



THE PAVEMENT NETWORK

FALL 2025 NEWSLETTER



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PAVEMENT NETWORK MEMBERS:

It has been another interesting year for the paving business here in St. Louis. After a spring and early summer filled with record rainfall (rain days), followed by a mid and late summer drought, we are looking forward to a strong fall to close out the year. On top of the weather challenges, this year has also brought more internal challenges (aka screw ups) than previous years.

As we close out 2025 and begin to look towards 2026, I would like to challenge each of you to think about what benefit you get from The Pavement Network, and more importantly, what you give back. Personally, I view the PN as a best practice sharing group. In my 8 years I have learned a ton from fellow members. In return, I do my best to ensure our company shares our experiences and knowledge. For us, that means being present: We strive to participate in quarterly Zoom calls for all 5 groups, attend the annual meeting, reply to member email requests, and even serve on the Board (when someone twists our arm 😊).

The PN is a two-way street. The more you contribute, the more value you will gain. It is not a spectator sport. For each of us to grow and learn from each other, we need active participation and contributions from all levels of our businesses. If you can't make a quarterly call, emailing the group leader your company's update is always appreciated.


Here's to a successful end to 2025 for all of us. I look forward to seeing every company represented on the upcoming November Zoom calls and at the January meeting in Jamaica!

Jeff Gau, **Network President**

St. Louis Paving

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FOCUS IS PAYING OFF FOR US IN 2025.

Over the winter we narrowed our aim to bullseye customers and wheelhouse projects. And stopped chasing work that looks impressive but doesn't fit who we are. Last year we took on several larger, longer-duration jobs. We won some of them, but they were intrinsically more competitive, required a different level of oversight, and had margins capped from the start. We learned that lesson the expensive way. This year we've stayed in our wheelhouse, and it shows—revenue is up, gross margin percentage is up, and the day-to-day stress level across the organization is down. Saying “no” can feel uncomfortable in the moment, but exercising that discipline has been good for the P&L and good for people.

Focus isn't just project selection; it's who we serve. Analysis of our data keeps pointing in the same direction, that we need to double down on the key areas of sales. Utility restoration, public-sector work through the TIPS cooperative, and right-of-way restorations are where we consistently win and where our dollars per hour are strongest.

We have plenty of ways to slice the numbers—by account manager, segment, customer—and the picture stays consistent. That same lens helps us cut distractions. A good example is the Alta Vista lead-gen program, which we added in April of last year. The first year was excellent—over \$1M sold. This year, it's tracking around \$200k. We're evaluating fees not only for this specific method, but for each channel and asking whether it earns its keep. If it doesn't, we'll redeploy time and money to what repeatedly converts.

That clarity shows up operationally. When we don't clog the pipeline with misfit jobs, schedules run cleaner, emergencies drop, and closeouts are more predictable. Small choices compound. Declining the wrong work creates room for the right work and the right customers, and our teams feel that difference in the field.

AI is another theme that's exploding onto the scene in our organization. More people are using it every month, often in very practical ways: faster first drafts, tighter customer communication, cleaner admin. This very newsletter started with an AI interview to get from blank page to usable first draft very quickly. The next step is structured. We're likely bringing in an AI consultant to run targeted Boot Camps for specific people. The 2026 plan will expand on this and we'll endeavor to rebuild some of our core systems—bids, scheduling, billing, accounting—so AI is part of the architecture rather than a bolt-on. We'll move in stages, and we'll measure outcomes. The bar is simple: real time back, fewer errors, better throughput.

All of this ladders into our 2030 plan. We've had a revenue target in view since the start of the decade. From where we sit today, we need roughly 50% growth to get there. We will do it the right way: profitable, stable, culture intact, people thriving. I've reminded our reps multiple times that sales sets the tone for the entire company. If we bring in good-fit, good-margin work from partner customers, everything downstream runs better. If we stretch for razor-thin bids with high-friction customers just to hit a number, everyone pays for it—operations, accounting, and morale. That's not the plan. I like to sleep at night.

Practically, here's where we're putting focus. We expanding the number of trade shows next year, possibly as many as 15-20. We'll deepen public-sector

relationships under the TIPS cooperative and expand the number of agencies that already understand and buy our work. And we're taking on a new BHAG: a permit-mining pipeline that surfaces every right-of-way permit where pavement is disturbed in our three primary counties. This is no small endeavor, but earlier awareness will lead to earlier conversations, better fit, and better margin. We want our team alerted, not hunting blind or reacting after the competitor already has won the work.

