



# Annual Report | 2015



CONSTRUCTION



INDUSTRIAL



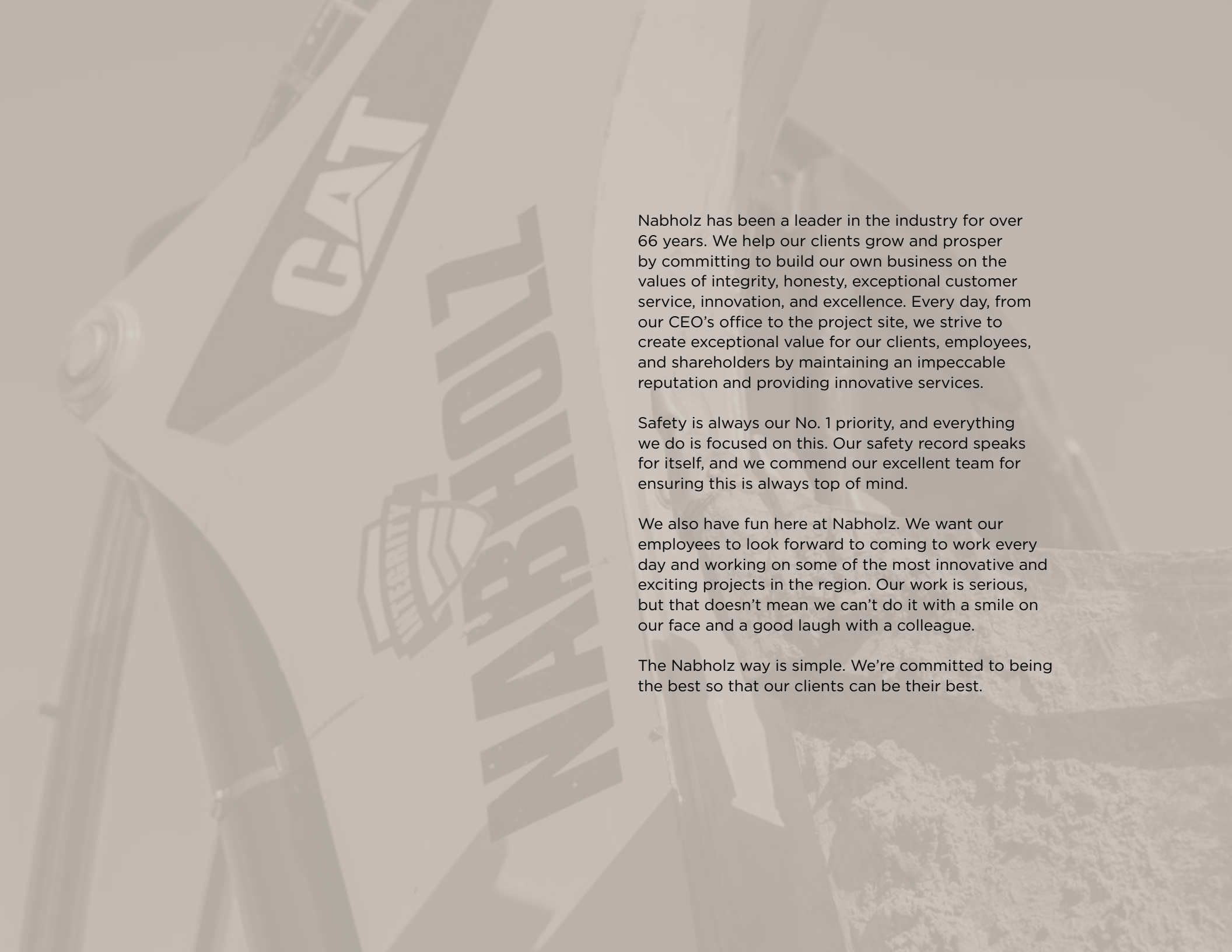
CIVIL



ENVIRONMENTAL



SPECIALTY  
SERVICES



Nabholz has been a leader in the industry for over 66 years. We help our clients grow and prosper by committing to build our own business on the values of integrity, honesty, exceptional customer service, innovation, and excellence. Every day, from our CEO's office to the project site, we strive to create exceptional value for our clients, employees, and shareholders by maintaining an impeccable reputation and providing innovative services.

