

Bowman expands Texas operations through acquisition of Houston and San Antonio based Terra Associates, Inc.

December 27, 2021

Bowman today announced it has entered into a definitive purchase agreement for the acquisition of Terra Associates, Inc. ("Terra"). Closing is scheduled to occur on December 31, 2021, subject to customary closing conditions. Headquartered in Houston, Texas, Terra delivers civil design and engineering solutions to clients focused on traffic and transportation planning, water-wastewater solutions, landscape and irrigation systems, office and industrial facilities, and multi-family development. Under the continuing leadership of Vickie Henkel, Terra's staff of 30+ professionals work from offices in Houston and San Antonio for both public and private sector clients. In connection with their water-wastewater practice, Terra serves in the role of District Engineer for several Texas-based Municipal Utility Districts (MUDs).

"Terra is a company with a forty-year heritage of serving eastern Texas," said Gary Bowman, CEO of Bowman. "The leadership of Terra has surrounded themselves with a team of committed and energetic professionals who will all be great additions to Bowman. We have been intent on growing our Texas operations and this acquisition, following closely on the heels of our acquisition of 1519 Surveying, fortifies Bowman's presence in the Lone Star state. Terra's experience in commercial site work, transportation design and utility district services are highly complementary to our portfolio of services and align with our growth plans and evolving market demand. I am pleased to welcome everyone at Terra to Bowman and I am excited about the potential for our future together."

"Choosing to join Bowman was an easy decision," said Vickie Henkel, CEO of Terra. "Bowman's approach to growth is very exciting to all of us at Terra. We've gotten to know the leadership at Bowman over the course of the acquisition process and we all feel very comfortable with the decision. Their commitment to helping our leadership and staff grow without changing the core of who we are is a big part of what makes us excited about this opportunity. The opportunity to be a part of an entrepreneurial public company is both exciting and energizing. We are all looking forward to the future as a Bowman company."

The acquisition, which Bowman expects to be immediately accretive, was financed with a combination of cash, seller financing, and stock. Bowman expects the Terra acquisition to initially contribute approximately \$5.5 million of annualized net service billing.

"We are continuing to execute on our commitment to growth at a reasonable price," said Bruce Labovitz, Bowman's CFO. "This will be our last acquisition in 2021, and it brings our annualized acquired revenue for the year to approximately \$36 million. The Terra acquisition is within our target multiple range and it meets all of our objectives for operating performance metrics. As is our practice, we will provide more detailed information on M&A activities and pipeline in connection with scheduled quarterly communications."

Link to original press release:

<https://bowman.com/news/bowman-expands-texas-operations-through-acquisition-of-houston-and-san-antonio-based-terra-associates-inc/>