The throughline is simple: protect focus, invest where the data proves return, standardize the small wins, and rebuild the big systems on purpose. The discipline to pass on the wrong work is creating capacity for the right work. The discipline to measure and adjust is steering resources to the segments that win. And the discipline to modernize our systems—at a measured pace with clear targets—will give us the throughput we need to grow without grinding down the culture.

There are exciting things on the horizon for Pavement Network, as we are eagerly attempting to add new members in the next year or two. Our team looks forward to seeing you all in Jamaica!

Tom Merry, **Network Sales Lead**
Rainier Asphalt & Concrete
rainierasphalt.com





I DON'T KNOW IF I SPEAK FOR EVERYONE IN THE GROUP IN WONDERING WHERE THE YEAR HAS GONE TO THIS POINT, BUT IT'S HARD TO BELIEVE FALL IS HERE!

While the Fall weather may be taking its time showing up (at least in the Mid-South and Southeast), it's been great welcoming Football back here in SEC country along with school being back in session and wrapping up an extremely busy Q3.

At Wright Construction, we experienced a very busy quarter over the last few months which brought along a lot of successes and experiences to learn from. We've navigated our way through some complex projects, safety wins and safety losses, and have continued to grow in each of our markets with exciting new hires and new opportunities. We've additionally moved into our new Memphis office and are excited to be back in our own space after a year in a temporary location.

ADMIN GROUP DISCUSSIONS AT-A-GLANCE

As an Admin Group, we've discussed several trends this year such as employee retention, multiple safety topics including Fleet Safety and relevant tools and solutions to improve those processes, and relevant KPIs that Network Companies have found useful in running their businesses. We've shared several wins and losses on the software provider front with items such as auto safety, Corporate Credit Cards, and Accounts Payable solutions and it seems each company continues to evaluate what the best solutions are for them out there. One item that has been outside of the ordinary that we've all dealt with is the impact of increased attention by ICE to job sites and other locations and easing employee tensions around that and I anticipate that will continue through the end of the year.

LOOKING AHEAD TO Q4

Looking ahead to Q4, there will be a lot of focus on Employee Benefits in the way of Open Enrollment in our companies. As Dusty noted in last year's Fall Newsletter, it's hard to overstate the impact that a robust and competitive set of Employee Benefits can have both on employee retention, but also in recruiting new employees. As we're all evaluating the benefit packages we're offering to our employees, this is a great thing to keep in mind especially in a tighter labor market that we're in right now.

Of course, Safety is always a top priority and that's not going anywhere as we all work to finish the year strong. We'll all continue to have laser focus on this to make sure that everyone finishes the year by doing things the right way in the best interest of all of our employees and their families.

On the finance side, there will be a strong focus on budgeting and preparing for 2026, while making sure that items such as Accounts Receivable and Accounts Payable are tidied up heading into the end of the year.

**I WISH EVERYONE A GREAT Q4 AND AM
LOOKING FORWARD TO SEEING YOU ALL IN
JAMACIA IN EARLY 2026!**

Marcus Mallory, **Network Admin Lead**
Wright Construction Company
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JOSH – PN FLEET LEAD, RAINIER CONCRETE & ASPHALT

Josh Wehrman, based in North Bend, WA, has been with Rainier Asphalt for 8 years. His work as Fleet Manager and lead mechanic has given him the opportunity to fine tune the skill of rolling with the punches of emerging needs while maintaining an adaptable plan. He hopes to bring this style of work and energy in his new role as Fleet Lead for Pavement Network. He is excited to continue to foster an open, frank communication style that leaves room for adapting to the needs of the participants.

He would like to thank Houston for his previous work building a productive, positive culture and his continued help and support within this group.



Josh Wehrman, **Network Fleet Lead**
Rainier Asphalt & Concrete
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We're pleased to share that SealMaster will be joining us as a sponsor at the Pavement Network Annual Meeting this January in Jamaica. Their team will also participate in the Operations Meeting, where they'll share insights on materials, maintenance, and best practices across the industry. We look forward to having them with us.



Tyler Cianciulli, **Network Ops Lead**
Atlas Asphalt
tyler@atlasasphalt.com



SEE YOU IN JAMAICA, MON!

January 28-29, 2026 | Dreams Rose Hall Resort & Spa, Montego Bay, Jamaica

We're looking forward to another exceptional event with you for the 2026 Annual Meeting. If you have any questions, please contact Aryn at info@pavementnetwork.com.

