Oral History Interview

with

ALAN D. MURK

December 15, 2008
Walnut Creek, Cal.

By Michael R. Adamson

Adamson: You told me on the phone that you had met Charlie in 1952 when he came to Peter Kiewit, so you had already been there a number of years.

Murk: I'd been with Peter Kiewit 1947 to '52. I met Charlie in '52.

Adamson: And you came to Kiewit as a—

Murk: I was working as a carpenter. My father worked for Kiewit all his life, so he was still active with the company when I came to work for them. Probably that's the reason I wound up there, but anyway.

Adamson: So that was in California, too?

Murk: Yes. Well, my dad worked all over the country with them, but primarily it was in California the latter years.

Adamson: Did you serve in World War II then?

Murk: Did I? Yes.

Adamson: And your training as a carpenter came from—

Murk: Well, that's another story, and that story's about me. What I had planned for my life to do when I got out of the service didn't happen because of different circumstances, nothing related to me but just happened, happenstance. So I wasn't doing anything right at the moment, and my father and my mother were living in Santa Ana, California. I was not married at that time. My dad said, "Well, did you ever think about going into the construction trade?"

I said, "I really don't want to do that. I'm not interested in construction."

He said, "Why don't you give it a try?"

So I went to the union hall. Of course, he helped me going through this thing. I became an apprentice carpenter, and so I went to work as an apprentice carpenter for Kiewit in 1947, and I worked for the Kiewit Company on a number of different projects, but primarily on the heavy work, the freeways and bridges, this kind of stuff, because there was no Building Division at that particular time.

Then in 1952, I was finishing up on a job, and I was told to report to this location Monday morning. It was a new project that the company was starting, and I was to look up a fellow called Charles Pankow. Never heard the name before in my life. I mean, as far as I know, he was in charge of the project. I show up there Monday morning and I met him. That's where our relationship started.

Adamson: Where was this project?

Murk: This was in, well, southeastern Los Angeles, I guess. It was a building for the State of California Division of Architecture. It's kind of strange because at that time Kiewit did not have a Building Division as such, but because of our reputation—this building was being built by the Division of Architecture, and as such, they selected the bidders. They selected, I think, ten people, and they were all people that they knew. Of course, they knew Peter Kiewit for years and years, because the people that they wanted involved in this were all people that were conscientious about what they're doing and honest and aboveboard. So Kiewit bid the job and was awarded the job, and they were going to start at that particular time. I went and I met Charlie there, and he knew my name. He knew my name because he had worked for my dad as an engineer on the project. He didn't know me, but he knew my name. So that's when we started.

Adamson: So that wasn't Charlie's first project for Kiewit. He had already started?

Murk: Charlie, at that particular time, was his first project. He was working in the Arcadia office as an engineer, but he had not been on any project before, except for the one where he filled in for a short period of time with my dad if one of the engineers became ill or something. But definitely he was working in the office, bidding and this sort of thing.

Adamson: So, on that project was Charlie the project engineer?

Murk: He was the superintendent. He was running the project.

Adamson: What were your first impressions of Charlie when you met him?

Murk: Straightforward, very quiet, right to the point, no BS. Told me what he wanted me to do. Of course, he knew that I was working for the company, so I was not a new employee or anything. So he just said, "We're going to be actually bringing some crews in tomorrow, so we'll see you in the morning." So the next morning I came back and went to work.

Adamson: Was this sort of the makings of a Building Division at Kiewit, this project?

Murk: Well, it really wasn't, but Charlie was the kind of person that could charm the birds off the trees. But he was also the kind of person a lot of people would meet Charlie and didn't like him immediately, because he was very straightforward and you always knew where you stood with him. You might not like what he said, but you knew what he believed and you knew how he would to relate to anything that you were going to do, whether proper or improper.

But Charlie decided he wanted to do something more like this, so there was no Building Division. So he went back to Omaha, sat down with Peter Kiewit, Jr., and he was the kind of a fellow like Charlie. He would visit these projects all over the country.

I mean, he was the top man in the company, worth millions of dollars, but he would actually come to visit the individual projects. So Charlie went back to Omaha and talked to him and finally convinced him that he should give Charlie a chance to build a Building Division in the Los Angeles area, and evidently he did, because Charlie went to work and put together a couple of people in the office and they bid some work. I was there and there were three other people that were field people running projects, and that's where the Building Division got started.

Adamson: Was Ralph Kiewit already heading up the—

Murk: Ralph Kiewit was kind of on the sidelines. He wasn't really involved in any of those day-to-day operations at all. He was always there, but not in any—as far as the project was concerned, he was not visible.

Adamson: Now, just to back up a step, do you know how and why Charlie ended up at Kiewit?

Murk: After he graduated from school? No, I don't.

Adamson: I know he worked for a structural engineer, Barnes?

Murk: Yes. I have no idea why he left, why he went to work for Kiewit. That happened before I knew him.

Adamson: Then did you continue to work on these building projects with Charlie?

Murk: Yes, I did, and some of our projects were very, very successful. I bet they weren't projects like the Highway Division, but they had 30-, 40-million-dollar projects. These were big projects in those days, you might remember. Our projects would run maybe two or three million dollars.

Everything went along pretty well, except that we were kind of the bastard children. We got all the used-up, broken-down equipment. We always got looked on as a stepchild. I happened to be a stockholder in Kiewit. Every year Kiewit held a meeting for three days with all the employees, and during that meeting there was always a stockholders' meeting that was only for stockholders. This relates to how the company got formed, how Pankow got formed. Because we were always kind of looked down upon, they'd always put all the earnings from the different projects up on the screen, and the big Highway Division was doing billions of dollars worth of work, maybe 2 or 3 percent profit. Ours would come in at 50 percent. We had some projects that actually made 50 percent profit. [1] Now, these were all negotiated projects. They weren't just [unclear] and bid on the street. Of course, we kind of rubbed this in, being little guys we were all looked down. But we did, we did rub it in to the big guys. It was a good relationship, but it finally got to the point where it was really kind of difficult to maintain any kind of a semblance of your importance in the organization, because they're a very big organization, so you're a very small part of it.

[1] According to Murk, these figures should be 30 percent, not 50 percent.

So one day, I was just finishing up the third project in San Diego and we were in the very last—the project was structurally complete. We were in the finishing trades. Charlie used to come and visit the job once in a while, and that's another story. But anyway, one day he came and he said, "Let's go across the street and have a cup of coffee. I want to talk to you about something." I'd never heard anything about this before. It was something was brand-new that Charlie had been thinking about. He said, "We've been making a lot of money for the Kiewit Company, and we can do the same thing for ourselves. So what do you think about that?"

I said, "Well, it hit me kind of cold. I don't have any idea, Charlie."

He said, "Well, so think about it. I think we might just want to branch off and do something for ourselves. And he said, "You know there will be a few other people, I'm thinking, too." I knew, of course, who they all were, but they were all friends of ours in the division.

I guess it was six or eight months later he came and said he's getting ready to make the jump. We'd better do it. He went to someone back in Indiana and borrowed a lot of money, seed money, to start the company with. So he asked me, he said, "I want to be sure about you. We don't want to leave the Kiewit Company in any kind of bad situation when you leave, so I want you to start training somebody to take your place." Actually, we were in the very late stages of the job, so it wasn't a big problem.

And then in June of 1963, the company was actually formed. And in September, I moved my family from San Diego to Walnut Creek, California. The first project that we had was the shopping center in Oakland. There was Charlie and a fellow by the name of Loetterle, who's no longer alive, and myself, and three other people. Bob Carlson was

one of them. Harold Henderson was one of them. He's also passed away. Tony Giron was another one. He passed away. That was the crew that came on this project. The rest—everything else was locally hired people.

It was a very successful project, and during the course of that project, which lasted about two and a half years, another project was secured in San Francisco, and one of the guys came on over to run that project. At the very late stages of that particular project, they secured another project in San Diego [San Jose], and Charlie said, "I'd like for you to run the one in San Diego [San Jose]." So I did. So December of 1964, I moved to San Jose and started the project down there. We subsequently built four projects for the same owners while I was living and working in San Jose.

Adamson: Who was that, the owners?

Murk: The owners?

Adamson: Was this Winmar?

Murk: I could have said it a minute ago, but when you asked me that—oh, boy.

Adamson: Did Charlie have a relationship with these people that he knew before?

Murk: Oh, sure. Very close relationship. I don't know how he knew them before we got involved in the project for them, but I know that there was some kind of a connection

between him, at least one of the fellows. One of the fellows was Derk Hunter. These guys were developers, and Derk and Charlie were good friends. So that was probably the connection we had.

But anyway, we did those three projects, and then it's hard for me to remember timeline on these things exactly where I went from there. But Charlie was busy, and most of the work he did was negotiated work. It wasn't just a bid project. Of course, the success that we'd had as a small company and the integrity that Charlie had that people recognized made it pretty easy for him to negotiate with owners because he would give them a fixed price, with some very sketchy drawings, maybe ten or fifteen sheets. He would give them a firm price and a firm schedule and guarantee it, no extras. Unless the scope of the project changed, there are no extras. There are no change orders. And owners liked this because they know what they're buying. And this is what happened. This is how he became successful. He carried that through to the very end. When I left the company, it was still that way. He had some other very hard and fast rules. When we were bidding work, we put the final number together, you could never put less. I don't want this—maybe this shouldn't be in the book, I don't know.