Safety is always our No. 1 priority, and everything we do is focused on this. Our safety record speaks for itself, and we commend our excellent team for ensuring this is always top of mind.

We also have fun here at Nabholz. We want our employees to look forward to coming to work every day and working on some of the most innovative and exciting projects in the region. Our work is serious, but that doesn't mean we can't do it with a smile on our face and a good laugh with a colleague.

The Nabholz way is simple. We're committed to being the best so that our clients can be their best.

# Our Purpose

## Growing Our People

Providing gainful, stable employment; developing skills and abilities; promoting from within; and improving wellness and individual well-being.

## Serving Our Clients

Helping our clients, and each other, thrive and achieve our purposes; providing customer service unmatched in the industry.

## Building Our Communities

Sharing our blessings by giving our time, talent, and treasure; improving the cities and towns we live in and the lives of our neighbors.

## It's the Nabholz Way

We do these things with integrity and pride, remembering our heritage and maintaining the family environment we all value.

# Our Values

## Safety

It's our #1 value. The health, well-being, and safety of our employees and their families supersede all else.

## Service

Serving our clients, communities, and each other with value, quality, and innovation is the cornerstone of our existence.

## Teamwork

Pulling together and sacrificing individual needs for the greater benefit of our clients and company is our core belief.

## Integrity

Honesty, trust, and the highest ethical standards are the foundation of our professional and personal relationships.

## People

Our people are our most valuable asset. Their expertise, attitude, and commitment drive our success and reputation.

## Fun

We don't do boring. Our hard work is tempered with fun in the workplace for our employees, clients, and business partners.

# Our Core Services

## CONSTRUCTION



Preconstruction, Construction Management, General Contracting, & Design Build

## INDUSTRIAL



Machinery Alignment, Installations & Relocation, Rigging, Plant Maintenance, Metal Fabrication & Machining

## CIVIL



Excavation, Site Preparation, Utility & Drainage Installation, Road & Highway Construction

## ENVIRONMENTAL



NEPA Assessments, Remediation Services, Asbestos Solutions & Consulting

## SPECIALTY SERVICES



Renovations, Tenant Finish-outs, Facility Maintenance & Management, Emergency Response & Repairs & More

Growing our people, serving our clients, and building our communities...was truly the Nabholz way in 2015, a year marked by growth. We saw increases in our revenue, in the number of Nabholz employees, and in market sector growth. As we grow, we continue to make every decision with integrity as our ultimate guide and standard.

## Growing Our People

In 2015, we put additional emphasis on growing our people and developing their skills—and doing it the Nabholz way. This effort is critical to provide the best service and quality to our clients and maintain our reputation of integrity. Taking this into consideration, our Northwest Arkansas office implemented both a Superintendent Development Program, and in conjunction with the South Central operation, a Carpentry Apprenticeship Program. This continues a long tradition of in-house education dating back to when the company founded Nabholz University in 1973.



We've improved the package we offer our craftspeople by expanding their vacation benefits. These initiatives help address the growing skills gap and labor shortage. By maintaining our reputation as a company that invests in its employees, we will retain and recruit the best craftspeople.

Nabholz continues to invest in its employees by doing everything we can to achieve our goal of completing a year with zero incidents. We're happy to report that 17 of our operation groups were incident free in 2015! Nabholz achieved an incident rate 71% below industry average, but we're still focused on improving. As we move forward in 2016, we will continue to find ways to better our safety record, as it is our duty to assure everyone goes home safely to their families at the end of each day.

With an eye on improving services for our clients, we added several new faces to the Nabholz team. Cassie Reese serves as VP of Client Relations in Oklahoma. Chris Wright was hired as Director of Virtual Design, this position will serve all locations by implementing new, strategic preconstruction practices throughout the company.



# Serving Our Clients

We were honored to serve a diverse range of clients, performing projects that impacted their communities in truly meaningful ways. In Central Arkansas, the new CARTI Cancer Center is raising the bar by providing an elevated standard of care for patients. In Northwest Arkansas, the state-of-the-art Scott Family Amazeum offers valuable hands-on learning experiences for children and families throughout the region. In Northeast Arkansas, St. Bernards Villa provides a higher level of assisted living, along with highly specialized memory care, for seniors. Moving west to Oklahoma, students at the new Crooked Oak High School in Oklahoma City and Bartlesville High School now have safer, more modern learning environments. Likewise, the Lawrence College and Career Center in Kansas provides high school students with valuable hands-on training and education to open the door for a rewarding, in-demand career. On top of all that, we've made roadways safer, installed a massive and priceless work of art, removed asbestos and mold, and preserved historic buildings. These are just a few of the many ways we've served our clients with quality and integrity, building our communities project by project.

