

Need for Dirt Leads to Earthwork, Pipeline Business for R&T Ellis, Inc.



Owners Randy Ellis (left) and his wife, Trisha, are President and Secretary of R&T Ellis, Inc., based in Cleveland, Texas. Trisha's son, Jared Miller, (right) is Vice President and oversees the company's pipeline services division.

Twenty years ago, Randy Ellis and his wife, Trisha, wanted to build a house on the family's ranch where they were living in a double-wide trailer. With five children and one income, money was tight.

"We determined from the plans, that we needed 300 loads of dirt to build the pad," Randy recalled. "I called someone, and they wanted \$70 a load. I told them they were crazy. I bought a dump truck and a rubber-tired backhoe, dug a pond on the property and used the dirt to build the pad."

Neighbors took notice as the couple worked the dirt. One after another came to them wanting a few loads, and that led to a full-time venture for Trisha. She would load the truck with dirt and then haul it to customers. Within a couple of years, she was running three additional trucks. Randy kept his job as an airline mechanic while they built their business, R&T Ellis, Inc.

"Customers started asking if we could add services, but I was reluctant to quit my job," Randy explained. "Fortunately, the airline allowed flexible scheduling. I worked double shifts on Mondays and Tuesdays, then took off the rest of the week and did dirt jobs. I ran seven days a week for almost eight years."

The workload caught up to him. In 2006, Randy experienced a health scare, and the Ellises decided it was time for him to quit the mechanic job and devote his energy full-time to R&T Ellis. By then, the company employed approximately 15 people and offered nearly every aspect of earthwork, including clearing and grubbing as well as mass and fine grading.

A series of events occurred during the next

few years, and Randy admits he basically lost interest in the company. He sold his equipment and was on the verge of closing the business when a call from a local developer, who wanted Randy to look at a sizable project, provided him with renewed energy.

"I borrowed equipment, fuel and whatever else I needed to get the job done," he said. "Things didn't go exactly as planned, but in the end, the developer helped me get bonding again, and things took off. We have been growing ever since."

Two Sides

Today, Cleveland, Texas-based R&T Ellis has two divisions. The first is civil services, which offers traditional earthwork and now also includes utility installation.

"Most of our civil projects are for private developers who ask us to do the site preparation on their housing subdivisions and commercial properties," said Randy. "They hire us routinely because we can provide them with a full site package. In addition, we will break out our services and do simply grading, clearing or other types of assignments. We also bid on municipal and various governmental projects."

Recent undertakings include the 4,400-acre Sante Fe subdivision in Plum Grove, Texas, where crews cleared and then moved approximately 800,000 yards of dirt as the firm constructed the roadways, ditches and lots. R&T is currently working on a Coastal Water Authority project that involves digging a canal from the Trinity River to a treatment plant at Lake Houston, which will eventually bring a new supply of drinking water for the city of Houston. The company bid on and won several sections of the



project, and crews cleared 350 acres, built a 6.5-mile gravel access road to the canal, installed piping and, to date, have moved nearly 650,000 yards of earth.

R&T Ellis started its second division, pipeline services, roughly two years ago. It provides anomaly repairs, fabrication, sandblasting and coating, abandonments, pipeline removals and other mechanical work to oil and gas customers throughout Texas, Oklahoma, Louisiana and New Mexico. Trisha's son, Jared Miller, is now Vice President of the company, and he oversees this division.

"My sophomore year at Texas A&M, I worked on a pipeline job in Louisiana and that really stuck with me," recalled Jared. "After graduating, I worked for a couple of pipeline contractors and decided that I wanted to do something for myself. Randy wanted to diversify, so adding a pipeline division was a move that helped in both respects."

Jared thought it would take a while to get things off the ground, but within a few months he landed a dirt work job building containment berms and a tank pad for an oil and gas customer. A similar second assignment immediately followed.

"I asked them to give us a shot at their mechanical work, and they put us on an anomaly project doing some pipeline maintenance," said Jared. "We completed it to their satisfaction, and now, we're doing a lot of their station construction, which involves installation of pipes, pumps and other related items. We continue to do business with that customer and have gained additional regular clients."

A Switch in Equipment

Approximately a year ago, R&T Ellis purchased its first Komatsu excavator, an Intelligent Machine Control PC490LCi. It has since added a PC360LCi and a D61PXi Dozer.

"We already used Topcon aftermarket GPS, so I liked that Komatsu integrated Topcon into its Intelligent Machine Control products," said Randy. "It saves us time and money by eliminating the need to put up and take down the masts, and we no longer worry about them getting damaged or stolen. What stands out is the increased production and efficiency. We simply plug the plans into the machines and go to work. With minimal staking, we can put every-

thing to grade faster and without concerns about overcutting or having someone to constantly check grade."

In addition to Intelligent Machine Control products, R&T Ellis also purchased standard PC360LC and PC210LC excavators as well as a D39PX Dozer. "All of our Komatsu products are excellent," said Jared. "On the pipeline side, we especially like the PC210s. They are the perfect size for trenching and putting in the 6- to 30-inch pipe we work with."

R&T Ellis acquired its Komatsu equipment from WPI with the help of Territory Manager Kevin Cagle. "Service is extremely important to us, and Kevin and WPI have delivered beyond our expectations," said Randy. "We really appreciate that they service the machines under the Komatsu CARE program. WPI calls us when a machine is due, and schedules it to minimize our downtime."

Adding On

A few months ago, R&T Ellis added roller-compacted concrete paving to the mix, further broadening its scope of services. The firm is currently involved with its first

paving project and has another large one lined up.

"We hope to expand that aspect of the business," said Randy. "Our capabilities were already fairly wide-ranging, and this gives us the ability to handle everything from start to finish when it comes to site work."

R&T Ellis hired additional staff when it added paving, and it now has approximately 130 employees.

"That's a number we never expected to reach," Randy admitted. "At one time, I didn't want more than 40. Then, it became 80. In the next few years we are looking at the possibility of around 200, if things go as forecast."

Plans include the possibility of growth on the pipeline side as well.

"We started with one crew and kept them busy for a year, so we put on a second," said Jared. "After a few months, we will reassess and determine if additional crews are warranted. We don't want to overextend ourselves; we're taking it one crew at a time."



Superintendent Glenn Shaw



Left to right) R&T Ellis Vice President Jared Miller and President Randy Ellis meet with WPI Territory Manager Kevin Cagle on a jobsite near Cleveland, Texas.



Operator Sergio Bellestros