Adamson: That's fine.

Murk: It's just he would never allow a project to go out for bid with less than 15 percent profit on it. Fifteen percent profit, that was it.

Adamson: One five, fifteen?

Murk: One five, yes. If the job couldn't make it at that, he didn't want it, said it's not worth it, and while public works were getting bids at maybe 2 or 3 percent. So the company was very successful from that standpoint.

But of course, being young, you had to maintain some kind of a backlog of work in order to keep working, and a lot of—I'm getting away from anything that's any kind of chronological order.

Adamson: That's fine.

Murk: One of the reasons I brought this up, I remember one time Charlie used to come to visit the job, and I remember one time he came to the project where I was, and we were having a cup of coffee. He said, "You know what?"

I said, "No. What?"

He said, "You know, we're in pretty tough shape right now. You're aware that you've got the only game in town. The project that you're on is supporting the entire company." But this is the kind of thing he would do. Now, it wasn't like Charlie to ever walk up and congratulate you, but you always knew he appreciated what you did. I don't know how he did that, but [was] it something about his approach to you, the way he talked to you, that you felt like you were being given a pat on the back. It's something that I think is very probably hard to acquire, either you're inborn with that kind of thing. But, anyway, that's what [unclear].

Now, I don't know where we want to go from there.

Adamson: Well, I have a couple points. When Charlie decided to form the company, did he have this project lined up, that you mentioned, before he started?

Murk: Yes, I think he probably did. I never asked the question specifically, but I think he probably did, because he wouldn't have done what he did without knowing that there was something right there.

Adamson: Do you know this person or bank in Indiana where he got the seed—

Murk: No, I don't. However, his father—you know about his father, I'm sure.

Adamson: A little bit.

Murk: Yeah. I'm sure that the money either came from his father or from his association with his father's company, because on that first project there was a man came there that was acting as what you might consider a controller or something. He was from the company that Charlie's dad was with,[2] and he was there for the duration of the project. He oversaw the project, not from the construction standpoint, but from the financial end. So I'm sure that was part of the reason that Charlie got the money was because he put this

[2] Ralph Sollitt & Sons Construction, South Bend, Indiana. Founded by Ralph Shannon Sollitt around 1920, the firm incorporated in Indiana as Sollitt Construction in April 1935. Sollitt's father and grandfather were successful general building contractors in Chicago. The South Bend-based Sollitt firm is no longer in business. Chicago-based George Sollitt Construction, founded in 1838, continues to this day.

person in place so he could watch everything that was happening. Of course, the job was very successful, and it just kind of went from there.

Adamson: You mentioned that the one Kiewit building you worked on was a bid, public project. Where did Charlie learn this design/build or negotiated approach? Was this developed while he was at the Building Division in Kiewit, or was this something—

Murk: No. No. Because Kiewit, I don't think he would ever have negotiated a contract. I don't really know how this developed, and I'm not sure that he really knew how it happened. It was just a desire by owners. Like I mentioned to you, he would give them a firm price and a firm schedule. It was a desire by owners that they liked that, and they were looking for somebody that would fill that kind of a slot for them. I think he probably came up with this idea of design/build in order to be able to do this, because if he's going to build a project for you, he has to have some kind of control. He's going to give you a firm price on, say, half a dozen sheets, architectural sheets, he has to have some control over how this thing's going to be developed. So this is probably where it came in, because he instigated it.

A lot of the things that happened to Charlie, not all the ideas he had were good, not all the ideas we had were bad, but a lot of the ideas he had and incorporated came from some of us employees. We discovered some things and thought of some things that we incorporated into our operation of the company.

Adamson: For instance, something you suggested at some point?

Murk: Well, primarily concerning a lot of the precast work. In those days, the precast work basically were tilt-up building warehouses, that kind of stuff. But we developed some architectural precast. We built multi-story buildings out of architectural precast concrete, where nobody else was doing it. There were no precast concrete companies in those days. Charlie was the guy that—well, the company was the one that decided to do this and make it work, and we were very successful at it.

Adamson: Now, when Charlie started the company, some of the people besides you came from Kiewit. What was Ralph Kiewit, or whoever was running Kiewit at that time—was there any resentment for pushing the players at Kiewit to—

Murk: I don't think there was any resentment from Peter Kiewit.

Adamson: Was there encouragement?

Murk: No, I don't think so, no, because I'm sure somewhere in the hierarchy, Charlie was probably missed, because he was the person that was very likeable and I'm sure that a lot of people missed the fact that he was no longer around the organization anymore. But there wasn't ever any problem with the Kiewit Company. They weren't that kind of an organization.

Adamson: Setting aside the types of projects that Kiewit and Pankow did, can you compare what kind of companies they were in terms of people and culture, and were they similar?

Murk: Well, they were very similar because the company, I think, was a product of Charlie and the Kiewit Company. Matter of fact, a lot of the things, Kiewit was pretty well regimented. You did this and you did this and you did this. It goes one, two, three. It didn't go three, two, one. It went one, two, three. Of course, we all kind of resented being handled in that manner, almost like a child, but that was the way the company was operating.

Well, when we started running the company, a lot of the things that were happening with Kiewit were also happening to us, but they were accepted in a different manner because we were close to the reason for it. A lot of the forms that we were using were almost carbon copies of some of the forms that Kiewit was using. I don't know if there were copyright problems or not, I have no idea, but they were nothing—they were just blank forms, is what they were.

So the company, in one respect, was a great deal like the Kiewit Company, but in other respects it was completely different. Because, like I say, Kiewit would never have negotiated any contract work. Theirs was always strictly bid work. I don't think an organization their size they could have ever negotiated work. It would be probably too many people involved in it. When you're involved in a negotiated contract with an owner, the only people involved is you as the builder and maybe the architect and the

owner or the owner's representative, only just three or four people. You don't do it by committee, no.

Adamson: Now, a couple of these people I'm going to mention, I understand are people who came from Kiewit or people who started with Charlie at the beginning of the company, and I don't have a lot of information on them, so if you can just talk about them and what they did, especially in the early years, that'd be helpful. Bob Carlson, was he a Kiewit person?

Murk: Yes, Bob Carlson was a Kiewit person.

Adamson: When he came to Pankow, he primarily did what?

Murk: The first job that the company had was the shopping center in Oakland, and Bob was the project superintendent.

Adamson: And he continued on as superintendent on other projects?

Murk: No, I think after that project, Bob went into the office and was working in bidding work and that sort of thing. I think that was the only project that he actually ran as such. Bob Carlson and I were very good friends.

Adamson: How long was he with Pankow before he retired or left?

Murk: Well, gee, I don't know exactly. Probably ten or twelve years. I don't remember exactly when it was that he left. He didn't leave under the best circumstances. There was some kind of a bit of a problem that came up between him and Charlie, and I think he left of his own accord.

Adamson: Okay. Now, Ralph Tice, I'm told by Lee Sandahl, was one of two, besides you, of the project superintendents that, especially in the early days, were the go-to guys on some of these early projects.

Murk: Yeah. Ralph didn't come with us as the first break of people. He didn't come on until after we finished the project in Oakland, so it was a couple, three years later. But he did come on and run the projects as project superintendent.

Adamson: What kind of guy was he? What was his personality?

Murk: Hard man, very hard guy, didn't have many people skills, which is very strange, and that was one feeling that Charlie had was his people skills at times left something to be desired. I don't know if you're interested in that at all or not—

Adamson: Sure.

Murk: —but it's kind of a picture of Charlie. But anyway, back to Ralph. Ralph was a very intelligent young guy, very hard worker. All the time he worked on the project, always had successful projects, but, like I say, he was a hard man to live with. If he made up his mind, that's the way it was. Whether it's right or wrong, that's the way it was. There was no other way around it. Other than that, he was an integral part of the organization for a number of years.

He actually left the company one time because he wanted to go back to—he was originally from Colorado, and wanted to go back to Colorado and run a dairy farm for some reason. He went back there, and he injured himself. I think he fell from a horse or something. So he was gone for three or four years and decided he wanted to come back. The dairy farm wasn't working, so he came back and wanted to go back to work here. That's the kind of guy Charlie was. Ralph left with good consideration, and Charlie said, "If you need to come back, come on back," and he did for three or four more years.

Adamson: Then Ralph Van Cleave was also apparently on—

Murk: Ralph Van Cleave never worked anywhere except in the office. He was an office person. He bid work. He was never on any of the projects.

Adamson: Was he someone who came from Kiewit, too?

Murk: No. I have no idea where he came from.

Adamson: So how many people were there total who came? At the start of the company, how many people were there?