This year, we implemented a new customer satisfaction tool to better enable clients to communicate how we're doing and measure in a quantifiable way how well we are meeting their expectations. The response was overwhelmingly positive. Our Net Promoter Score (NPS) is 84, a significantly higher score than some of the most trusted names in business. However, the feedback we get from customers goes far beyond a simple number. Many clients personally reach out to Nabholz to applaud our great craftspeople and superintendents. And time after time, clients choose Nabholz for repeat work and additional projects—all due to the consistently solid, precise work and customer service provided by our dedicated team members.

“Could not have asked for better customer service.”

Terry Ridenour,  
Oklahoma Blood Institute

Craig Harris  
Project Manager



# Building Our Communities

Our communities trust us to handle some of their most important projects. From building new hospitals, schools, and roads, to keeping centers of production running, to making sure buildings are safe from environmental hazards—it's an honor to work for our community partners. We see it as our corporate responsibility to give back to these communities by sharing our blessings. We give our time, talent, and treasure to improve the cities and towns we live in and the lives of our neighbors.

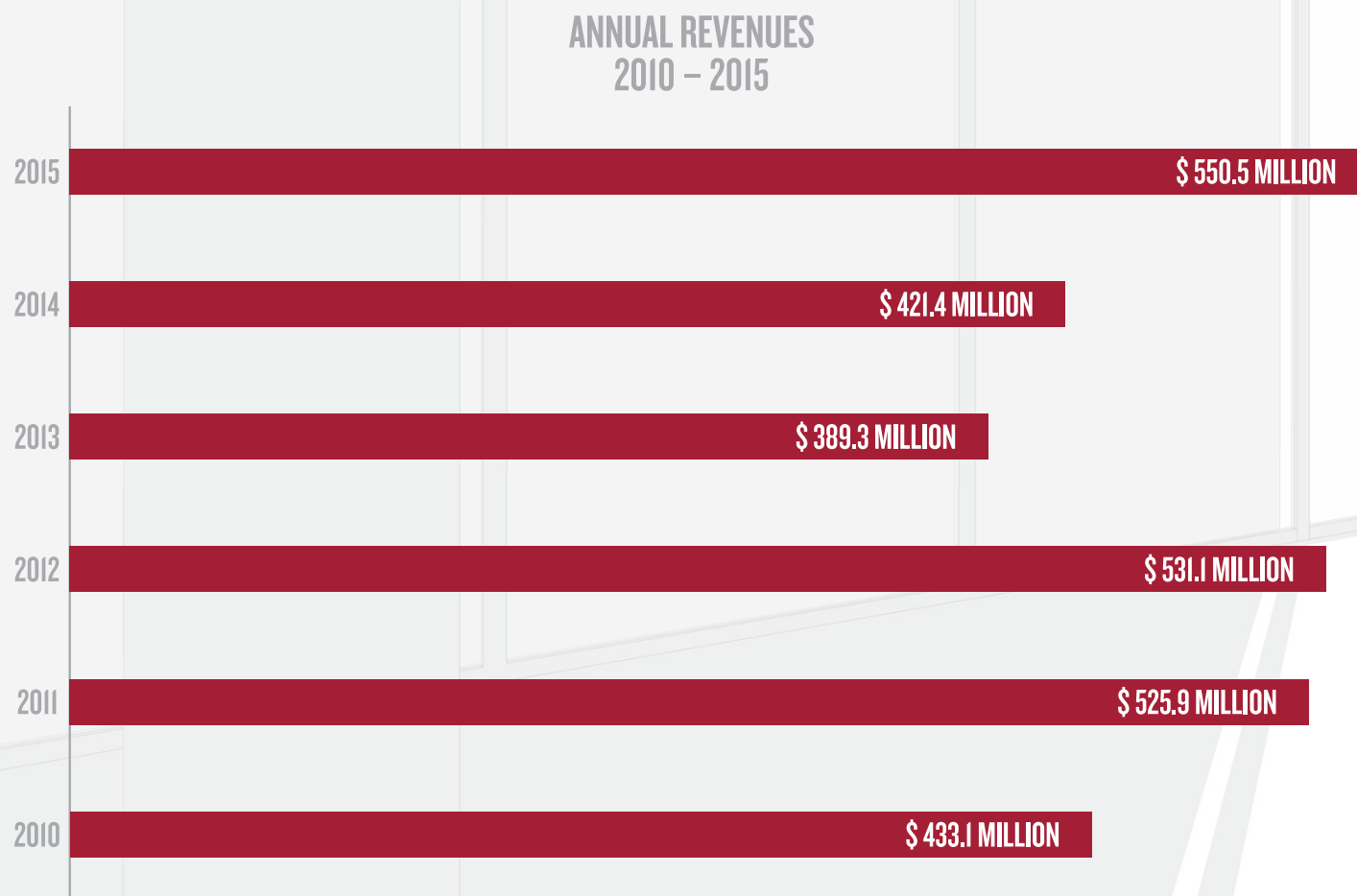




# Financial Growth

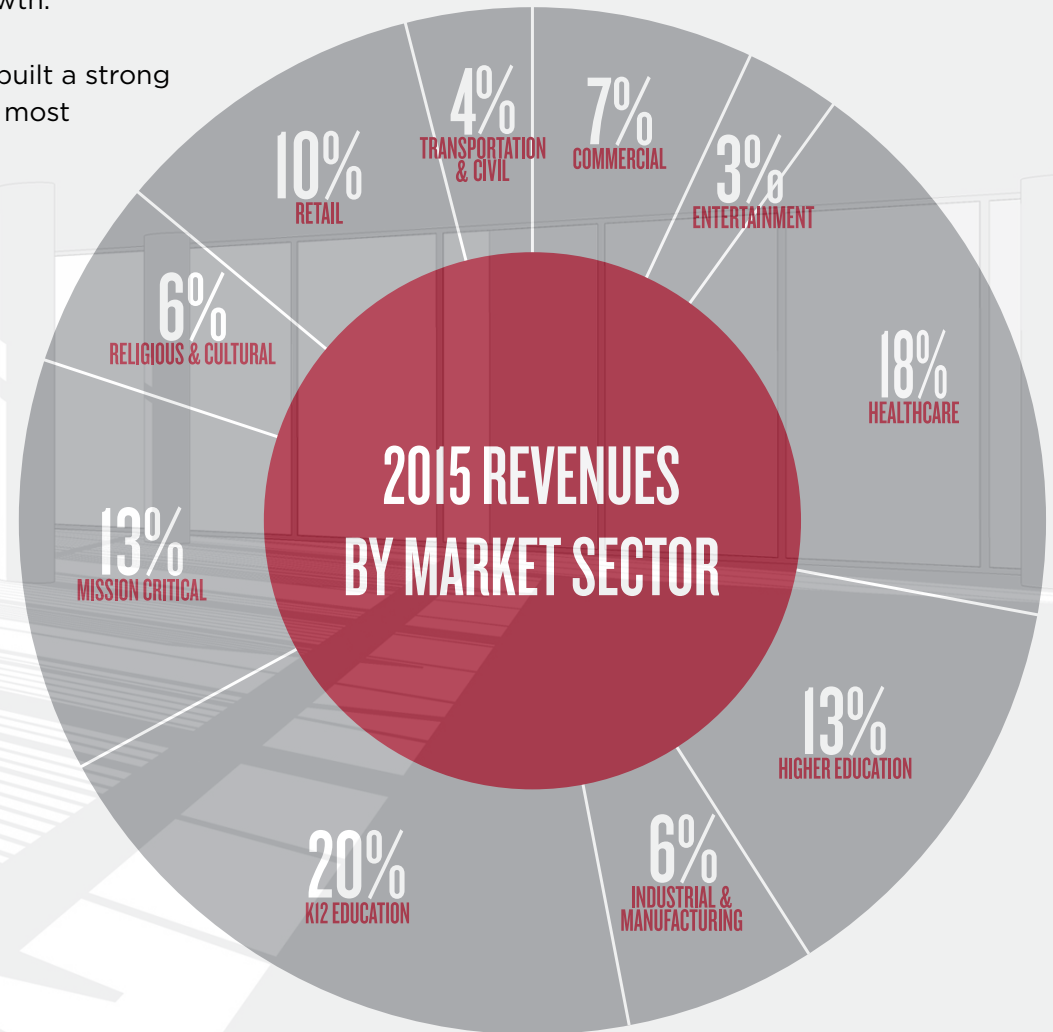
We saw our highest revenues ever in 2015 - \$550.5 million, a 31% increase from 2014. In 2015, Nabholz teams performed over 6,000 projects in 30 states, ranging from \$100 service calls to multi-million dollar contracts.

