six free counseling sessions either virtually or in-person. There are additional resources available such as financial wellness, legal resources, personal and professional development initiatives. We value the emphasis we place on providing all employees with a psychologically safe workspace.

Psychological safety refers to an environment where individuals feel safe expressing themselves without fear of





reprisal or judgment. It's about fostering a culture where every voice is heard, ideas are welcomed and mistakes are viewed as opportunities for growth rather than reasons for punishment. I believe industry leaders, especially in the construction industry, have a responsibility to intentionally focus on physical safety as well as psychological safety to create emotionally healthier and more productive



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workplaces. Providing an environment and nurturing an organizational culture of psychological safety are part of our driving mission to support the health and wellness of our entire team.

The EDA PACT Program is just one of the ways that EDA helps support employees who are struggling with substance abuse and addiction. PACT encourages safe and competent job performance through the identification of inappropriate use of alcohol or drugs. The program provides individuals with the steps needed for entering treatment and ultimately guarantees a return to work upon completion.

The health and well-being of our employees is a top priority. With roughly 15% of its workers battling addiction, the construction industry faces one of the highest rates of substance abuse of any industry in the United States. Currently, 12% of construction workers have an alcohol use disorder compared to 7.5% nationally, and 11.6% of construction workers report illicit drug use, according to a 2024 National Survey on Drug Use conducted by the Substance Abuse and Mental Health Services Administration. We pride ourselves on providing our employees with a psychologically safe workplace, providing our team members with a safe and understanding environment that includes support, resources and understanding for substance abuse issues, without personal judgment or fear of job loss.

#### *Q:* How have health and wellness initiatives impacted the overall well-being and productivity of your workforce?

*A*: We continuously research and institute incentives and programs to inspire and reinforce healthy behaviors. It is within our leadership and organizational culture to make mental health resources and information available. These efforts help address and reduce workplace stressors. We also empower our human resources and corporate culture teams — and our managerial teams — to normalize discussions of mental health and encourage wellness events, such as lunch-and-learns or quarterly

presentations, that focus on topics such as stress management.

Leading by example, encouraging open communication, promoting inclusivity, providing support, recognizing positive behaviors, building trust and fostering a learning culture are all ways business leaders can establish a workplace where psychological safety thrives.

We prioritize psychological safety not only for the betterment of our employees, but for the overall success and resilience of our organization. Employees can share innovative ideas, challenge the status quo and contribute to discussions without fear of criticism. The result of this kind of work culture is reduced stress and burnout, higher retention of employees and enhanced performance and productivity. We emphasize to our team leaders to be active listeners who build trust and collaboration. It's important that our managers lead with vulnerability, allowing our employees to know it is OK for them to feel vulnerable too. We don't tell our employees that they feel psychologically safe; they tell us, and we listen.

#### Q: How do you integrate health and wellness practices with safety protocols on your construction sites?

*A*: Our safety team is structured with safety coordinators who are responsible for overseeing the individual regions where we work. Their jobs include observing jobsites, conducting safety inspections and helping ensure our employees return home safely each night.

By structuring our safety department this way, our employees can form a relationship with the safety professionals in their region and have one reliable point of contact for all safety-related questions and concerns. For us, safety is engrained in everything we do - comprehensive safety plan, regular training for everything from fall protection to machinery operation, ensuring all workers wear appropriate PPE, and of course, regular risk assessments and safety inspections. Our people matter more than anything else; their physical and psychological safety is paramount to everything we do.

Q: What challenges have you encountered in promoting health and wellness in the construction industry, and how have you addressed them?

*A:* There is a stigma associated with mental health and addiction issues, and in the construction industry, there can be shame and fear associated with individuals looking to seek help and understanding. No one wants to appear weak. There is also a fear of negative consequences and a general reluctance to accept supportive resources for mental health and emotional care. What can be done in the construction industry is to improve our mental health awareness resources and workforce training so that the construction industry is more proactive with education, training and support.

#### Q: What are your future plans for expanding or enhancing health and wellness initiatives at EDA Contractors?

*A*: We will continue to be an organization on the endless journey of supporting psychological safety in the workplace. We feel we have a responsibility to intentionally focus on physical safety, but also on psychological safety to create safer, healthier and more productive workplaces to benefit our employees and the communities we serve.

#### Q: What advice would you give to other construction industry leaders who are looking to improve health and wellness in their organizations?

*A:* For starters, as a business leader, or member of a leadership team, you can make a big difference in the mental health support your workforce experiences simply by recognizing the need to do so! You can research and implement incentives and programs to inspire and reinforce healthy behaviors. It is within your leadership scope to make mental health resources and information available. You can create opportunities to reduce workplace stressors, such as creating a meditation room or other quiet spaces to help employees reduce anxiety.

You can empower your human resources team and your managerial team to normalize discussions of mental health and encourage wellness events, such as lunch-and-learns or quarterly presentations, that focus on topics such as stress management strategies. Most importantly, you can accept the challenge to be a mental health advocate – and embrace the opportunity. We in the construction industry know that our workers face some of the greatest challenges of any workforce, with stressful environments, tight deadlines and high-pressure situations contributing to demands on mental health and personal safety. We're aware our workers may spend extended periods working away from family and friends, contributing to feelings of isolation and despair, which impact mental health and personal safety. The stigma and shame that all too often accompany the discussion of substance abuse and suicide rates impacting the construction industry need to end. Our workers deserve the support, training and resources available to ensure safety, productivity, and success both at home and at the jobsite.

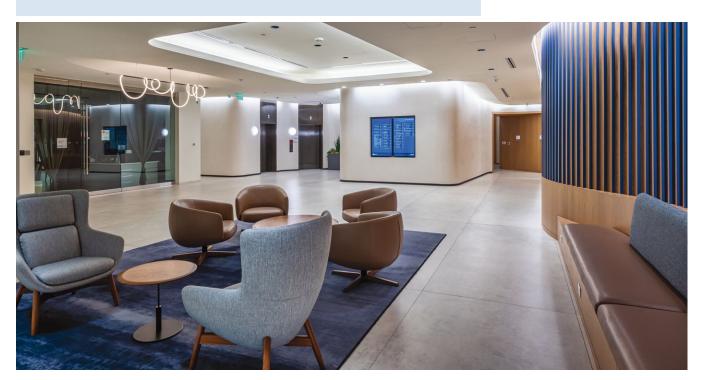
We must work harder to improve the mental health of our workforce. Currently, I see no greater calling for leaders in the industry than to ask ... What can we do?

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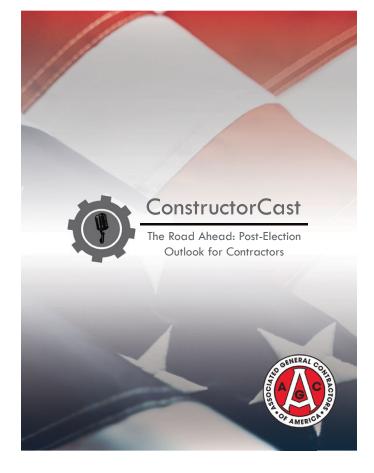
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In this episode of ConstructorCast, host and General Counsel for AGC, Leah Pilconis is joined by Chief Economist Ken Simonson and Vice President of Government Affairs Alex Etchen to unpack the results of the recent election and what they mean for the construction industry. From workforce challenges and regulatory shifts to infrastructure investment and tax policy changes, our experts provide key insights to help contractors prepare for the opportunities and challenges ahead.

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