Please book your hotel accommodations and register for the event as early as possible, as **we cannot guarantee room availability after the cut off date of November 14, 2025.**

1

Complete the Registration Form

(this is critical for planning the PN events)

2

Book your accommodations using this link

3

Book your flights however makes you happy

QUICK SCHEDULE OVERVIEW

Wednesday 1/28/26

- Owner Meeting
- Administrator Meeting
- Fleet Meeting
- Cocktail Hour + Dinner in the Evening

Thursday 1/29/26

- Sales Meeting
- Ops Meeting
- Cocktail Hour + Dinner in the Evening

Friday 1/30/26

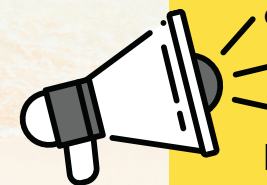
- Possible excursion (for fun!) depending on interest/budget

CNBA MEMBERS:

The CNBA Shareholder Meeting will now be held prior to the Pavement Network meetings on Tuesday, 1/27/26 in the afternoon/evening.

PASSPORT NOTE

Confirm that your passport is up-to-date and will not expire **before July 2026.**



... and that it hasn't been eaten by your dog!

No-Drama Safety That Lowers Premiums: What to Track and How to Use It

Safety gets complicated when it turns into paperwork. It gets effective when crews fix small hazards fast and supervisors show up in the field. Carriers and brokers believe what they can see: simple leading indicators that move every week, proof of fixes, and supervisors who are present. Here is a plain, workable system you can run without adding headcount—and it will help on renewals.

The Five Indicators That Matter

Near-Miss Quality

Aim for 2–3 real near-misses per crew each month. Each says what happened, what could have, and the fix. Example: “Backer truck nearly clipped a spotter at dawn; added two cones and a light, moved spotter outside swing.”

Supervisor Field Audit

Five-minute visit by a supervisor not on that crew. Check PPE, traffic control, equipment condition, and that a pre-task brief (PTB) is done. Record one observation and one fix, or note what was good. Proves supervisors are present.

Subcontractors

Before start, give a short packet (scope, site rules, hot work, traffic control, who can stop work) and get insurance on file. Foreman asks: “What’s your plan for traffic and spotters today?” If they can’t answer, pause until they can.

Pre-Task Briefs

One page each morning with the two biggest risks and the controls; everyone signs. Keep it with the daily. If the task changes, add a line.

Corrective Action Speed

Track hours from hazard found to fixed. Example: soft trench edge at 9:00 a.m., fixed by lunch. Fast closure prevents injuries and shows control to underwriters.

Run a 15-minute Friday Huddle

Open a one-page board with the five items. Review this week's near-misses and audits. Pick one fix for next week—add a lighting kit to Truck 12, update the PTB for night work, etc. Confirm last week's fix happened. Thank crews by name for good catches. Recognition is free and it makes participation stick.

Who Owns What

Operations manager runs the huddle. Superintendents rotate two audits each week. Foremen complete PTBs, log near-misses, and close hazards. A project admin or safety coordinator keeps the one-pager current and sends the monthly broker packet.

Field Tools

PTB half-page cards in clipboards. A near-miss card or simple phone form—event, potential, fix. Photo rule: wide for context, close for the fix. A “visibility kit” on each truck: cones, light, extra vest, tape.

One Week in Practice

Monday night paving: audit notes poor lighting at pickup. Tuesday: add two battery lights and move the spotter position. Wednesday: near-miss—roller backing toward a curb on a tight turn; add a second spotter only for backing moves. Friday huddle: verify both with photos; next week's improvement is a lighting checklist on every night PTB.

What to Send the Broker

Ask your binder and cement suppliers two questions: do they have product-specific EPDs, and can they share the big drivers that lower your number? For aggregates, ask for typical moisture and average shipping distance. Put these answers in a simple memo and store it with your estimating templates.

Keep it short and useful—2–3 pages, sent by the 5th business day. Include only:

- Indicator table (1 page): five items with target vs. actual and red/yellow/green dots.
- Photo proof (1 page): two examples with a 2-line caption: found → fix → date, plus job name.
- Audit + training snapshot (½ page): who audited, where, one corrected item; training topic/date/headcount; list subs onboarded.
- Next-month plan (½ page): one improvement, owner, due date.