Murk: Well, there was Charlie and there was Lloyd and there was Bob Carlson, and there was Harold Henderson, and there was Tony Giron. That's five. I was six. That was it, six of us that left at one time within a period of a few weeks prior to the job starting. Then some more of us come on. Some came during the course of that project, as well as one guy would get moved off there to another project, they had to fill that space so there would be more guys. These were all people that came from Kiewit. So his whole crew that he had there, he knew, that he had worked with, were all people that he knew, knew very well. And knew what they were able to do, so it's the reason he became successful. He started out with a bunch of people he was concerned for. He also knew what their abilities were.

Adamson: Now, did you and all the people who started with the company have shares or ownership in the company, or how did that work?

Murk: That's another thing that Charlie was—actually, Charlie was two people, maybe three people, and if you didn't know him well, you didn't realize that. He was conservative, almost to a point that was hard for me to accept. For instance, when the company was formed and it was determined that they were going to sell stock, going to be a stock company, in fact, you didn't just buy the stock because you wanted to, you didn't buy it until it was offered it to you. Okay? Being conservative was a fact. He told

me, "This company is never going to go public. I don't want to put our lives into the stock market where somebody can go in and buy ten or twenty thousand shares on the spur of moment and where I would have no control, so it will never be a public company."[3]

Over time, the attorneys finally told Charlie, "You're better off to not be an incorporated company. You're better off to be a company that is privately held within the organization, stock only issued or sold to employees." He went beyond that point. Before you could buy stock, there was a document, legal document, that your wife had to sign that if something should happen between you and your husband, should there be a divorce or anything, the stock reverts back to the company. It cannot belong to anyone except an employee. And let me tell you, it was very difficult for many wives to sign that, because they felt like they were being looked down upon, you know. But Charlie didn't want their money out of there, because he said, "Look, if you get a divorce from your wife and you've got a thousand shares of the company, you can sell those shares to somebody and we're back on the public market." So that's the way it was.

I remember the first time I took it home to have my wife sign it. My wife knew Charlie very well, and I knew Doris, his wife. We used to go to their house and spend the nights there. But even then, knowing Charlie as well as she did and liking him, she had a hard time signing that piece of paper.

Adamson: Right. I can understand that.

[3] After the interview concluded, Murk related a story about the first meeting of Pankow stockholders in 1965. When asked how disputes would be resolved, should they arise, Charlie Pankow simply replied, "We count stock."

Murk: That's how conservative the guy was. Our son has his own private investment business, and Doris called us up one day and said, "I have something I'd like for you to investment for me."

Adamson: Doris asked your son to invest some money?

Murk: Yes. So they went ahead and invested the money, and I guess she was happy with the returns. But one time Charlie—she said to my son, "I need you to come down. We need to talk about my investments." So he flew down. He lived there in Walnut Creek, flew down and he met with them, both Charlie and Doris. And all the time they were talking, Charlie sat there and didn't say a word. Of course, my son knew what Charlie thought about the stock market, that you couldn't trust it. You stay away from those kinds of things. You have no control of it; it's not good for you.

Well, before the whole thing was over, he told my son, he said, "I think you did well with what's happened with her investment, but we're going to put an end with it, because I can't let anybody else have control of my assets." So without his wife's approval, he just said, "We can't do this anymore."

She apologized to Paul for doing it, because I told Paul at the time when he told me that she called and wanted him to invest some money, I said, "Paul, it's not going to work, because Charlie, I know Charlie, I know him like I know my brother, and he does not like the stock market. It's not going to work eventually." It lasted for about a year and a half or two years, and finally just that was it.

Adamson: That was it.

Murk: Yes.

Adamson: So being conservative, that was one part of Charlie. You said that he was two or three people. What were the other two parts?

Murk: Well, he was a very conservative person, and yet he could be very magnanimous. I remember—and this is a story. See, I can't get involved and tell you about Charlie without telling you about myself, because that's the only relationship that I really could tell you about certainly.

Adamson: No, go ahead. Certainly.

Murk: We had an office at 690 Beach Street on the corner where the Hyde Park cable car turnaround.

Adamson: Yes, I used to live down there.

Murk: Okay. I was working in the San Francisco office, just finished up a project, and Charlie came in one afternoon. That's another story. You've got to remind me to go back and tell you about Charlie in San Francisco. Now, you've got to remember these

things all happened over twenty years. I mean it's twenty-eight years that I'm sitting here and kind of recalling.

Adamson: I'll mark it down.

Murk: So he came into the office one afternoon about three o'clock. He said, "It's three o'clock. Let's go across the street to Buena Vista and get an Irish coffee." He would do this once in a while. So we went over there and we sat up at the counter, and he took a paper napkin out of the holder there, opened it out, and he took his felt-tipped marker and he drew a picture of the world, laid out flat. He said, "This is what's going to happen to you."

I said, "What's that?"

He did this, this, this, and this. He said, "I'm going to send you and Sue on a trip around the world, first class. You're going to go to all these places." We went to fourteen different countries, and in the package, besides going first class on all the airlines, first class at all of the hotels, these were all places he had stayed. That's how he knew where he wanted to send us. Then in the package, in addition to those things, there was $50 in cash for every country we went to, just until you could get to the bank or something. That was the kind of person he was, how far he would go out for somebody for no particular reason, other than just the fact that he wanted to do that.

I get really kind of all choked up inside when I think about doing something like that. And there was no reason for it. He didn't have to do that. I would never expect that. I mean, I could have fallen off the stool when he said that he was going to do that,

and that's what we did. All the time we were gone, the paychecks kept coming in. So that's something. He was a very conservative person, but yet I know this thing must have cost $10,000 or maybe more than that. You've got to remember this was 1967 when $10,000 was a lot of money.

Adamson: Definitely. Then the other aspect of Charlie?

Murk: I guess the third person he really was, if you want to look at it that way, in many, many social situations he was very uncomfortable, even with people that he knew. I mean, not people he knew like me, but employees of the company that he didn't know well, he knew who they were and that they worked for the company, but there was no real close relationship. In a group like that, he'd be very uncomfortable. He'd be very, very quiet, very reserved. Nothing he did, nothing he wouldn't speak to them or didn't ignore them or anything, but there just was not much in the way of any warmth coming out between him unless he really got to know you. He and I spent a lot of time together. I have no idea why, but evidently from the early stages on, we hit it off really well.

Adamson: You mean outside of work?

Murk: Yes. Outside of work, yeah, sure. I used to buy his cars. I remember one time he called me. I was in the office, and he called me, said, "I need a new car."

I said, "Okay." He wasn't asking me if he could buy a car, you know.

The funniest thing, he said, "I want you to buy me a new car."

I said, “What do you want to buy? Do you want a Cadillac? Do you want a Jaguar, or what?”

He said, “No, no. I want a big GM sedan.”

So I said, “What about if I buy you a Buick?”

He said, “Buy me an Oldsmobile.” So I bought him an Oldsmobile 98. He was tickled to death with that.

He had it for about three or four days, and Doris called and said, “Alan, you bought Charlie a car the other day.”

I said, “Yeah.”

She said, “I want one just like it, only a different color.” So I bought her one just like it. So that’s the kind of a guy he would do. He would think nobody—you would never want anybody else to buy your car, buy you a car, right? But he didn’t want to get involved in that. He had too many things going on in his mind to worry about little things like that that somebody else could take care of.

Adamson: So Charlie is—

Murk: Am I confusing you with all these things?

Adamson: Oh, no, this is great. This just brought up to mind sort of a segue into just the way Charlie did business. Even in the early years when you only had a couple projects at a time, Charlie was mostly selling the next job?

Murk: Oh, yeah. Sure. Yeah.

Adamson: How often would he visit—you mentioned he would visit a job site, but how much time would he spend on a project?

Murk: During a project that would run like a year or eighteen months, he would probably be there half a dozen times, but spend maybe not more than a couple hours at a time. He always went to lunch, because that was the thing, either way it wound up. He'd generally show up in the morning and he'd spend a couple hours, never looked at any of the paperwork, never looked into it. Of course, he knew where the job was, the paperwork, because we extended the job to completion every month. At the end of the month, you could see where the job was going to wind up, how much money you were going to make. And he was very religious about those kinds of things, very much in control. And it's very difficult to start out with a job that's going to be, say, eight or ten million dollars and it's going to run for eighteen months, and yet at the end of the second or third or fourth month, you've got to project the cost to the end. I would pride myself with the fact that I could maintain mine within 10 percent. What would happen in lots of cases, and I know some of the times he would really get angry with some of the employees. He'd say, "I'm looking at the project over here, and ninety days before completion they said we're going to make $20,000 on this project." He said, at the end of the project, he discovered, "All at once we lost $20,000." He said, "Because you're not doing your job." He said, "You're not understanding what's going on." He said, "You're not getting the right picture."

And this is one of—He would call a special meeting about this. Some of the people really got put on pretty hard about that, but eventually they learned that you had to kind of hold something back, so to speak, so if something did happen along the line, you were able to pick up some of the slack in there. I was always very religiously doing that, and I was very successful, as a matter of fact doing that, because I never missed any project I was on where I missed it by more than 10 percent.

Adamson: So this estimating you learn by doing, or did you learn this going all the way back to the Kiewit days how to do this sort of thing?

