



# THE DIRT

FALL 2019

## HIGH-WATER MARK

PAGE 4

PROVIDED BY RDO EQUIPMENT CO. AND JOHN DEERE

## It's Time to Think About Section 179, Bonus Depreciation, and Fleet Management

Fleet management is not one-size-fits-all. Especially when it comes to acquiring equipment, everyone's situation is different. This is also true when looking at tax incentives like Section 179 and bonus depreciation.

Last year's tax law rolled out Section 179 and bonus depreciation updates before year-end, giving companies a longer window of time to plan than in years' past. It gave companies more time to assess equipment needs, evaluate options, and determine how the incentives would apply to their benefit. The same is true this year, as both incentives remain unchanged from last year, something expected to remain for the next few years to come.

Perhaps the most significant change that came from 2018's tax law affected used equipment. In the past, the Section 179 deduction could be applied to used equipment, but bonus depreciation could not – that changed last year, opening an exciting opportunity for those looking to buy used equipment.

Whether companies are looking to update or refresh fleets, there's now an added incentive to consider used equipment. Pre-owned machines or rental fleet machines may offer you the solution that you are looking for.

Which leads me to another thought that's likely affecting sentiment and purchasing decisions heading towards year-end: our economy.

You've no doubt heard rumblings about an impending recession. However, my conversations

with customers and other contractors, companies, and experts in the industry all over the country, have painted a different picture. Business is good. Backlogs are strong. Even with political speak and uncertainty, the work is still there and outlooks are positive.

Now, that doesn't mean there won't be challenges – there will be, there already are. There's no doubt labor is and will continue to be the biggest hurdle construction companies face as we head into year-end and 2020. The upside to that is the technology innovations we're seeing in this industry.

New technologies are offering companies opportunities to work smarter and faster; to put a new employee in a machine and give him or her the ability deliver quality at a similar level as that of a 20-year veteran operator.

It energizes me to see our manufacturing partners at the forefront of this change, helping companies overcome the labor challenge – and I'm equally as excited for our team's ability to deliver the solutions and make them work on the jobsite.

Year-end seems to come faster and faster every time, so I encourage you to be proactive with your fleet management decisions. It's a smart move to start assessing equipment needs now, evaluate if a purchase makes sense, then speak to a trusted tax advisor to confirm expected benefits.

Whether looking to upgrade or refresh machines, we're here to help you find the solution.

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See used and new construction equipment for sale, learn about parts and service support, or find the RDO Equipment Co. store near you at [www.RDOequipment.com](http://www.RDOequipment.com).