Privacy: no medical details; use roles/titles instead of full names; spell out acronyms once. That's it—simple, visual, believable.

Keep safety simple and fast. Crews will participate, jobs run cleaner, and renewal meetings go better because you have proof.

Rent, Lease, or Buy Before Winter:

Make the Call With Cost and Uptime

Winter slows down. Cash matters. So does reliability. Here is a plain way to decide whether to rent, lease, or buy a paver, roller, or truck when the calendar gets cold.

Start with four numbers

- 1 How many hours you expect to use it in the next 90 days.
- 2 Your current cost per hour for that type of unit (payment or depreciation, maintenance, and fuel).
- 3 Uptime risk: recent fault codes, repeat failures, and parts lead times.
- 4 Exit value: what it would sell for today versus spring.

When to Rent

If hours are unsure, if the work is a short spike, or if the unit you have is shaky, rent. Push for swap rights if the scope shifts, and for a loaner if downtime goes past 48 hours. Watch overage hour fees and delivery charges.

When to Lease

If you have a steady winter program with predictable hours and low risk, lease. Get the buyout math in writing. Make sure transport, insurance, and damage terms are clear. A lease should not turn into a surprise bill at turn-in.

When to Buy

Buy if the cost per hour beats rent and lease, resale is strong, and a rebuild will not recover uptime. Selling a clean unit in the fall can also make sense if prices are high and you can cover winter with rent.

Common Gotchas

Do not ignore small line items. Delivery, damage, shop supplies, and diagnostic fees add up. Do not accept long dealer downtime as normal. Agree upfront on parts response and a loaner plan.

A Simple Calendar

Sell units that carry the best prices in fall. Schedule major rebuilds for mid-winter when work is light. Lock rentals for December through February with options. Review cost per hour once a month and adjust.

Quick Examples


- **Truck:** two months of salt hauling at 120 hours. Rent with swap rights.
- **Paver:** steady winter interior program, good resale next year. Lease with a clear buyout.
- **Roller:** old unit with repeat vibration faults and long parts lead time. Buy a replacement or rebuild now—do not gamble on uptime.

Bottom line: Pick the option that protects uptime at the lowest real cost per hour.

Write the decision down so you can explain it later.

The 80/20 Project Management Toolkit:

What PMs Must Do to Protect Margins



Project managers carry a lot of noise—emails, calendars, and people pulling at them. Most of the profit protection comes from a short list of habits. Train these, give simple tools, and keep a tight weekly rhythm.

- 1. Price change orders fast** - When something changes, get a change order (CO) ticket signed in the field. Within 48 hours, turn it into a price with labor, equipment, material, subcontractors (subs), overhead, and schedule impact. Do not let time and materials (T&M) sit for weeks. If the owner hesitates, send the price and ask for written direction.
- 2. Read the risky clauses** - Before work starts, look at four items: indemnity, weather relief, liquidated damages (LDs), and pay-when-paid. If indemnity is unlimited, if there is no weather relief, if LDs are uncapped, or if payment has no time limit, escalate it. Get help from the office to request edits. Better to fix it now than fight later.
- 3. Build a simple schedule you believe** - Lay out the critical tasks, access windows, weather limits, and owner dependencies. Update weekly. When a delay hits, show it on the schedule and ask for an extension in writing the same day. A clean schedule is a shield when someone points fingers.
- 4. Look eight weeks ahead on cash** - Keep a table by week: expected bills and receipts versus payroll, subs, and materials. If a gap shows up, plan a fix—pull a progress bill forward, slow a delivery, or push a CO to approval. Share the table in the Monday meeting so everyone sees it.

Tools that Help

- **One-page CO calculator:** plug in labor, equipment, materials, subs, overhead, and schedule impact; it totals price and markups automatically. Keep a printed copy in clipboards and the same sheet in your app.
- **Contract red-flag sheet:** one page listing risky clauses (indemnity, weather relief, LDs, pay-when-paid) with the minimum edits to request. Lives in every kickoff folder.
- **Two-step schedule template + weather calendar:** page one lists critical tasks and access windows; page two holds weather limits and owner constraints. Update weekly so everyone sees what moved.
- **Cash lookahead tied to work-in-progress (WIP):** a week-by-week table of bills and receipts versus payroll, subs, and materials, with an automatic red flag if a gap appears. None of this needs to be fancy—PDFs work, spreadsheets work. Pick one format and use it every time.