Much of this growth can be attributed to a 36% increase in revenue by our construction group. Other key factors were 47% and 33% increases in revenue by our Civil and Environmental groups, respectively. Industrial and specialty services revenue remained strong and steady, with little change from 2014.



Substantial growth in significant market sectors also contributed to increased revenues in 2015. Most saw considerable gains in revenue from 2014, including Healthcare (+41%) and Higher Education (+54%). Others, like Telecom, stayed flat and only one key market, Industrial & Manufacturing, decreased but still carries 6% of the company's overall revenues. Serving a diverse group of clients in a range of market sectors continues to be an asset for Nabholz, facilitating safe, sustainable growth.

We expect this growth to continue in 2016. Nabholz has built a strong backlog, and we continue to be selected for some of the most notable and ground-breaking projects in our region.



“Everyone is very friendly and helpful. They keep you apprised of the progress and truly want the customer to be satisfied. Nabholz is committed to their customers!”

Keith Baker, Fountain Lake Schools

Nabholz' five primary service groups manage projects in diverse industries. Yet every new project presents an opportunity to offer our clients the most efficient and complete solutions for any challenge by drawing expertise from every Nabholz service groups.

Enjoy viewing some of our 2015 projects.

#### CONSTRUCTION



Preconstruction,  
Construction  
Management,  
General Contracting,  
& Design Build

#### INDUSTRIAL



Machinery Alignment,  
Installations &  
Relocation,  
Rigging,  
Plant Maintenance,  
Metal Fabrication &  
Machining

#### CIVIL



Excavation,  
Site  
Preparation,  
Utility &  
Drainage  
Installation,  
Road &  
Highway  
Construction

#### ENVIRONMENTAL



NEPA  
Assessments,  
Remediation  
Services,  
Asbestos  
Solutions &  
Consulting

#### SPECIALTY SERVICES



Renovations, Tenant  
Finish-outs, Facility  
Maintenance &  
Management,  
Emergency  
Response & Repairs  
& More

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“I have made phone calls on issues that were either last minute or crisis. Nabholz people always have responded quickly and are able to address problems head on, right away. Responsiveness has been a great value.”

David Fredericks, Rheem

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“Over the past years, almost 50 years since their first project with us, the Nabholz team has completed many projects, both large and small at Saint Mary's Regional Medical Center. They have, without exception, come in on time and under budget. And while those two items are critical, as important as those two is the quality of workmanship and personnel with which it was done.”

Steve Olson, St. Mary's Regional Medical Center

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“The professionalism is far beyond most companies we deal with. It's nice to work with a company that works like we do. Not having to worry about the quality we will receive is a very good feeling when going into a job. Always very pleased.”

JT Boling, Boling Balers

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“The Nabholz team was very professional with the job at hand. From the beginning during the bid phase to the last day on site, Nabholz was able to complete the task without delaying our business. Your organizational and planning skills really showed when completing the task ahead of schedule and below budget.”

Doug Murray, TIGG

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## CONSTRUCTION



### General Contracting, Construction Management, Design Build

This year's 36% increase in construction revenue includes gains by all of our construction groups. Furthermore, most of those gains were double-digit increases.

Our increased growth in 2015, paired with a strong backlog moving into 2016, has us optimistic about the future of our construction services teams.

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“Great service and final product. Nabholz is a customer service oriented group. Great Job!”

