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PRESENTATION

Operator

Good morning, everyone, and welcome to the MYR Group Fourth Quarter and Full Year 2019 Earnings Results Conference Call. Today's conference is being recorded.

At this time, for opening remarks and introductions, I would like to turn the conference over to David Gutierrez of Dresner Corporate Services. Please go ahead, David.

David E. Gutierrez ***Dresner Corporate Services, Inc. - Head of PR Practice and SVP***

Thank you, Annie, and good morning, everyone. I'd like to welcome you to the MYR Group conference call to discuss the company's fourth quarter and full year results for 2019, which were reported yesterday.

Joining us on the call today are Rick Swartz, President and Chief Executive Officer; Betty Johnson, Senior Vice President, Chief Financial Officer and Treasurer; Tod Cooper, Senior Vice President and Chief Operating Officer of MYR Group's Transmission and Distribution segment; and Jeff Waneka, Senior Vice President and Chief Operating Officer of MYR Group's Commercial and Industrial segment.

If you did not receive yesterday's press release, please contact Dresner Corporate Services at (312) 726-3600, and we will send you a copy, or go to the MYR Group website, where a copy is available under the Investor Relations tab.

Also, a replay of today's call will be available until Thursday, March 12, at 2:00 p.m. Eastern Time by dialing (855) 859-2056 or (404) 537-3406 and entering conference ID 1989856.

Before we begin, I want to remind you that this discussion may contain forward-looking statements. Any such statements are based upon information available to MYR Group's management as of this date, and MYR Group assumes no obligation to update any such forward-looking statements. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. Accordingly, these statements are no guarantee of future performance. These risks and uncertainties are discussed in the company's annual report on Form 10-K for the year ended December 31, 2019, and in yesterday's press release.

Certain non-GAAP financial information will be discussed on the call today. A reconciliation of these non-GAAP measures to the most comparable GAAP measures is set forth in yesterday's press release.

With that said, let me turn the call over to Rick Swartz.

Richard S. Swartz ***MYR Group Inc. - President, CEO & Director***

Thanks, David. Good morning, everyone. Welcome to our fourth quarter and full year 2019 conference call to discuss financial and operational results. I will begin by providing a brief summary of the fourth quarter and full year results, and then turn the call over to Betty Johnson, our Chief Financial Officer, for a more detailed financial review. Following Betty's discussion, Tod Cooper and Jeff

Waneka, our chief operating officers for our T&D and C&I segments, will provide an industry outlook and discuss some of MYR Group's opportunities going forward. I will then conclude with some closing remarks and open the call up for your questions.

We finished 2019 with strong financial performance in the fourth quarter and full year revenues of $2.07 billion, setting a record high for the fifth consecutive year. Our record backlog of $1.5 billion at the end of 2019 demonstrates that efforts to expand our service offerings across a wider footprint and continually improving customer value are translating to diverse opportunities in the U.S. and Western Canada.

In July, MYR Group announced the acquisition of CSI Electrical Contractors. CSI adds a significant capacity to our commercial and industrial service offerings in California, expands our expertise to new and existing customers and continues to support efforts to build our resume in the clean energy market.

In 2019, our T&D and C&I segments experienced strong bidding and project activity amid healthy market conditions, and we continue to hone our abilities to adapt to client needs and remain agile. The evolving energy landscape is presenting increased opportunities associated with wind, solar and battery storage. Our T&D and C&I segments continue to build on strong -- on our strong resume to meet the diverse needs of our clients in these areas and position us favorably for significant opportunities in 2020 and beyond.

In addition to organic and acquisition growth initiatives in 2019, we focused on key operational objectives to streamline our business operations, strengthen our competitive position and provide positive work environments and opportunities for our employees. We believe MYR Group is well positioned to maintain our status as a leading company in the industry, and we are proud of our fourth quarter and 2019 full year performance, which we expect to serve as a solid foundation for future growth opportunities and continued stockholder value.

Now Betty will provide our fourth quarter and full year 2019 financial results.

Betty R. Johnson ***MYR Group Inc. - Senior VP, CFO & Treasurer***

Thank you, Rick, and good morning, everyone. On today's call, I will be reviewing our quarter-over-quarter results for the fourth quarter of 2019 as compared to the fourth quarter of 2018.

Our fourth quarter 2019 revenues were $571.1 million. This represents an increase of $124.8 million or 27.9% compared to the same period last year. T&D revenues were $311.0 million, up 20.9% compared to the same period last year. The breakdown of T&D revenues was $219.3 million for transmission and $91.7 million for distribution. The T&D segment revenues increased primarily due to an increase in revenue on small- to mid-sized transmission projects. Approximately 45% of our fourth quarter T&D revenues related to work performed under master service agreements.

C&I revenues were $260.1 million, an increase of 37.5% compared to the same period last year. The C&I segment revenues increased primarily due to incremental revenues from the C&I -- CSI acquisition. Our gross margin was 12.1% for the fourth quarter of 2019 compared to 10.6% for the same period last year. The increase in gross margin was primarily due to better-than-anticipated productivity as well as a favorable project settlement. The increase in gross margin was partially offset by inclement weather and labor inefficiencies, for which we are in ongoing negotiations to receive reimbursement.

SG&A expenses were $48.1 million, an increase of $18 million compared to the same period last year. The increase was primarily due to the acquisition of CSI, along with the higher incentive compensation and other employee-related expenses to support the growth of our operations. This brings our 2019 full year SG&A as a percentage of revenue to 7.6% compared to 7.8% experienced in the full prior year.