Weekly Rhythm

Kick off with two short trainings: one on CO pricing (role-play a real change) and one on schedule logic (build a simple network for a current job). After that, run a 30-minute clinic once a month. Attendees: PMs, a superintendent, and an accounting rep. Review one live CO (is it priced and sent), one schedule (what slipped and what relief was requested), and one cash lookahead (any red weeks). Capture one improvement, assign an owner and due date, and close last month's item before you leave.

Bottom Line

Keep PM work simple and focused on money, time, and risk. Do the few things that matter and do them every week. When COs are priced fast, schedules are believable, and cash is visible eight weeks out, disputes drop, pay comes sooner, and crews get clearer instructions. That's the kind of boring that protects margins.

What to Stop

Long meetings without decisions—end every review with an owner and a date. Vague notes that no one owns—write names next to tasks, not teams. Letting T&M drift unpriced—convert to a CO within 48 hours or pause the extra work. Updating schedules without asking for relief—if the critical path moved, send the extension request with the update. These habits burn time and cash; kill them.

Winter Work That Pays

Winter does not have to be a layoff season. The trick is to sell small, clear scopes that your crews can knock out in a day or two. Keep the paperwork simple, price the cold weather honestly, and bill the same week.

What to sell

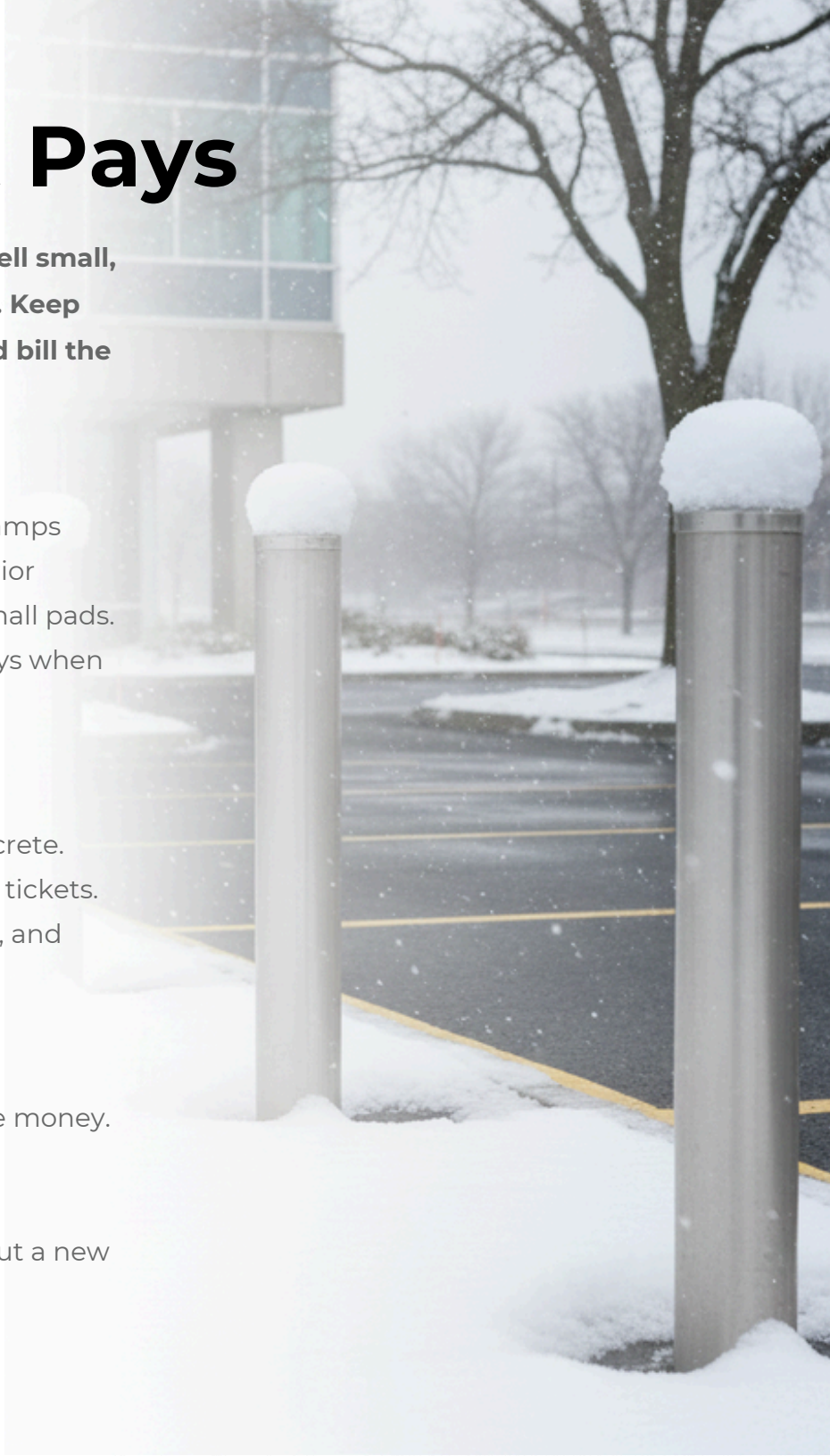
Patching programs for owners with lots of small holes. ADA ramps and short sidewalk runs. Small drainage fixes and tie-ins. Interior flatwork under tents or in shops. Bollards, wheel stops, and small pads. Shop floor trench repairs. Seal and crack work on shoulder days when temps allow.