Murk: No, I don't know how I knew this. I was just a conservative person, and I always wanted to have an ace up my sleeve. Not that they ever knew that. I gave them what they wanted to know, and it didn't matter to me whether they knew how I got there or not. It wasn't important.

Adamson: Tom Verti mentioned that the project superintendent was where the buck stopped.

Murk: Yes. Oh, absolutely. No question about it.

Adamson: You protected your guys in the field. You dealt with the management.

Murk: To this day, I think back on some of the projects, I really wonder how I did some of the things I did. I mean, to me it's amazing that they turned out like they did with me in control. I mean, why you? Who are you? You don't know anything. I mean, you're nothing. You're just an ordinary sort of guy. Yet you were very successful, but you were successful not because of what you know, but the kind of people you surrounded yourself with, and that's exactly what Charlie did. He was successful because he surrounded himself with people he knew, people that were capable. But, again, here's where he—it used to bother me so much, and I would tell Charlie, I said, "You've just hired Joe Brown over there," and Joe Brown was a guy that I knew, when I talked to him, he wasn't going to make it six months. The six months was the outside of how long he was going to be there.

I remember one time a guy—and Charlie had hired a fellow came from somewhere back in Indiana, wasn't anybody he'd known before. But I'd work in the office in San Francisco, and this fellow came in. I always got to the office early in the morning. This fellow came in and introduced himself, and I'd heard the name because I knew he was coming onboard. We got to talking about things, and he was telling me that, "I'm here now and I'm going to do this and I'm going to do that."

I said, "Can I give you a little bit of advice? Before you think about doing any of those things, you better run those past Charlie, because that's not going to fly with him."

"Oh," he said, "no, I know Charlie. I know how to handle that kind of thing."

Well, six months, he was gone because he tried to do some things that Charlie didn't agree with, first of all didn't know anything about, and look at him broad in the face, and Charlie just doesn't accept that kind of thing. So he had a problem many times

of occasionally hiring somebody that was like that, somebody that was very glib, had a real line that you couldn't help but believe what he was telling you. But deep down inside, you knew that there was something not quite right, there's something that just didn't quite ring true. So that was another side of the thing that bothered me a little bit about Charlie because he would sometimes not look at things the way they actually were.

Yet he and I would have discussions about that. I could always tell Charlie, "Charlie, that's not the right thing to do." I could always tell when I'd gone far enough. There was just something about his demeanor that I knew that that was enough. He heard what I said, he knew I believed it, but it wasn't what he wanted to do and he wasn't going to do that. But he didn't have to tell me that. He didn't have to tell me. I could tell by just the way he looked at me, the way he sat there, that I'd gone far enough. That's what I would do.

I have no idea how many of those kind of people that I eventually saw come and go through the organization, and most of them would only be five or six or seven months. Most of those guys wound up with all their contacts of playing golf, sort of thing. So I think what they were doing, they were making a damned good living doing this, but they were living a pretty good life, and they had been with a lot of different people. So that's what bothered me, is Charlie never recognized this guy had worked for twenty different companies in the past forty years. This has got to tell you something. So that's another side to Charlie that you didn't really see because you never how these people all got hired, where they came from. But basically all those kind of people were hired by Charlie. How he got exposed to them, I don't have any idea. So there were a number of

different sides to Charlie and some of them just really didn't fit together very well into the whole person that he was.

Adamson: Russ Osterman. When did he come along and did he start doing deals with Charlie right off the bat, or what can you tell me about Russ?

Murk: Russ Osterman came into the picture. I moved to San Diego in 1960 and finished the first project for the El Cortez Hotel. It was a convention center. Harry Handlery was the owner of that. But that's another story.

Adamson: Who was?

Murk: Harry Handlery was the owner of the El Cortez. He also own[ed] a hotel in San Francisco.[4] He [was] a great old guy. He used to come by the job and he'd say, "Okay, Alan, let's take a walk." He was an Oriental gentleman. We'd walk through the project. He'd ask this question and that question, and I'd explain to him what was happening. He'd say, "Come on. Let's go." We'd go to the hotel and he'd open a bar. He'd call a

[4] Handlery bought the El Cortez Apartment Hotel in October 1951 from the El Cortez Company. It was the thirteenth hotel in his empire. Designed by Los Angeles architects Walker & Eisen as a luxury apartment hotel, it was San Diego's tallest building when it opened in 1927. The San Francisco-based Handlery moved into the hotel. He then spent millions of dollars to alter the structure and expand its facilities to meet the needs of middle-class suburban residents looking to spend a weekend or stage an event, such as a wedding, in the city center. The additions included the world's first outside glass elevator and its first moving sidewalk. In 1959 he had the so-called Travolator bridge with moving walkway—essentially a flat escalator—constructed to connect the El Cortez to his new motel across the street. Handlery died in 1965. Paul Handlery, his son, took over management of the hotel (Kyle E. Ciani and Cynthia Malinick, "From Spanish Romance to Neon Confidence and Demolition Fear: The Twentieth Century Life of the El Cortez Hotel," *Journal of San Diego History* 46 [Winter 2000]).

bartender, just he and I sitting in there. We'd have a couple of drinks before I went home. This is the kind of an old guy he was.

There was a terrible mistake made, an architectural mistake, and the architect happened to be somebody that Charlie had known for a long time. I didn't particularly care for the guy. I thought he was almost incompetent. But, in any case, there was a mistake made on the job, and it concerned where the escalator was to go through one of the upper floors. The escalator is the last thing that's installed, so around the top of the escalator on the second floor, there's a low railing, six feet high. Now, this work is all finished before the escalator gets installed because the escalator is one of the very last things to go in.

Well, what had happened, the architect had made a mistake in the size and the location of this second-floor opening. But we had the wall up. This was special glass tiles that Harry had shipped in from Italy, so the tile work was all in this little stub wall, everything. I knew that the mistake had been made because the escalator man came and told me, he said, "You know, that escalator is not going to go through that opening. It's in the wrong place."

I thought to myself, "What am I going to do about this? It's not my mistake. It's not our company's mistake. It's the architect's mistake." Because here's the location up here.

So one day Harry came by, and he says, "Let's go take a walk." So we took a walk, and we walk out there, and he said, "When's somebody going to tell me about that mistake?"

"Oh," I said, "well, I guess I didn't really feel like it was my problem to tell you about it. It's not my mistake. It's an architectural mistake."

He said, "I know, but I would appreciate it if someone would have told me."

"Oh," I said, "I would have told you eventually, Harry. You had to know, because we had to tear it down."

He called Charlie, and Charlie came down. Harry called a meeting with the architect, and I was there and Charlie was there and the architect was there and a couple of his people. You cannot imagine how that Oriental man tore that architect, just tore him apart, I mean. Matter of fact, he said, "You got shit for brains," he told the architect. Charlie was sitting there, and I really felt sorry for Charlie because Charlie was the guy that actually brought this architect into the picture for Harry Handlery. So Harry wasn't blaming Charlie for it, really, even though he knew that there was a relationship there of some kind.

I used to tell Charlie, [Handlery] said, "Why are you renting a car when you come here?"

He said, "I got six cars. You borrow my car. Don't pay any rental for a car."

He was a good old guy to work with. I loved the old guy. I asked him one time, I said, "Harry, are you married?"

He said, "Yeah, I'm married."

I said, "I never met your wife."

He said, "Well, you wouldn't. She lives in San Francisco. I live in San Diego. We get along great," he said.

Adamson: So Russ Osterman was down there.

Murk: Well, Russ Osterman came—he had to have come back with Kiewit in about ’58 or ’59, because when I went to San Diego on the first project in 1960, he was the one that in the Kiewit office had bid the work and made horrible mistakes, horrible mistakes.

Adamson: Horrible mistakes estimating?

Murk: Estimating. I mean unbelievably bad. The project was an absolute total loser. I mean, his quantities on the project were totally off. He would price a piece of work that should have been priced per lineal foot, he’d price it per square foot, but the one dimension was only like four inches high. For instance, the edge of a slab, instead of putting it in lineal feet, he put it in square feet. So you divide that by three. So the job was a total complete downer. I guess it was the only job I ever knew of that we lost money, but it was all because of the bidding thing.

Adamson: So you bid low.

Murk: We bid low.

Adamson: And won the job.

Murk: And won the job.

Adamson: And you couldn't make any money on it.

Murk: And you can't bidding low. Yeah. But anyway, that's where he came in.

Adamson: But Charlie brought him with him?

Murk: Yeah.

Adamson: Or did he come in later, with Pankow?

Murk: No, he came in later. I don't remember exactly when it was he came in but it sometime after. Matter of fact, when Charlie left Kiewit, there were some projects that were finishing up. I think maybe one or two that were just getting started, so I think Russ took over and finished up those projects until he left.

Then another fellow came in after Russ left, Bill Keller, and he lost the whole thing. So they folded it all up. It never developed.

Adamson: Kiewit folded their Building Division.

Murk: Yeah.

Adamson: I bring up Russ Osterman, because from other interviews I'm told that at least in northern California and Oregon that he and Charlie got in on deals from the development side and that Russ was often the guy who put these deals together, so not only—I don't know how that worked. So anyone who can tell me about how Russ and Charlie worked from the development end, that would be interesting.