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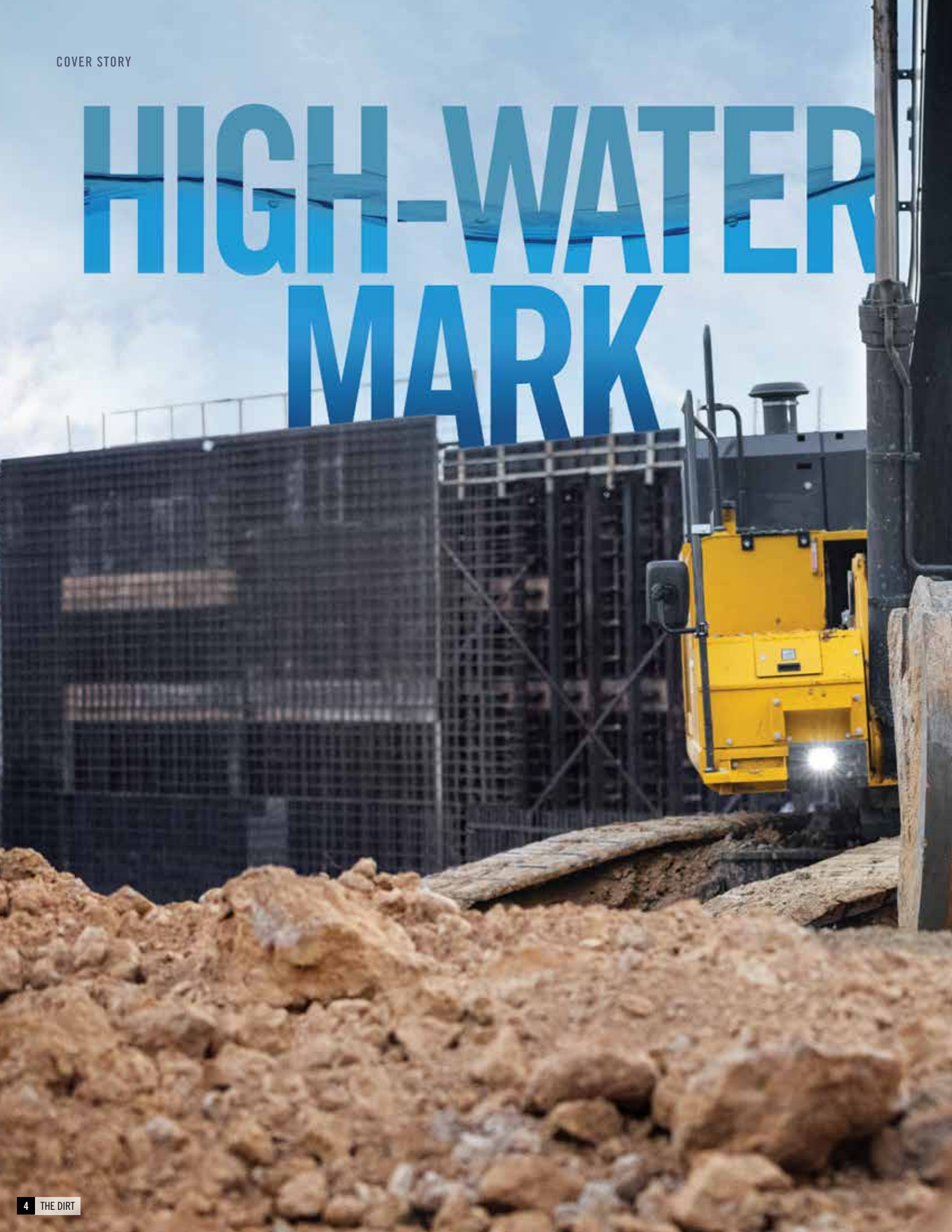
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Contractors in Tempe, Arizona, love the production-boosting capabilities of our 210L and 210L EP Tractor Loaders.

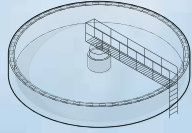


COVER STORY

# HIGH-WATER MARK







*Rankin County, Mississippi, is growing. Until recently, the nearby city of Jackson had been responsible for water and wastewater treatment in the area, but county officials decided to build their own plant. It's a decision-making process industry professionals affectionately call "counting toilets" and, now that the toilets have been counted, it's time for the Max Foote Construction team to do what they do best.*

*— continued*





Max Foote Construction is headquartered in Mandeville, Louisiana, just across Lake Pontchartrain from New Orleans, but its projects take crews to locations throughout the southeastern United States. "If there's an SEC [Southeastern Conference] football team in the state, we work there," President Danny Russell says. "We usually run 10 to 12 water and wastewater treatment projects at a time — and they can range anywhere from \$5 million to \$75 million, like this plant here in Rankin County."

The company employs nearly 80 permanent workers, but hourly employees bring that total to 160–250, depending on the jobs that need to be done. "We hire

60–75 percent of our workforce locally, on average," says Russell. "We put local people to work. We treat our team fairly and pay them a good wage, so it's not unusual to go into a new area and leave with one or two people who want to move on to the next project."

### GETTING TO WORK

Max Foote Construction purchases its materials, including concrete, lumber, and fuel, locally as well. And with a plant of this size, it's Project Manager J.D. Brown's job to keep a close eye on every single one of those resources. "This site is a little over 12 acres," says Brown. "It's one of the largest jobs we've done when it comes to sitework,

earthwork, excavation, and concrete. Total earthwork is in the range of 150,000 cubic yards, which will be excavated and loaded, and then either hauled to an adjacent site-disposal area or placed in stockpiles for backfill. As far as concrete on the job, we're right around 26,000 cubic yards, most of which is for the water-bearing structures."

Brown and his team work hard so the final handoff is easy. "At the end of the day, we hand over keys to a plant that's ready to go. And we get a lot of help along the way. The engineer is involved, the owner is involved, and a lot of the process equipment vendors bring in representatives to provide training for the plant staff. It's pretty much a turnkey deal."