Lucas Skaggs, Ozark Public Schools

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**Scott Family AMAZEUM**  
Bentonville, Arkansas



**Gore Travel Plaza**  
Seiling, Oklahoma



**Lawrence Public Schools  
College and Career Center**  
Lawrence, Kansas

**University of Central Arkansas  
Greek Village**  
Conway, Arkansas





**University of Arkansas  
Champions Hall**

Fayetteville, Arkansas

**Bartlesville Public Schools  
New High School**

Bartlesville, Oklahoma





**Fort Scott Unified School  
District #234  
Frary Football Field**  
Fort Scott, Kansas

**St. Bernards Medical Center  
St. Bernards Villa**  
Jonesboro, Arkansas





**Black River Technical College  
Health-Science Complex**

Paragould, Arkansas

**Mid-America Science Museum**

Donald W. Reynolds Center  
Hot Springs, Arkansas





**Vilonia Public School District**  
Frank Mitchell Intermediate School  
Vilonia, Arkansas

**University of Oklahoma  
Ruple Jones Theatre Renovation**  
Norman, Oklahoma





## **CARTI Cancer Center**

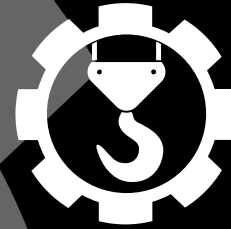
Little Rock, Arkansas

## **Hutchinson Regional Medical System Emergency Department Remodel**

Hutchinson, Kansas



## INDUSTRIAL



**Millwright, rigging,  
equipment moving,  
heavy hauling**

Revenues for our Industrial Services group remain strong. We maintained strength in our core geographic markets, and saw positive growth in our Memphis location, which serves clients in the eastern Tennessee and northern Mississippi markets. Our Rogers team added an impressive new OmaxMAXIEM JetMachining Center, which uses a high-pressure stream of water to cut metal, glass, plastic, and stone. This new addition means we can deliver more products with increased quality and faster turnaround times for our clients.

2015 was a banner year for our Industrial Services group in terms of safety. All three Industrial teams—Rogers, Little Rock, and Memphis—remained accident free for the entire year, with our Rogers team celebrating two years of accident-free work. Our skilled craftsmen proved that they can deliver quality, on-time work without sacrificing high safety standards. We applaud their commitment to live by the Nabholz safety promise on every task, every time.

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“Great crew, and they always somehow manage to work through any challenges and find a way to get the job done as quickly as possible.”

Jeff Chambers, Flyash Direct

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Installation of 950-ton injection mold machine.



Removal of roof-top air chillers.



Installation of 75,000 lb. press at the Union Pacific.



Assembled and placed Louise Bourgeois's "Maman" at Crystal Bridges Museum of American Art.



Installation of Deep Pit Vehicle Lift System at Houston Rapid Transit.



Fabrication and installation of mezzanine.



Installation of Mazak machinery.



Installation of three mega-watt Caterpillar generators.

## CIVIL



### Excavation, site preparation, utilities, heavy highway

Nabholz' Civil group continues to exceed company and client expectations. The group is a leader in both revenue growth and safety. Revenues increased 47% in 2015 and the team completed two years without a single recordable or lost-time incident, during which they logged over 450,000 man-hours.

Our Civil group continues to earn projects and achieve a good mix of work in site preparation, excavation, and road construction. Nabholz' Civil team has built a reputation as a dependable, high-quality subcontractor, often supplying site work for other large contractors, as well as our own Construction group, on projects like the new Walmart Neighborhood Market in Rogers, AR.

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“Communication was excellent. The staff seemed invested in helping us achieve our goals with the project. They wanted to help us control cost as much as possible. Problems were addressed and resolutions were found.”

Eric Schuldt  
Fayetteville Boys and Girls Club

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In July, our team completed a \$6 million upgrade and expansion to the City of Tulsa's Cherry Creek flow equalization basin.



Our crew provided sitework on many projects this year, including the Walmart Neighborhood Market in Rogers, Arkansas.



Our team completed a \$23 million, 6-mile improvement of Highway 62 in Northwest Arkansas. Improvements included two new miles of five-lane highway, four miles of widening of existing highway, and a new 256-foot bridge. The team logged over 65,000 man-hours of accident-free work to complete this project 21 days ahead of schedule.

## ENVIRONMENTAL



### Environmental assessments, consulting, asbestos abatement, mold remediation

In 2015, Nabholz Environmental Services saw a 33% increase in revenue from 2014. The team completed 66 projects in fiscal year 2015, 22 of which were projects for schools and universities. These schools, along with churches, municipalities, and federal government agencies, comprised the diverse group of clients that turned to Environmental Services to tackle their unique challenges.