Murk: Yeah, that's true. However, I think, the impetus for the whole thing came from Charlie. I think when the thing got to a certain point, he just kind of turned over all the mechanics of the thing over to Russ.

Adamson: But Russ didn't have any special contacts up here. It was Charlie who had the contacts.

Murk: Yes, they were all that, because Charlie used to go up to the Bohemian Grove every year and made all the contacts up there.[5] He was the contact guy, and he was phenomenal. I can't tell you how many times he and I would be talking about something, sometimes talk about a project, sometimes you talk about the world in general, and Charlie would make a statement, and I'd think to myself, "What are you talking about? That's not going to happen." And I'd just kind of, store it in the back of my mind, in a year's time exactly what he said was going to happen happened. How he knew this, I

[5] The Bohemian Grove is a campground located in Monte Rio, California. It is owned by the exclusive Bohemian Club of San Francisco. Traditionally, the Bohemian Grove has hosted some of the most powerful men in the world for three weeks every July. See, Peter Phillips, "A Relative Advantage: Sociology of the San Francisco Bohemian Club," Ph.D. diss., University of California, Davis, 1994; G. William Domhoff, *The Bohemian Grove and Other Retreats: A Study in Ruling-Class Cohesiveness* (New York: Harper & Row, 1974).

have no idea. Now, it could have been about some of our work, it could have been about the economy, it could have been the world situation, he just seemed to have a knack of knowing things that were going to come about, and I have no idea why that would happen. I'm not even sure he was aware of it, but it happened many, many times that I saw it. He was, in my opinion, a very intelligent man.

Adamson: The other person I want to bring up, because I haven't had any success in convincing him to give us an interview, is George Hutton.

Murk: Yeah, well—

Adamson: Did he come from Kiewit, or when did he come along?

Murk: George Hutton, when we started the first project in San Diego in 1960, the El Cortez Hotel, George Hutton came, hired on as a new engineer on the project where I was running. So George was with me on that project, and then when we finished that project, I went to a thirty-story office building downtown San Diego, and George came down there with me on [as] a project engineer. On the third project, the project when I left, George was the engineer on that project, and he was the one that I trained to take over when I left there. So he stayed there and finished that project before he left Kiewit.

Adamson: So he came into Pankow as a project engineer, more or less?

Murk: Yeah. He worked on the latter stages of the first project as a project engineer, and then I guess at the very end of that project and before I got moved to San Diego, the connection that Charlie had with a fellow by the name of Leo Wou, who was an architect, was in Hawaii.

Adamson: Was where?

Murk: Hawaii. Oahu, Honolulu. He had a project that he wanted to get built, and I never did know how Charlie and Leo ever met, but evidently they came to some kind of an agreement about Charlie would send somebody to Hawaii and build that project. I guess he talked to George—Charlie talked to me about it, and I didn't want to go to Hawaii. I don't like Hawaii. I never have liked it, and still don't like it. But anyway, I didn't want to go. So he said, "I'll find somebody." So he sent George Hutton over there to run that project, and the project turned out to be a real failure. I'm trying to remember what year it was. It must have been '61 or maybe '62.

Adamson: This was a Kiewit project or this was already Pankow?

Murk: No, no, this was a Pankow project. Well, it had to be after '63.

Adamson: Right.

Murk: I have trouble remembering just exactly the dates of some of things happening. Anyway, George went there and ran that project, and then while he was there, he took some people there with him, people that had worked there, some craftspeople. He was quite successful over there in securing new work.

Adamson: And Charlie more or less left him there, the story I got.

Murk: Yes, more or less left him there until finally he ran it into the ground, and the whole relationship fell apart, and I guess there was some things happened that I'm not really privy to and didn't really want to be privy to that happened between George and Charlie. I know Charlie just mentioned one thing to me one time. He said they hadn't made any money in Hawaii all the years they'd been there, yet that was not the story that was going around that they were very successful, so on, so forth. So they parted company on a very bad note. So you wouldn't get anything from George except this, you know.

Adamson: Right. But since he was more or less running a separate office for a while, that story, whether they made money or not, is still an interesting story, or potentially interesting.

Well, let's take a short break here—

[Begin File 2]

Adamson: You mentioned before that one time Charlie came to you and said that the project you were working on was carrying the company.

Murk: Yeah.

Adamson: Was there any point in that first ten years or so where you thought the company might not survive?

Murk: No. My dad did. I remember I told you Charlie worked for my dad at one time, and I remember one of the hardest things I had to do—because the man who was district manager for southern California for Kiewit happened to be a good friend of mine and a good friend of my dad's, and the hardest thing for me to tell my dad and this gentleman that was I leaving Kiewit Company, because I owned stock in the Kiewit Company and had been there sixteen years, I was leaving to join a company that might or might not survive.

I knew Charlie and I knew myself, I knew the other group. I felt pretty sure of them. I remember how hard it was to tell my dad that I was leaving, and I remember his exact words. He said, "You don't tell me you're going to leave Kiewit and go to work for that whippersnapper." That's the exact words, called him a whippersnapper. He said, "He has the wildest ideas of anybody I ever saw in my life," but my dad is very old man, old-time conservative construction man. But I've always thought of that when my dad called him a whippersnapper. I never told Charlie that. I would never have said that,

because he and my dad got along well, except he thought my dad was too rigid: Do it this way, only this way, you know.

But Charlie was a bit that way, because I remember the first project. I went to work in 1952, the project was the Division of Architecture, State of California, and it was incorporated—we had nothing to do with the design. It was a straight State design. Incorporated into this project was some precast elements, and precast in those days, like I say, it was just tilt-up buildings, flat slabs tilted up. Well, these were structural elements, beams and perlings, these sort of things. They were going to be job produced. Charlie said, "We're not going to buy them out. We're going to do them on the job." That was the kind of thing Charlie did.

So he had about six of us, I guess—I was working as a carpenter at that time—that was involved in this precasting operation, and we were just getting under way. We had produced some product, and he came up to me one day and he said, "I've been watching you." And I knew that, because I can feel his eyes burning into my back, so I was always very careful of what I was doing. He said, "I've been watching you. I want you to take over this operation."

I said, "No, I don't think so, Charlie. I don't want that responsibility. I'm doing great. My wife's working. We're okay."

He said, "If you don't want that job, I won't have one for you. I can hire all the people I want to work, but I can see you out there. You're a leader. I want you to take that over. You better think about it. Think about it tonight when you go home. Let me know in the morning."

So I had a choice, either I could do that, which I didn't really want to do, or I could go somewhere else, and he was serious about that. Didn't mean I was going to leave Kiewit, but I was going to leave that job anyway, and, of course, if I've done that, it wouldn't look very good on my record. So the next morning, I went back and I agreed to do it. That's the way he would get things done, you know. He wasn't a bit bashful about it. I mean, you knew where you stood with Charlie. That's one thing about him.

Adamson: Dean Stephan and others have mentioned that a lot of the innovation on Pankow projects came at the job site.

Murk: Yeah.

Adamson: Either because of the site or because of the job, you had to do something to get this job. So if you have an example of a project where innovation happened at the job site because of requirements of the job and you had to come up with something.

Murk: No, I don't. I don't. I can't recall anything that I did. I was probably the recipient of a lot of those things, but I can't recall anything that anyone specifically did. A lot of these things evolved as a result of a number of things. It's not like somebody sat down and said, "I'm going to think about this, and this is what I'm going to do." Most good ideas don't happen like that. They happen as a result of a need, and that's what there was. There was a need somewhere along the line. There was something developed to fit that need. So I can't recall anything like that.

Adamson: Now, Charlie had an interest in concrete. Does that come from the type of projects from the Kiewit days, or is that just something that he saw he could use as a material to get the job—

Murk: No, I don't think it came from the Kiewit Company. The Kiewit Company would never have sat down with somebody and negotiated a contract with a fixed fee and a timeline. They just didn't do business that way. They went by the strictly bidding rules, and they would not have entered into any kind of an agreement like that, so this had to come from Charlie.

Adamson: But concrete he saw as a way of doing things more cheaply or better, or what was that?

Murk: Because he always said you could make almost anything you want to out of concrete. One thing you can't build, you can't build a spaceship out of concrete. It's too heavy. But everything else can be made out of concrete, and actually that was his love, I guess. There are many different ways to form that product into something, and he was always looking or anxious to think about some little change that would change from what the current was to something that might not be really accepted in the whole thing.

As a matter of fact, we did some things sometimes we had some real problems with some of the building officials doing it, because they didn't want to agree. But yet it was a situation that the code would allow it, they didn't disallow it. But some of the

building officials didn't really understand some of the things that Charlie wanted to do. However, as far as structures are concerned, he never had any kind of structural failure. Never. Not one. So the ideas that he had proved out to be a real [unclear] and workable. But I can't think of anything specifically that I did or anyone else did on their own.

Adamson: You mentioned on the phone a couple of the projects that you worked on, and you've already talked about San Diego, I think. You also talked about working in Seattle and in Milwaukee.

Murk: Right.

Adamson: Can you talk about what you did on those jobs and how they went?