MAX FOOTE CONSTRUCTION SETS A HIGH-WATER MARK WITH ITS PRODUCTIVE AND RELIABLE JOHN DEERE FLEET:

**470G LC**  
EXCAVATOR

**210G LC**  
EXCAVATOR

**750K**  
DOZER

**700K**  
DOZER

**550K**  
DOZER

**524L**  
WHEEL LOADER



## THE CULTURE OF MAX FOOTE

If you ask anyone on the Max Foote Construction team why they've been so successful over the years, they all give the same response — Max Foote himself. "One of the main reasons we keep people is because of Max Foote and the example he's set for the company," says President Danny Russell. "He knows how to look at a problem and come to a solution, and he shares that with everyone who works with him. He's a good man to work for. He is very much a part of the company, and he's the reason we're still going strong today."

### FLEET READY

But there's still plenty to do before Max Foote Construction hands over the keys, according to Project Superintendent Dan Reese. "We started on the site in January of this year. So far, we've placed 2,400 cubic yards of concrete and excavated 15,000 cubic yards of dirt. The contract time is 30 months, but I think we can build it in 24. That's my goal. You've got to set a goal or you're not going to get anywhere."

Reese is confident they'll reach that goal with the help of their John Deere machines — a 470G LC Excavator, 210G LC Excavator, 750K Dozer, 700K Dozer, 550K Dozer, and 524L Wheel Loader. "The 470G is a hoss," says Reese. "It'll really move some dirt. The 210G does exactly what we need it to do. We've got a 750K running down in the flats, and the low

ground pressure on the 700K is perfect for wet terrain. We use the 524L to unload trucks, put down stone, and haul it over to the rock boxes."

Equipment Manager Ralph Holloway understands the value Deere machines bring to all of Max Foote Construction's water and wastewater plant sites. "A lot of this equipment will be here for the entire length of the job," Holloway says. "We move the 470G wherever it's needed, especially when we require that deep reach and digging depth. We may swap out for a smaller excavator here at some point. We have a couple dozers on site because we're moving a lot of dirt on this particular project. And the loader will stay because it's so versatile — we have a 96-inch bar on the front with some longer 72-inch forks and a utility bucket."

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END OF THE  
DAY, WE  
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KEYS TO A  
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READY TO GO. ”

— J.D. Brown  
Project Manager,  
Max Foote Construction





▶ For heavy-duty earthwork, Max Foote Construction turns to its productive and reliable John Deere 470G LC Excavator.



## EMPLOYEE OWNED

According to J.D. Brown, project manager at Max Foote Construction, there's another reason so many people love working for the company. "We're employee owned. Every salaried worker has the ability to buy stock in the company, and Max makes it a point

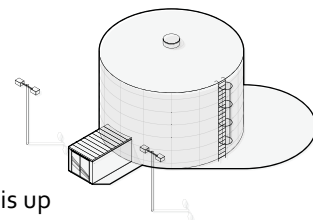
to distribute earnings to the employees at the end of the year. That's very different. I don't know of anybody else who does that. Max says it just comes from his belief that if you want to have good people, you have to pay them and let them have a stake in the company."

▲ The Max Foote Construction team talks project strategy.



“THE 470G IS A HOSS.  
IT’LL REALLY MOVE  
SOME DIRT.”

— Dan Reese  
Project Superintendent,  
Max Foote Construction



## MOVING FORWARD

No matter what the team is up against on the jobsite, Assistant Equipment Manager John Paul Adams knows they'll get their machines wherever they need to go. "At the end of last year, we purchased 30 new pieces of John Deere equipment. JDLink™ is such a big help because our jobs are so spread out. We're always able to pinpoint which machine is where. Our dealer, Doggett Machinery Services, has been great to work with. This job in Rankin County is 2.5 hours from our headquarters, but Doggett's service manager serves as the one point of contact throughout the region. I call him, he lines up communication and maintenance with other local dealers — whether we're in Mississippi, Georgia, Alabama, or Tennessee — we get everything taken care of, and we keep moving forward.

*Max Foote Construction, LLC is serviced by  
Doggett Machinery Services, Covington, Louisiana.*

▶ Check out the video at:  
[JohnDeere.com/TheDirt](https://www.johndeere.com/TheDirt)

## AS GOOD AS GOLD

Max Foote Construction bought 30 pieces of John Deere equipment at the end of last year. To celebrate the occasion, the team traveled hundreds of miles north to watch their machines come off the line. "I didn't expect to see all our loaders lined up," says Equipment Manager Ralph Holloway. "I knew they were getting close, but that was special. And I really enjoyed the tour. We talked to factory workers, and they were all very willing to stop and answer questions. They all seemed very focused and committed to what they were doing. I was impressed. I was also a little surprised they served us shrimp in that part of the country, but it was excellent."