How to prep the crew

Build a “rapid” crew that can handle a mix of asphalt and concrete. Cross-train one lead to run layout, one to manage photos and tickets. Stage a winter kit: tents, heaters, blankets, lights, cords, cones, and signs. Keep it on a small trailer you can hook and go.

How to price

Use unit rates with a minimum charge so small jobs still make money. Add a winter factor for heat, blankets, and downtime. For big campuses and retail centers, sell a monthly bucket with a not-to-exceed price. That lets the customer call in work without a new PO every time.



Quality rules that avoid callbacks

Check temperature and cure limits before you leave the yard. For ADA, verify slopes and landings with a simple digital level and take photos. For interior work, plan for vapor and dust control and coordinate with the facility so forklifts and people stay clear. For patching, require a before and after photo with a tape or cone for scale.

Scheduling that works

Run a whiteboard with three columns: ready, scheduled, done. Owners like concrete dates. Crews like seeing the list shrink. Lock inspection times early if ramps or sidewalks need sign-off. If weather turns, swap to indoor jobs instead of sending everyone home.

Billing fast

Every job gets a signed ticket and a photo set the same day. Someone in the office prices it the next morning and sends the invoice that afternoon. Repeat. The goal is to turn work into cash within 7 days.

Bottom line

Pick simple work. Set a small crew up to move fast. Price winter honestly and bill quickly. Winter can be steady and profitable if you run this play.

A quick example

On Monday, the rapid crew installs two ramps at a school using heat blankets. They patch five holes at the bus loop and set two bollards. Photos go in the job folder.

Tuesday morning, the office sends the invoice with photos.

By Friday, the payment is approved because everything is clear.

Change is a Good Thing

DEAR MEMBERS OF OUR PAVEMENT NETWORK,

The leaves are changing colors in our Utah mountains which means our asphalt season is about to change with cooler weather around the corner. Our northern seal coat season has one week left until shut down (luckily our Arizona division can seal until November), and our slurry seal crews will follow shortly thereafter. Our paving, like most of your operations, will go all the way into the Thanksgiving Season.

As we are seeing changes in our asphalt seasons, so also, we have seen changes in our beloved Pavement Network this year. Most all things in life change, and very little ever stays the same. I am grateful to you all with your patience and steadfastness as these changes have occurred. As a Board, we have met many times this past year to navigate new thoughts and means to accommodate our Network's challenges. You as members have kept the faith of our larger purposes and have responded to change with accommodating belief in our PN. Thank you for being present with your ideas and votes and thank you for looking forward to what I believe will be a great future of sharing and helping within our member network.

I sincerely look forward to our winter gathering in January,

Dean Garrett, **Past President of the PN**
Morgan Industries

dgarrett@morganpavement.com



QUARTER 4 MEETINGS

Please contact your network lead if you're unable to attend.

- Owners** Tuesday, November 4 | 1pm PST/10am EST
- Ops** Tuesday, November 11 | 1pm PST/10am EST
- Sales** Thursday, November 13 | 1pm PST/10am EST
- Admin** Tuesday, November 18 | 1pm PST/10am EST
- Fleet** Tuesday, November 25 | 1pm PST/10am EST

Q3 MEETING NOTES

Owners

Operations

Sales

Admin

Fleet

MEMBER PORTAL

We're consistently updating our Member Portal on the Pavement Network's website. This has information like presentations from past annual meetings, quarterly meeting notes, member contact info, and more.

Need access? Email: info@pavementnetwork.com