Murk: I was a project manager.

Adamson: These were Winmar jobs?

Murk: Winmar, right. Winmar was a wholly-owned subsidiary of Safeco Insurance Company, and their relationship there was with Charlie and the people in Safeco or Winmar. That project went well.

I left Milwaukee when Charlie came to me and wanted me to become operations manager, which I didn't particularly want, but it was that kind of situation. We were sitting at the breakfast in the hotel, and he said, "This is what I want you to do."

Adamson: What does operations manager do? As operations manager, what did you do?

Murk: What did I do? All the field operations were my responsibility.

Adamson: So you were going from site to site, or were you working from the office then?

Murk: Oh, no, site to site. Made regular visits to all the different sites. I came and went as I pleased. Quite often he would go with me, spend a day or two. I remember one time, it was really funny, in Louisville, Kentucky, he and I. We had a project going there, and he and I went to visit there. We checked out of the hotel that morning, had breakfast. He was going to New York and I was going back to Milwaukee to see how the project—and some way or other our credit card got switched. We were carrying the same credit card, company credit card, but the allowances were a little bit different between his and mine. He got to New York, and first thing he knew, he discovered he was over his limit. Of course, when Charlie would go somewhere, he was a free spender. There's no question about that. But he discovered he picked up my credit card, I picked up his credit card. Neither one of us knew it.

Adamson: What did he have to do, stay at the Motel 6?

Murk: I don't know. Charlie was very innovative. He might well have had to. He'd work something out.

Adamson: This might be too high level of a question, but you can take it, break it down as you see fit, but how did the types of projects that Pankow did change over time from the sixties to the seventies? I know they got bigger and the buildings got taller, but fundamentally did the types of projects that they took on change over time?

Murk: No, they basically remained office buildings, condominiums, shopping centers, and they all had different, unique features, but there was no fundamental change in the way that things were operated.

Adamson: Did the organization change in any way, as there more projects to do at the same time as they got bigger and more people came on?

Murk: Yes. Yes, because in the late—well, I retired in '91, and in the late eighties, we probably had permanent employees, but what's permanent, you know? Probably had forty or fifty what you would consider permanent employees scattered around in different offices, different locations, Hawaii, San Francisco, Los Angeles. We had an office in Seattle for a while, an office in San Diego for a while. So probably somewhat forty or fifty people that were on the company payroll full-time, and then hundreds of people that were hired, local people for the projects.

Adamson: Do you have a favorite project?

Murk: Well, probably one of the projects that I did in San Francisco for Charlie. We did two buildings in San Francisco for the telephone company.

This is just a little aside. You probably don't want to put this in the book. But one of the buildings was for PT&T, and there was an agreement that on a certain date the telephone company would start picking up. They would lease the whole building, okay, the whole project. It was seven stories, and it was a big building. I've forgotten how long now, but it was almost a block long. They agreed on a certain date they would stick up the lease rate, the full lease. Charlie went to them and said, "Look, I can finish that building ninety days sooner."

They said, "Oh, sure. If you can finish the building ninety days sooner, we'll start picking up leases ninety days ahead of our agreement."

So Charlie came to me, and we were in the late stages of the job. He said, "I'm going to explain what's happened. If we can finish this job ninety days ahead of our schedule, we can pick up four and a half million dollars, because the phone company will pick up the mortgage payments on it."

So I said, "Well, Charlie, you know what? It just takes one thing. It just costs money. You put the money in the bank, and we'll do it."

He smiled real big, and he said, "The money's in the bank." We worked crews till midnight. We opened it ninety days ahead of schedule. The phone company was as good as their word. They picked up, they signed a new agreement to the lease, and they started picking up the costs ninety days ahead of the original schedule.

So these are some of the things that happened. They didn't happen just because of me; they happened because of the kind of an organization we had. I was very fortunate to have been able to surround myself with some very, very competent people, some very loyal people, people that would go however you needed to go, they would go. Charlie attracted these kind of people.

Adamson: Just in general, what did you like best about working at Pankow?

Murk: Well, I guess because once you were on a project, you had almost total freedom. I mean, it was your responsibility, good, bad or indifferent. Nobody ever came to you and said, "Do this," or, "Do that." I mean, what was happening there was totally your responsibility and you were well aware of it, and nobody had to tell you that. It's just something that you knew, and everybody on the job knew where the responsibility was lying. Everybody was responsible for their own position. I guess that's the thing I liked about it, because at that particular time we also had a precast yard. We were building the architectural and structural precast in Milpitas. So that was another thing that I was working on at that particular time, because I would go—I was living in San Jose, so it wouldn't be difficult for me to go by the casting yard in Milpitas on my way home or in the morning, one of the two, and I enjoyed that. I enjoyed it.

I remember one time a field superintendent that we had on the job, a guy that I—actually, he came to work for us in Seattle, kind of a story I might tell you, probably nothing to do with the book, but anyway, we were just getting started on the project in

Seattle, and this young fellow came up and knocked on the trailer door one day, and I said, “Come on in.”

He said, “I’m on my way to Alaska to go to work. I’m a carpenter from Salt Lake City. I’m on my way to go to Alaska to go to work and I ran out of money. I’m here. I need a job.”

I said, “What can you do?”

He said, “I can do anything you want me to. I’m a carpenter by trade, but I can do anything you want.”

So we were about in the position where we were getting ready to start, so I hired him. A few days later, I was walking from my office trailer out to the job site, and here was this beautiful young little lady, nineteen, twenty years old, walking along—the site was all fenced—and crying, just tears running down and streaking. She walked up to me and she said, “Do you know Mike Liddiard?”

I said, “Yes, he’s working here.”

She said, “I’m his wife, and I just lost my car keys and I’m afraid to tell him.”

I said, “I’ll go get Mike.” So I went out and I said, “Mike, there’s a beautiful young lady out there. She’s crying and she’s scared to death of you. That’s wrong. The wife should never be afraid of her husband. You go back and you take care of her.” So he did. We became fast friends, she and I, and also with Mike.

Then Mike eventually became—because of that job, he was a superintendent, but Mike was with me for about five years and finally we put him into running projects of his own. That was the way the whole company evolved. You worked for somebody until

you proved yourself, and then the opportunity came, and you were put in that position if you wanted it. That's the way people developed.

Adamson: What was his name again?

Murk: Michael Liddiard.

Adamson: Since you mentioned it, I'm going to skip to a question I have about this telephone project, because when I interviewed Bob Law, he said that it was a project that he, as a young engineer, he said he learned a lot from you on that project and that your role and how things worked at Pankow was a lot of the people brought in from the university got their training from people like you on the job.

Murk: That's true. That's true.

Adamson: The question is how that mentoring relationship worked on the company and how these people straight out of college learned how to build a building from people like you.

Murk: Well, I don't know that there was ever—never any magic in it, certainly. It's just that I was never afraid to explain to anybody else what we were going to do and why we were going to do it. I always felt that was the best way for somebody to learn, and I always told them whenever somebody made a mistake, the first thing that you don't want

to do is try to find out who's at fault. Find out what you can do to stop it from happening again. There's always plenty of time to find and deliver fault to somebody if it's necessary. All I tried to do, I guess, was kind of lead by example. I would not have anybody do anything I couldn't do myself, and I think everybody was well aware of that.

The young engineers were always watching. I can almost feel their eyes on, watching you, what are you going to do in this particular. If this happens, what are you going to do? They always knew that there was an answer. The answer was not right, but it was not entirely wrong. But they were watching and you could just see this, and I know that they were all of them eager to learn something. They had the scholastic abilities, but they didn't have anything beyond that. So they had to learn whatever there was to become successful in the field out there, they had to learn it from somebody that was there, and I and people like me were the only ones they could get it from. So that's what happened.

I remember Bob Law very well. I was working up in San Francisco, and Bob Law got hired on, and he and I were bidding work. There was kind of somebody that said—the guy running the office in San Francisco was kind of a strange guy at that time, but he eventually got fired. But anyway, he did with something with somebody.

Adamson: "He" Bob Law or he the person?

Murk: No, no, the guy that was running the office in San Francisco made some kind of a deal with somebody to do something down in San Mateo to keep a building permit alive. It had to be some kind of activity on the site or else the building permit was going to

lapse. So he said, “I would like for you and Bob Law to go down and just do a little bit of work on that site.”

I said, “What do you want to do?”

He said, “Well, go down and do a little surveying, a little engineering on it, and have somebody come out with a backhoe and dig a hole and put some reinforcement there and pour some concrete. Just enough to keep the project going.”

So we did this, and I told Bob, “Tomorrow morning we’re going to go down to San Diego, to San Mateo, and do this. I want you before you go home tonight, get the level and the tripod and put it in the trunk of your car.”

He said, “Okay.” In the office there we had both an engineering level and a—

Adamson: Tripod.

Murk: No, not a tripod, but the other instrument. I can’t remember the name of it. [Ed.: A transit.] Anyway, one of them was in a little square container about that big [demonstrates], the other one was a dome-shaped container, and they were both sitting in the office. Bob told me, he said, “Which one of those two is the level?”