# ***THE ROAD TO*** ***SUCCESS***

**CL BOYD'S MACHINE MONITORING CENTER HELPS  
KEEP OKLAHOMA CITY HIGHWAY CONTRACTOR  
HASKELL LEMON UP AND RUNNING.**





*The Great Depression hit Oklahoma hard, after the Dust Bowl left hundreds of thousands unemployed. Many migrated to California in search of work, as famously depicted in the novel The Grapes of Wrath. Others, like Haskell and Irene Lemon, found what jobs they could around Oklahoma. After graduating from the University of Oklahoma in the mid-1930s, the two traveled the state, working as equipment operators spreading gravel on county roads.*

"They'd be out on the road working hard from Sunday night until Friday, rest up over the weekend, then do it all over again," says their grandson Jay Lemon, current co-owner of Haskell Lemon Construction Co. with his partner and cousin Ken Wert. "They always wanted to work in Oklahoma City where the state department of transportation is located, but it was dominated by large contractors. Then in the late 1940s, they had the opportunity to begin their own paving company."

In 1948, the enterprising couple formed Haskell Lemon Construction. As the United States began to grow and prosper in the decades after World War II, the company expanded from a small asphalt business and grading-and-paving supplier to a diversified highway contractor. During the early 1950s, Oklahoma created a turnpike authority, which was followed by the signing of the Federal Aid Highway Act of 1956 by President Dwight Eisenhower. "Having those opportunities really solidified this company," says Jay Lemon. "Large companies took the bigger interstate jobs, and we grew to become a medium-size company, contracting for projects closer to home."

A core company value since day one has been to "allow all of us to sleep at home every night," according to Lemon. Today Haskell Lemon crews work within a 90-mile radius of Oklahoma City. "Being local in nature sets us apart from other companies," he says. "We want our employees to balance work with family and be home every night. We pride ourselves on being a close-knit company — a family."

#### LONG-STANDING AFFILIATION

Haskell Lemon's relationship with its local John Deere dealership, CL Boyd Equipment in Oklahoma City, goes way back. Haskell's great-aunt was a member of the Crews family. Frank and Earl Crews joined CL Boyd during the 1930s. The two, along with Earl's son Robert, would serve as president of the dealership for decades. "Haskell and Irene worked often with the Crews family, who provided them with credit and backing when their company was young. I've always had a fondness, respect, and admiration for the Crews family, and of course for CL Boyd and John Deere," says Lemon.

Today Haskell Lemon Construction is one of CL Boyd's biggest customers. The highway contractor currently runs a large fleet of 32 pieces of John Deere construction equipment, including dozers, motor graders, articulated dump trucks (ADTs), and wheel loaders. In addition to full-service highway contracting, the company operates five hot-mix asphalt plants. The family also owns General Materials, Inc., a sand-and-gravel-mining business that feeds material to the local construction industry as well as to the energy sector. To support this operation, the company recently purchased several John Deere 460E ADTs, along with some 824K and 844K Loaders.