The team performed multiple projects of note in 2015. For one elementary school, the team completed asbestos abatement of 54,000 square feet of floor tile and mastic in just twelve days. The group also performed emergency work, including asbestos abatement of a boiler and piping for a homeless shelter over the Christmas holiday. The group provided comprehensive environmental consulting services for the City of Conway's new airport construction project: first identifying contaminants at the site, then performing mold remediation and asbestos abatement, removal and disposal of contaminated soil, post-remediation verification sampling, and removal of an underground storage tank, which our team located by examining historical and aerial photography.

We also provided environmental assessment services, establishing our reputation as an experienced resource and partner in complying with regulations. We provided four different school districts their AHERA three-year reinspections, and performed numerous indoor air quality (IAQ) assessments for clients.

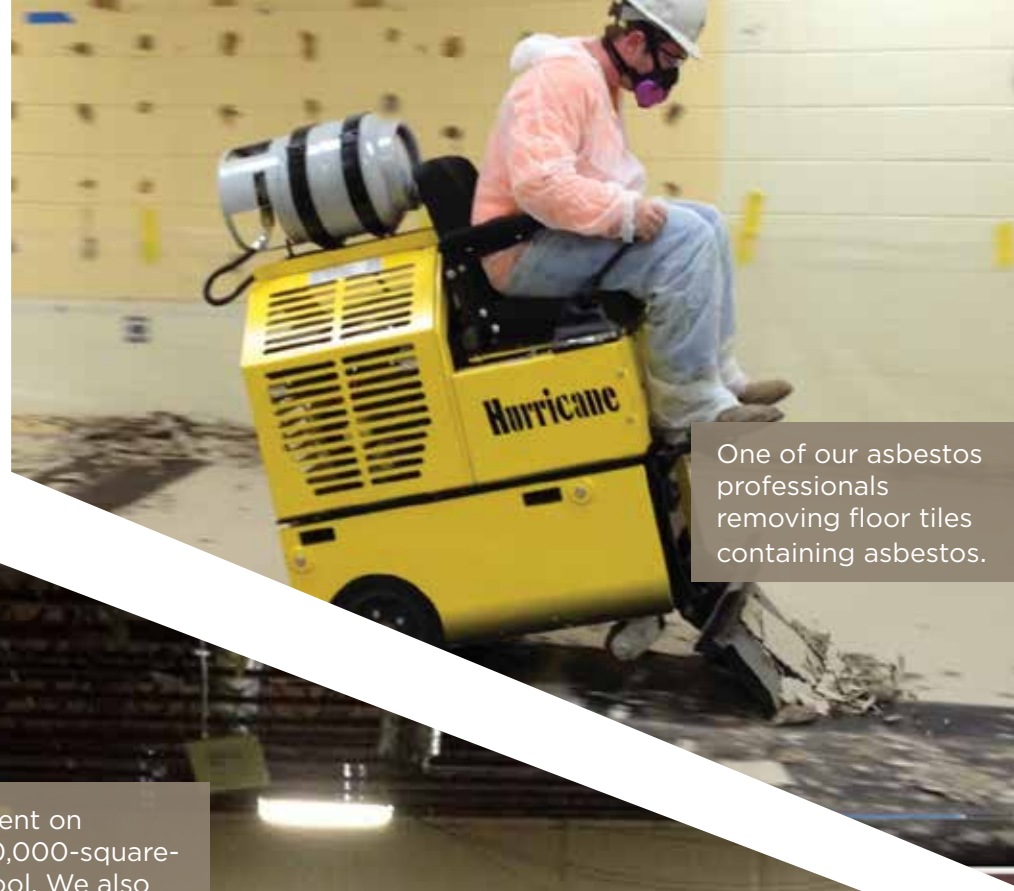
Did we mention that this team recently celebrated three years of accident-free work?

“Cromwell Architects Engineers appreciates the good working relationship we have with Nabholz. Very responsive and easy to work with.”


Rob Seay  
Cromwell Architects Engineers



Our team removed mold that had grown in this office building.



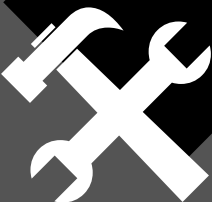
The crew performed asbestos abatement of 54,000-square-feet of floor tile and mastic in this elementary school, completing the job in just 12 days.