I said, “Bob, you happen to be in civil engineering from Purdue. You don’t know the level from the transit?”

He said, “That’s right, because we never had any experience in that.” I can’t imagine how Purdue missed that kind of thing in a civil engineering program, but he didn’t know the difference between the two instruments that you use for surveying. Anyway, Bob Law was a great guy, no question about that.

Adamson: So he became the in-house estimator at some point.

Murk: Yes, that's true.

Adamson: Is that something he learned from you as well?

Murk: Well, when he came to work, I was the first guy he went to work with, and he and I bid work in San Francisco, so that was his first exposure to it. How far it went with him, I don't have any idea, but that's what we did. We did it for a couple of years, day after day after day, just poring over drawings and making bidwork. But he seemed to like it. He seemed to enjoy it and have a knack for it.

Adamson: I talked to Lee Sandahl, and others have mentioned that the way they put it is Charlie Pankow believed that the supervisor was the most critical person on any project and that Charlie wanted supervisors, er, superintendents, to know everything about the job to get in early on the scheduling and see to it right to the very end.

Murk: Yes, right, that's true.

Adamson: But then every once in a while Charlie would show up and the situation would be that if there was a problem, you didn't bring it to Charlie unless you had the solution and you're trying to get his blessing.

Murk: That's right. But every once in a while Charlie would come up with a solution to a problem that you wouldn't even know was existing. I mean, you weren't aware that was a problem, but to him it was a problem, and he had the solution to it, and he was not a bit bashful about bringing this up to you. Didn't ever make you feel any the less for it or anything, but, you know, made you aware that this is something we could do that might enhance the whole program. So he was a very intuitive guy, no question about that.

Adamson: So in that sort of case, would it be a discussion or would you just nod your head and say, "Okay"?

Murk: We could have a discussion. We could have a discussion. I don't know—my relationship with Charlie was a lot different than with Charlie with a lot of other people, because for some [reason] he was a lot more open with me than he was with a lot of people, because a lot of people would say, "I don't know how you get along with Charlie like you do. But as far as Charlie's concerned, you can't do anything wrong."

I says, "That's not true. I've been castigated by Charlie." Not seriously, not enough to the point where I couldn't stand to take it, but always it was for something that I did and I did wrong.

And he said, "The problem is that you knew better." And that's exactly right. That's the only time you ever criticize somebody, is you did something and you knew you were doing it wrong. If you make a mistake, that's okay. That makes you a human

being. But if you do something knowingly and you know it's wrong when you're doing it, you shouldn't have done that.

Adamson: Now, this design/build approach, people have said that in the beginning it wasn't even called design/build, but eventually it acquired that name. How did that process get refined over time? Just by doing projects or was there a formal approach to perfecting it within the company?

Murk: I don't know that it really ever got refined. It started out, and as far as I could determine, it never really changed very much. It was from the beginning almost a total concept. I mean, this was what you did. I mean, you do this, we'll do this, and we'll guarantee it. That was the design concept. Design/build, like I say, the owner says, "You give me twelve architectural sheets that define the scope of the work, I will give you a firm price and a firm schedule, and nothing will change unless you change the scope." And this is how design/build—because in that particular case, Charlie—that made him aware that he was going to make some changes in the project, we still [unclear] the project as far as he was concerned, but it was a change of some kind that would allow him to do these two things, give you a firm figure and firm date. This is where the design/build came it. It gave him some flexibility to do something that ordinarily the architect or the owner had not thought about doing or didn't realize it was an important part of the whole project.

So it just kind of evolved, but when it came about, it came about just like all at once. It was there. There was nothing that I know of that ever really enhanced it or changed it in any manner. It was just that way from the very beginning.

Adamson: Did Charlie or Pankow generally find architects that were good with this system, or did it leave it to the owners to—how did that relationship with the architects work?

Murk: Well, I'm quite sure it worked both ways. In some cases the owner came up with the architect. In some cases I'm sure that Charlie had some input with the owners early on about if somebody had a project he wants to build and I know this architect, he's kind of a good guy to work with, he'll understand what you want, and he won't argue about his artistic concern. So it could work both ways, I'm sure. Because some of the architects, some of the big, oh, like Skidmore, Owings & Merrill and some of the people that have a big name, you know, let me tell you, some of those people are not as great as people think they are. They're no better than people they have hired, and that's the problem, to find somebody that's very, very competent. We had some serious problems with some of those architects because they just didn't understand what was going on with the projects.

Adamson: You said to come back to Charlie and mentioned Charlie in San Francisco.

Murk: Yeah.

Adamson: You were saying the office at 690 Beach Street. Was there something else you wanted? You told me before to come back to—

Murk: Oh, no, I just told you we went across to Buena Vista and had the Irish coffee and that's where he laid out the map of the world for the trip.

Adamson: Oh, that's the story you wanted to tell.

Murk: Yeah.

Adamson: Now, there's a video that was made a year or so before Charlie passed away. It's basically used now as a training video or introduction to the firm video for new people, and Dick Walterhouse showed it to me in the Oakland office. And there's a couple themes that people hit on and Charlie hit on. I'm just going to throw out these themes, and you can tell me what it means to you. One of the things Charlie said in this video was that "Innovation is our main theme." Was this a primary characteristic or feature of the firm, or was it just something that was kind of understood? How did Charlie foster innovation, and how did the firm make sure that innovation kept happening?

Murk: Well, I told you that he would guarantee them a price, an early-on price, and guarantee the time frame. This had to relate to innovation, because he was going to do

something a little bit different that somebody else was going to do. Joe Brown, the contractor out here, was going to take the set of drawings and with the forty or fifty sheets, he was going to take four or five weeks to put a price on it, and then he would generally have a price in there that was probably a bit too low, but he knew somewhere along the line he could pick up some change orders, pick up some money. Charlie didn't do that.

So in order to maintain that kind of situation where he guaranteed the two main things that the owners were concerned about was their structure and their time frame, and the cost analysis, he had to be innovative. He had to look at different ways of doing things, and that's how it came about. Innovation never changed. It only kind of grew upon itself. You'd be doing something and all of a sudden somebody would say, "Well, why can't we eliminate this one step? We'll just go from instead of step one, two, three, go step one to three, forget number two. We didn't have to have it." And that kind of a thing would happen sometimes. Not at a regular basis, but in most cases I think it happened because somebody didn't know different, didn't know to do it a different way. So the innovation, I think, was something that continued on a regular basis. Primarily it was a requirement really because of the way that Charlie approached these jobs with the design/build concept.

Adamson: In that video, Tom Verti talked about a culture of respect and integrity at the company.

Murk: Yeah. It was always that and, of course, when you have that many people involved, there was always some friction somewhere along the line. Some people didn't get along too well, but that didn't have much respect. Basically, overall, people all got along well. And the ones that didn't, didn't stay very long.

Adamson: I think what strikes me, a lot of these characteristics stand out because the public perception of the construction industry is one that's very [in]efficient, sometimes even corrupt, and that here's this firm that's innovative and has integrity. In another industry maybe it wouldn't be that standout as that significant, but because it's the construction industry, it stands out.

Murk: Yeah. There's a lot of things that happen in the construction industry, still does, things that are improper, you know.

Adamson: The other theme that comes up with Charlie is loyalty.

Murk: That was a big thing with Charlie, there's no question about that. Never. Never any question about that. I mean, you always knew exactly how important that was, for you to remain loyal to him and his philosophies.

Adamson: In some respects, when people wanted to leave, that caused some friction in some cases.

Murk: Yes, in some cases, but over time it all kind of went away. There weren't a lot of people that left. There weren't a lot of people that left of their own volition. Charlie could be a hard taskmaster. I remember I was vice president of the company, okay, operation manager and vice president, vice president of operations, and I had known Charlie since 1952. This must have been along in, I don't know, 1980 or '81, something, we had a project going, and there was some problems that came up on the project. I was aware of the problems, and they were being taken care of. Charlie became aware of the problems, and he came to me and he said, "I want you to fire that man."

This man happened to be a field superintendent, very qualified guy, been with the company for about eight or ten years. I said, "Charlie, he's not responsible for what happened."

Charlie said, "He's the field superintendent. He's responsible overall."

I said to Charlie, "You know, that man is very competent and he would never make a mistake like that."

Charlie said, "I want the man fired. I want him gone." I had to go fire him, no question about it.

The guy said, "What did I do wrong?"

"Well," I said, "as far as I'm concerned, the indications are that you're responsible for anything that happened on this job, even though you never had your hand in it at all." And he didn't have.

But sometimes he [Charlie] would go off like that and, I guess maybe that was really the only time I ever recalled that happened. But that was something very difficult for me to do because I was totally against that kind of a position to take. I think what

happened, someone, probably the man that was the superintendent on that particular project, had colored Charlie's mind to the fact that this fellow had blamed this field superintendent rather than take some of it on himself, because it was partly his responsibility. He was there on the project, too. He was the project manager, so he should bear some responsibility. But of course he didn't. But that was—I don't even know why I said that, but that's just one of the things that came to my mind. Sometimes he would be very hard to understand why he would make a certain assessment. But overall, he was 100 percent right.