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### WAGING WAR ON DOWNTIME

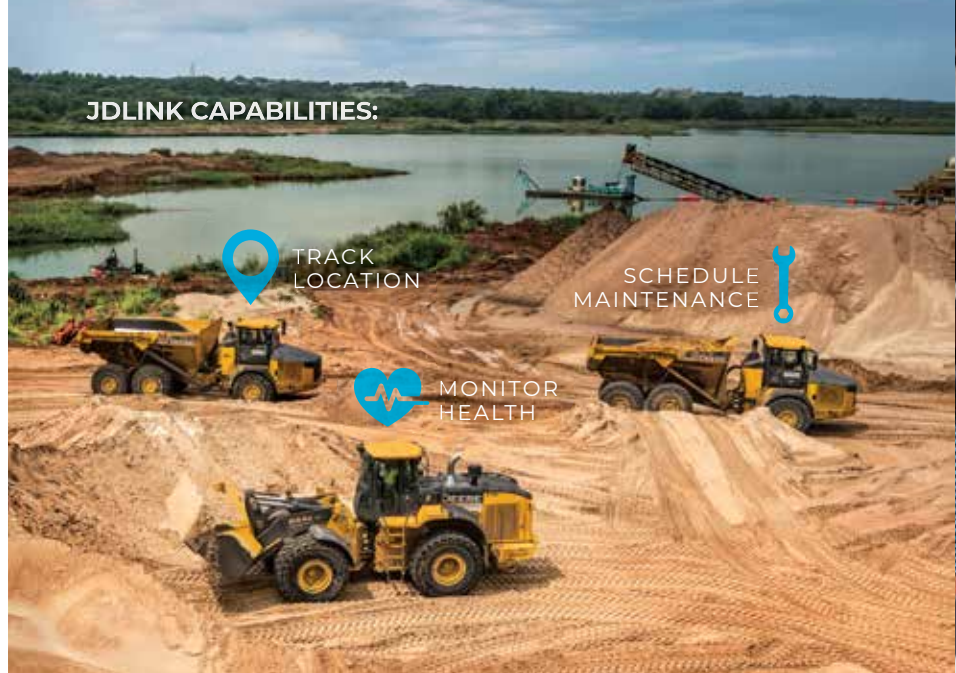
The Machine Monitoring Center at CL Boyd has been key to keeping Haskell Lemon's and General Materials' large fleets up and running. "Using JDLink™, CL Boyd helps us track machine location, hours, idle time, health, and maintenance," explains Lemon. "We get reminders that allow us to schedule regular and periodic maintenance at times that are convenient to us and won't disturb operations. Alerts also warn us if something is going on with a machine, helping us to avoid critical breakdowns."

CL Boyd's Machine Monitoring Specialist Luis Hernandez calls the Machine Monitoring Center the "War Room." Hernandez arrives promptly at the center every morning at 6:45 am and scans three large computer monitors. Three big LED screens are also mounted on the walls, where service techs or customers can easily view fleet information.

Using JDLink, John Deere's machine monitoring system, Hernandez keeps tabs on over 1,500 Deere machines for CL Boyd's customers. Each day, he keeps a close eye on alerts from JDLink. Many of the alerts aren't serious — maybe a customer needs to schedule maintenance on a machine in the near future. Yellow and red alerts require more immediate attention, so first thing every morning, Hernandez will quickly scan the messages and triage whatever needs to get done.

"Our biggest goal is to keep the customer running," says Hernandez. "We want to provide proactive solutions that address issues before they become major problems that shut down a machine and cause downtime."

### JDLink CAPABILITIES:



### HASKELL LEMON CONSTRUCTION RUNS 32 PIECES OF JOHN DEERE CONSTRUCTION EQUIPMENT, INCLUDING:



WHEEL LOADERS



MOTOR GRADERS



ARTICULATED DUMP  
TRUCKS (ADTS)



DOZERS



Jay Lemon, co-owner of Haskell Lemon Construction, relies on local John Deere dealer CL Boyd Equipment to help monitor his fleet. The relationship dates back to the 1930s.

#### EFFICIENCY EXPERTS

The Machine Monitoring Center and JDLink also help Haskell Lemon become more efficient. For example, tracking idle time might reveal that a machine is underutilized. The customer may want to relocate the machine where it is more needed or have a discussion with an operator about job expectations. Idle time also burns fuel and warranty hours, so Hernandez often instructs customers on how to activate a machine's auto-shutdown mode. Monitoring idle time also helps him determine whether an underutilized machine truly needs an extended warranty. "If a customer is only running a machine a couple of hundred hours a year, there's no real need for an extended warranty, which saves them money," he says.

Often Hernandez can help resolve an issue over the phone — maybe a machine has low tire pressure, a blocked filter, or an axle that is overheating because an operator is riding the brake. "We can give the customer a call and they can fix the issue without a trip charge for a technician," he says.

If the issue is more complicated, Hernandez can record and monitor live readings of a machine utilizing remote-diagnostics capability, and if necessary, dispatch a service technician. This helps him to more accurately assess what is going on and determine the best course of action. "By understanding what is causing a code to trigger, I am confident in delivering the appropriate solution or part."

"The technology enables the technicians to bring the right parts to the job on the first trip," says Lemon. "The Machine Monitoring Center and JDLink have helped us reduce downtime dramatically."