Our team performed asbestos abatement on 42,000-square-feet of floor tile and 30,000-square-feet of roofing on this elementary school. We also removed asbestos pipe fittings and windows where the putty contained asbestos.



## SPECIALTY SERVICES



**Emergency repairs, renovations,  
facility maintenance,  
demolitions, fleet equipment  
services, concrete, and more**

From small finish-out jobs to complete remodels, the projects completed by our Specialty Services group ran the gamut in 2015. Our Fort Smith team employed a helicopter to serve our client, Rheem, in the most efficient manner. In Little Rock, our skilled craftsmen transformed the inside of an old filling station into a beautiful, usable display and meeting space. Our Springfield team turned a 156-year-old barn—disassembled and moved from Canada—into a modern-day welcome center in Branson, MO in just 29 days. Most importantly, all of our Specialty Services teams were there for our clients in emergency situations when they needed high-quality repair service in a hurry.

Revenue from our Specialty Services group as a whole held steady, with little change from the 2014 returns. The Kansas City and Springfield markets remain strong, as both saw increased revenues for 2015. New leadership puts Specialty Services in position for a strong 2016; Paul Jones assumed the role of manager for our Memphis office, Austin Kyzer returned to Central Arkansas to manage the Conway team, Rodney Ward stepped up as manager in Oklahoma City, and John Ford is now managing the Fort Smith team.

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“Everyone was courteous and respectful.  
Very proficient in their work.”

Donald Stafford  
Green Bay Packaging

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Nabholz Specialty Services continues to exceed customer expectations, ensuring customer satisfaction after the sale and surprising new clients with the range of services offered.



For Rheem Manufacturing, our team employed a helicopter to place rooftop air handling units.



Fleet Equipment and Services installs equipment for an automotive dealer.



Our team replaced a set of stairs leading to the front entrance of this building.



At Dogwood Canyon Nature Park, our team constructed a General Store built around a repurposed barn brought in from Canada that dates back to the 1860's. Our team also constructed a Grist Mill, which features functioning antique milling equipment.



Our team completely renovated an old filling station into a functional space Coulson Oil Company now uses to conduct sales.



## MILLWORK

Our Millwork group saw revenues increase 66% from 2014. In 2015, the group focused on efficiency, incorporating Lean practices into their job processes. Our skilled cabinet makers and installers provided their trademark high-quality work on a variety of projects, including University of Arkansas' Champions Hall, in which they built and installed trim work, wall paneling, and millwork. At the Scott Family AMAZEUM, the team's precise trim work, wall panels, case work, and receptionist desk added to the museum's whimsical look. We expect the group to continue its strong performance under new manager Jonathan Davis, a past Nabholz Project Engineer and Superintendent.





Our crew provided a wide variety of custom woodwork, including wall panels, mobile greeters' desks, custom millwork, and multi-colored stained cabinets for the Kids Art Room of the Scott Family AMAZEUM.



On the Champions Hall project, our team installed a mesquite feature wall. These pre-finished panels were installed using a tongue and groove system, and their varying thicknesses give the wall a three-dimensional effect.



## CRANE & EQUIPMENT RENTAL

This year we added key pieces to our fleet, expanding the variety of equipment we offer our clients.

We purchased a National Crane 40-ton Boom Truck, which features a 142-foot powered boom and 197-foot total reach. We also added a Terex 80-ton Telescopic Crane to our fleet in Northwest Arkansas.

The safety of our employees and clients remains the top priority. We spend a tremendous amount of time and training to ensure that our fleet is maintained and operated with the highest safety standards. All crane operators are NCCCO certified, the highest recognizable industry standard for crane safety.





New Terex 80-ton Telescopic Crane



New National Crane 40-ton  
Boom Truck

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“Nabholz employees have gone above and beyond and it is greatly appreciated.”

Jonathan Cox, Bost, Inc.

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2015 was a great year for the company, and the hard work of our employees has set the stage for even more impressive years to come.

Thank you to our clients, business partners, subcontractors, and vendors for partnering with Nabholz in 2015. And on behalf of the entire Nabholz Leadership Team, thank you to our employees for making 2015 a record year.

We will continue to work and live by our purpose in 2016—growing our people, serving our clients, and building our communities—because it's the Nabholz way!



# NABHOLZ

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1.877.NABHOLZ  
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