Adamson: Then Dean Browning mentioned that people who left to form Webcor, which is more or less a successful company, did they leave because they saw an opportunity that Charlie wasn't pursuing?

Murk: Yeah. Just like Charlie did. These two guys had been running a project, they were project superintendents, and I guess they just decided that they were making money for Charlie, and so they could make some money for themselves. So they actually hooked up with—there was a bunch of projects we did for this one bunch of owners all in the same area over a period of four or five years, and one of the fellows that left was the superintendent on these projects. So he developed a real close relationship with the owners of this project, and these owners are the one, I think, that told him, "Once you break off on your own, we'll back you up," and so on and so forth, and they did. So he and this other fellow left and went out for themselves and formed the company. I know that the owners of that project were the ones that were responsible for them having left.

Adamson: While I was back in Purdue, there's a lab in the Civil Engineering Building that has Charlie's name on it.

Murk: Yes.

Adamson: But then there's a new Bowen Laboratory that—

Murk: That Webcor.

Adamson: —that on the donors list there's both Charlie and the Webcor people on the same plaque. So they're both successful.

Murk: Well, of course, both those people came from Purdue.

Adamson: Right.

Murk: Yes. The Webcor people.

Adamson: So they've had their success.

Shifting gears a little bit, I ask people about this because people mentioned that Christmas parties and other events were held at Charlie's house, and these were great fun affairs. I assume you went to all these parties.

Murk: Oh, yes. There wasn't anything you didn't go to. You didn't turn it down. I mean, nobody said it was mandatory, but you always just went.

Adamson: But good times were had by all at Pankow?

Murk: Always.

Adamson: These are just some general questions about Charlie. What traits do you think made Charlie not just a good builder but a good businessperson?

Murk: I think he was very intuitive, just any way you want to look at it. He just seemed to have the ability to look at something and analyze it, the good part and the bad part, and separate those if he could, or look at a situation and seemingly offhand know if it was going to turn out bad or good. How he knew these things, I don't have any idea. I don't think I ever had that ability, at least not to the degree he had it.

Adamson: You said you were around until 1991, so you were there for the reorganization of the company, '85, '86.

Murk: Oh, yeah.

Adamson: At that time, you went in as part owner and came out as part owner in the company, or how did it work in your case, the reorganization, for people who had been around a long time and weren't Charlie or Russ [Osterman] or George [Hutton]?

Murk: The reorganization really wasn't all that much. It went from a stock company to a privately held company where instead of an issue of stock, you had a unit. Those units were given to you on a Charlie-decided basis. He's the one that said, "Yes, we're going to increase your units this year by 10,000," or whatever, and the unit value, of course, was determined every year at the fiscal end of the year project, and the unit value was established and transmitted to all the unit holders, as opposed to stockholders. But there was never any real big formal change in the organization. Everything remained, as far as I could see, just kind of status quo.

Adamson: People have mentioned that one of Charlie's motivations to do the reorganization was to help to make sure that the company lasted beyond him.

Murk: Well, I know many years before I retired, Charlie and I—well, first of all, you're probably aware that Charlie spent most of his time in San Francisco. I remember I used to see him every Monday morning if I was in town. I might be going on a trip somewhere, but Monday morning if I was in town, I would sit down with Charlie and we'd talk for a couple hours before he flew to San Francisco that afternoon. One time I said, "Charlie, you know you spend all your time in San Francisco. Why don't you move to San Francisco?"

He said, “If I did that, where would I have to go to? I don’t want to come back to Los Angeles.” So it was funny, some of these things that would come up just during our discussion for no particular reason.

I’ve kind of lost my track. What was it you asked me about just a second ago?

Adamson: Doing the reorganization in part to make sure that the people would perpetuate the company beyond him.

Murk: Yes. For a number of years before I retired, we talked about this one time. He said, “I don’t necessarily want to give you all the details, but I have made arrangements for the company to exist in perpetuity.” I knew he had done something, and something that was legal, in order for this company to exist if the group that was left behind wanted it to exist, and that’s what they decided to do. Of course, I was gone by that time. But I was involved in a number of the projects with Charlie on a partnership basis, and so I made a lot of money off of some of those projects there.

Adamson: How were those structured? All I’ve heard is between Charlie and George in Hawaii, and Charlie and Russ in Oregon, and that they went in as partners on these deals.

Murk: No, I was the same way.

Adamson: But you were part of those three?

Murk: Not in all of them, but part of those things, yes.

Adamson: So that you were brought in just—

Murk: They were limited partnerships, so you had a piece of the pie, yeah. You made the cash call and all this kind of stuff, if that was required. So that was, you know, [unclear] all the legal documents.

Adamson: Besides, how many other people were involved in these, if you just take the sum total?

Murk: One time, for instance, Bob Carlson would have been, you know. Obviously Russ was and George Hutton was. Maybe our chief financial officer may have been. I'm not sure about that. And of course, Dean Stephan was.

Adamson: Just generally, do you have a sense of what determined when Charlie would want to do a development deal versus just being the builder? What was the opportunity?

Murk: I think that was just the opportunities that arose. I'm sure he was open to them all the time. I'm not sure he went around looking for them, necessarily. But because of his acquaintance with so many people across the country, a lot of these things just appear, and then when they come up, he'd take advantage of the situation. By that, I don't mean in a disrespectful manner, but he would go ahead and develop a situation. But I don't

think he ever spent a lot of time just out scouring the country looking for something like that. I think because of people that knew him, they came to him, I think, with some kind of an idea.

Adamson: In your own case, vice president of operations is that when you retired, was that what you—

Murk: Yeah.

Adamson: So you spent how many years doing that position? When did you start doing that? I mean, you said the project, but just to get a sense of—

Murk: Oh, it must have been the eighties, early eighties. It was probably ten, twelve years, and I probably shouldn't have retired when I did, but I did. So I did.

Adamson: So you did.

Murk: I did.

Adamson: As I build up these interviews, it seems like there was almost a whole generational turnover in the early nineties.

Murk: Yeah. Yeah.

Adamson: For whatever reason, a lot of the—now here's the part where I said before we started that if there's an area where we didn't cover or there's a story or two about Charlie that hasn't come up that you want to tell that sort of adds some flavor to show us what kind of person Charlie was, do you have anything off the top of your head that just is a story where something you did where it kind of gives us some insight into Charlie?

Murk: For the most part, he was a very generous person. I remember his favorite lunch place in San Francisco was Jack's. I don't know if you know about Jack's. It was an old bordello. That was his favorite lunch place. I remember many times he would take me and my wife to dinner somewhere, and a lot of places he would go, the owner or the head chef would come out and stand at our table and say, "This is what you're going to have tonight." They knew Charlie, Charlie knew them, and he would expose you to these kinds of things. In this case, I took this as something being very generous with his own time and—he didn't have to do that. I mean, it's just stuff that he felt like he wanted to do, I suppose.

Adamson: This just brings up, because you mentioned San Francisco, one other question. Dick Walterhouse told me about the remodel of the guesthouse, 3810 and Washington Street. Were you involved in that at all?

Murk: No. I didn't want any part of that at all.

Adamson: Because?

Murk: Didn't want any part of that at all.

Adamson: Dick tells the story about how he'd be on some project, and he'd get a call from Charlie about they were pouring the cement wrong in the driveway or something, and he'd have to go out and—

Murk: Yeah, yeah, that could happen.

Adamson: But you were out to the 3800 Washington many times?

Murk: Oh, many times, yeah. Sure.

Adamson: What were your impressions of his art collection?

Murk: Well, I liked his Russian icons better than anything else. That's what I like. It's okay. I'm not big on art, myself. He was very proud of it.

Adamson: Right, and spent a lot of time on it.

Murk: Glad to show it off, you know.

Adamson: I guess the closing question is, what is the best way of understanding Charlie Pankow and his company and his contributions to the construction and building industry?

Murk: I don't think I have an answer to that. I don't know. I wouldn't know how to answer a question that broad.

Adamson: While you were working there, did you have a sense of the reputation of the company or did you have a sense of the—

Murk: Oh, yes, I was always aware of that, because there was never a time that I recall that there was anything ever derogatory said about the organization. If that ever happened, I certainly was never aware of it, and I was pretty close to all the top people in the organization. So if that would have happened, I'm sure I would have been aware of it, one way or the other. I never knew that to happen at all.

Adamson: And [this] just comes to mind because you said you started out as a carpenter, and one of the things that people say about Charlie is that he had this affection for the building trades people on the job.

Murk: Yes. Well, because he knew they were the heart of the whole thing. It couldn't operate without them, so they were the people that he really looked at before hand, although he had very little relationship with them on an individual basis with the craftspeople.

Adamson: So did that sort of trickle down or flow down to people like yourself who were running the projects on the job site, or not?

Murk: I suppose. I mean, I think not many people had the relationship I had with Charlie because of starting back so far before the company was formed and all this kind of stuff. Of course, being one of the founders, it makes a different situation. A lot of the other employees came along a lot later, so I don't know how some of their relationships with Charlie really were.

Adamson: That's about all I have. I thank you for your time and taking time out. I appreciate it.

[End of interview]