In addition to machine monitoring, CL Boyd helps Haskell Lemon run efficiently by identifying the right machines, cutting edges, tires, and buckets for its applications. The dealer also offers extended warranties and maintenance packages that provide fixed, predictable costs. "We don't have enough mechanics to cover all our bases," explains Lemon. "CL Boyd technicians are trained on the latest machine technologies. This not only helps us keep up with repairs, but their technicians have been very involved in thoroughly training our operators on new features. This has been invaluable to us."

Recruiting operators is always a challenge, but having quality machines equipped with the latest, greatest technology helps. "Deere has some very smart engineers who have come up with some great features," says Lemon. "Having smart technology on these machines helps us attract and retain both new and experienced operators."

#### BUILDING A FUTURE

Lemon loves building things. "A road is something everyone takes for granted — if we do our job really well, nobody notices. But we take pride in what we do. I get charged up about providing this fundamental need and doing it quietly under people's radar."

## "CL BOYD HELPS US TRACK MACHINE LOCATION, HOURS, IDLE TIME, HEALTH, AND MAINTENANCE."

— Jay Lemon, co-owner, Haskell Lemon Construction

Lemon is helping his son Jack learn the business. "We're a family of builders who construct roads and provide materials that help shape America. Our family is blessed to be in this business for four generations now, and we have quite a few employees who are multigenerational as well. It's exciting to give them a chance to grow and succeed. And it's great fun to see the excellent work they do. It's very rewarding."

*Haskell Lemon Construction Co. and General Materials, Inc. are serviced by CL Boyd Equipment, Oklahoma City, Oklahoma.*

 Check out the video at: [JohnDeere.com/TheDirt](https://www.johndeere.com/TheDirt)



*Introducing the 744L, 824L, and 844L  
Production-Class Wheel Loaders and  
the 844L Aggregate Handler*

# GO THE EXTRA

**NEW EH CONTROLS\***

**REDESIGNED CAB**

**STANDARD JOYSTICK STEERING**

**HEAVY-DUTY AXLES**

**L**et us do the heavy lifting. Our highly productive 744L, 824L, and 844L Loaders and 844L Aggregate Handler combine more horsepower with a new cab, joystick steering, intuitive controls, and fuel-efficient diesels — to reduce operator burnout while using less fuel than previous models. And they're built tough, with more reliable electrical and hydraulic routing, and high-capacity heavy-duty axles, helping you stay productive all day long.

#### **Calm, cool, and collecting loads**

The new, more comfortable cab has your back with an adjustable heated/ventilated seat and more legroom, storage, and power ports than previous models. The new HVAC system features improved airflow compared to earlier models and an automatic temperature control (ATC) system.

#### **Buckle up**

A seat-belt minder sends an alert to the JDLink™ machine monitoring system if the safety belt isn't

latched within 60 seconds of the parking brake being released. Other operator station enhancements include remotely adjustable heated mirrors, an anchor point with window-washing platforms, and a large platform for easy entry and exit from the cab.

#### **Won't steer you wrong**

Standard joystick steering (steering wheel optional) delivers smooth, low-effort control and is ideal for V-pattern truck loading.



### **Hands-on experience**

Seat-mounted right-hand hydraulic controls are easier and more intuitive to operate than those on previous models. Two industry-exclusive multifunction buttons can each be programmed through the LCD monitor to handle any of nine functions.

### **Fuel savers**

Advantages such as fuel-efficient engines, lockup torque converters,

and a dedicated steering pump help L-Series Loaders burn less fuel compared to K-Series models.

### **Reliable routing**

Routing for electrical wire harnesses and hydraulic hoses has been significantly simplified from previous models to improve reliability and ease of maintenance. Over three dozen steel tubes replace 81 feet of hoses.

### **Tough enough for the rough stuff**

Larger, higher-capacity heavy-duty axles with standard axle cooling and filtration increase durability in demanding conditions compared to previous models.

### **More options**

New log-handler and pipe-handler configurations on the 744L and 844L deliver more full-turn tipping-load capacity than the K-Series.

*\*Include two programmable multifunction buttons. / †Up to 16-percent more fuel efficient compared to the K-Series.*



# PAVING THE WAY

*On the site of a new development in northeast Tempe, Arizona, there's a flurry of activity. Skid steers, backhoes, excavators, motor graders, and scrapers hum together in harmony, a careful orchestration of power, precision, and productivity.*

"Apartment complexes are real tight," says Ace Asphalt® Superintendent Tim Orozco. "We have a lot of trades in the same area at the same time, so we have to be able to work around a lot of different equipment."

According to Orozco, one machine that helps control the chaos is the John Deere 210L EP Tractor Loader. "This is a tough jobsite. We're laying new curb, doing new subgrade, laying a new base, and then laying new asphalt. There's some really rocky materials out here. The 210L EP is real versatile. It's easy to operate. There's a lot of clearance. It's just an all-around good machine.

The box blade and the ability to handle tight corners are really convenient for our operators."

In fact, Orozco hopes to see more tractor loaders on his jobsites. "Since I've been with Ace, we've purchased six of these machines. We've had them for nearly two years now, and we've had next to no problems with them. The maintenance is low, and they're really reliable. We use them 60 to 70 hours a week — they're machines you can use every day. If you're a construction company and you're not using a 210L EP to help you in tighter areas, you're really missing out."

TEMPE,  
ARIZONA





## DOWN TO BUSINESS

On the other side of Tempe, William Newell, universal operator at Buesing Corp., also takes advantage of the John Deere 210L Tractor Loader's numerous production-boosting features. "This machine is great for site development for three reasons," Newell says. "Weight, stability, and maneuverability. It will load a truck in a heartbeat. It'll grade anything you need. It'll move aggregate base (AB) and dirt. I've never had a pile yet that I can't crawl up, pull down, work, or move. I can lay rock in no time at all. I can dump a load of boulders, back up, turn around, use that box blade, and push them anywhere I need to go. I can go down a slope with a full bucket, and it has the weight to hold me straight so I'm not sliding sideways. Plus, the visibility is great. I can see off both tires — I'm not going to run over something because I'm guessing where my back tires are."

**“THE BOX BLADE AND THE ABILITY TO HANDLE TIGHT CORNERS ARE REALLY CONVENIENT FOR OUR OPERATORS.”**

— Tim Orozco, Superintendent, Ace Asphalt



## WORKING TOGETHER

Tim Orozco, superintendent at Ace Asphalt, knows it takes a team to succeed in the desert. "Our RDO Equipment Co. dealer representative, Teresa Reed, came out one day and had us demo a 210L EP Tractor Loader. I ran it myself quite a bit, and it was great — not only to get the tight corners but to work around the different equipment that's out here. That's why we chose to buy six more of these machines from her."





## “[THE 210L TRACTOR LOADER] WILL LOAD A TRUCK IN A HEARTBEAT.”

— William Newell, Universal Operator,  
Buesing Corp.

Newell also appreciates the loading capabilities of the 210L. “When I’m loading trucks, I have enough room to go over the top of the truck and dump the bucket without being so close that I’m going to hit the truck. I love that feature. I can load a belly dump in under five minutes. I can go in and dig a bit further, get a bigger bucket, get out of there, dump it, and blade it off. I’m good to go.”

And Newell is a fan of the improvements to the operator station, too. “Let’s say you’re on a 10-hour shift. If you’re sitting straight forward all the time and you’ve got that seat in the same position, it takes a toll on your knees, lower back, and neck. With the new seat — and the ability to slide back, slide forward, and tilt — I can turn my body so I can operate the machine more comfortably. I don’t go home with my back and neck hurting. I don’t go home stressed out because I had to work hard that day to make things happen.”

In the end, Newell knows the biggest advantage of the 210L is to his company’s bottom line. “When you’re in road construction, the money is in AB. By moving that AB, you save on asphalt. If you get it flat, you don’t have to order as much asphalt. You can finish AB with the 210L almost as fast as a blade. And if I can keep up with a blade, pulling corners, and grading out, I can keep making money.”

*Ace Asphalt® and Buesing Corp. are serviced by RDO® Equipment Co., Phoenix, Arizona.*

 Check out the video at:  
[JohnDeere.com/TheDirt](https://www.johndeere.com/TheDirt)



# TRANSFORM YOUR EXCAVATOR

INTRODUCING THE AUTO EXCAVATOR



Everything else is just digging with a shovel. Topcon's new automatic excavator transforms every operator into a top performer, delivering the best quality in the fastest time. RDO Equipment Co. provides the knowledge and support to keep equipment productive to maximize opportunities that come with new innovations.

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## TEXAS

Fort Worth  
Hewitt  
Irving  
Laredo  
McKinney  
New Braunfels  
Pflugerville



[RDOequipment.com](http://RDOequipment.com)



# All new lower pricing on cutting edges: **RDO does that.**



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\*Offer valid October 1, 2019–March 31, 2020.

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