Fourth quarter 2019 net income attributable to MYR Group was $12.8 million or $0.76 per diluted share compared to $10.7 million or $0.64 per diluted share for the same period last year.

From a segment perspective, the T&D segment operating income was $24.9 million or 8%. The C&I segment operating income was 3.9%, up from prior quarters in 2019 and just shy of our low end typical range for C&I of 4% to 6%. Without our noncash amortization and earn-out charges, the C&I segment would have been at 4.6%.

Total backlog as of December 31, 2019, was $1.5 billion, consisting of $470 million for the T&D segment and $1 billion for the C&I segment. This represents an increase in both segments sequentially and from the prior year and another record for the total and C&I backlog.

Turning to the December 31, 2019, balance sheet. We had approximately $242.4 million in working capital, $165.8 million of funded debt and $260.6 million in availability under our credit facility. We believe that our credit facility, strong balance sheet and future cash flow from operations will enable us to meet our future working capital needs, equipment investments, growth initiatives and bonding requirements.

In summary, we are pleased with our results this quarter which reflect improvements, among others, in our T&D segment revenues, gross profit, earnings per share, EBITDA and backlog compared to the prior year and prior quarter. This brings our 2019 full year to record annual revenues of over $2 billion, an increase of 35.3% from the prior year, with record highs in both our T&D and C&I segments.

Also for the year ending December 31, 2019, we reached record EBITDA of over $100 million and earnings per diluted share of $2.26, an increase of over 20% from the full prior year.

I'll now turn the call over to Todd Cooper, who will provide an overview of our Transmission and Distribution segment.

Tod M. Cooper ***MYR Group Inc. - Senior VP & COO of Transmission and Distribution***

Thanks, Betty, and good morning, everyone. Our T&D segment performed well in 2019, and we are excited about our prospects for 2020 and beyond. Our 2019 portfolio primarily consisted of a mix of smaller- to mid-sized projects. We experienced a healthy bidding environment, which included increases in Engineer-Procure-Construct, or EPC, master service agreement and renewable energy opportunities. In our efforts to respond to evolving customer needs, the changing market and a new clean energy landscape, our subsidiary, MYR Transmission Services has been rebranded to MYR Energy Services Inc. or MYRE. MYRE will continue its focus on large transmission projects that take a lead role in growing our EPC and renewable energy efforts across the U.S.

Around the United States, MYR has many exciting opportunities and active projects. In the Northeast, Mid-Atlantic and Southeast, we continue with active bidding and project execution for many new and existing clients on a number of projects and multiyear alliance programs. This includes projects ranging from smaller distribution conversion projects, for utilities and municipalities, to long-term contractor of choice, or COC, multiyear programs, to a few large projects, which are either in the final bidding stages or being prepared for bid later in 2020. These large project opportunities range from projects that are fully permitted to those that are still going through various stages of the regulatory process and have planned start dates in late 2020 or 2021.

Our subsidiaries, Harlan Electric and the L.E. Myers Company continue work on several long-term alliance contracts with clients such as Dominion Energy, PPL, National Grid, Eversource and the Tennessee Valley Authority. Throughout the Midwest and Texas, we continue to perform work through direct awards and MSAs for a number of customers. Bidding and executing work for Ameren, Duke Energy, MidAmerican Energy and AEP has been key focus throughout the Midwest. Opportunities for EPC projects and long-term COC programs have become more prevalent and MYR is actively working on or bidding many of these projects. We believe that our expertise in a number of different contractual arrangements and work types will prove beneficial in capturing our share of this quarter. One example being the recent award of Ameren's gateway transmission project, which includes rebuilding 13 miles of 345 KV transmission line across 2 channels of the Mississippi River.

In Texas and surrounding states, transmission and distribution work and bid opportunities remain steady for clients such as Centerpoint, Oncor, CPS Energy, San Antonio and AEP. And our subsidiary, Great Southwestern is beginning work on Entergy's full EPC Timberland 230 KV project, which includes the construction of a new substation in 9 miles of double circuit transmission.

Bidding activity in T&D work remained robust in the west for small- and medium-sized projects, as does work within our MSAs in Arizona, California, Utah and Colorado for multiple clients.

For 2020, industry trends and announcements reflect the strong fundamental outlook for continued growth, driven by high levels of small to medium project activity. According to recent outlooks of -- on specialty construction markets, grid-hardening efforts, including fortification against storm damages and efforts to mitigate fire risk as well as utility efforts to focus on renewable generation and associated transmission investments continue to be key drivers for growth.

According to Bloomberg New Energy Finance, U.S. investments in renewables jumped 28% to a record $55.5 billion in 2019. U.S. renewable energy capacity has doubled since the beginning of the decade, and solar capacity is estimated at 40x what it was a decade ago. These latest developments are encouraging as we believe the investments we are making today to meet the growing and changing needs of our clients will present opportunities for continued success in the future.

In summary, we continue to invest in our market leadership position and expand and develop our customer base as we believe there are abundant opportunities for sustained growth in the T&D market. We will continue to raise the bar by devoting our energy and resources to doing what it takes for a successful future at the MYR Group.

I'll now turn the call over to Jeff Waneka, who will provide an outlook of our Commercial and Industrial segment.

Jeffrey J. Waneka ***MYR Group Inc. - Senior VP and COO of Commercial & Industrial***

Thanks, Todd, and good morning, everyone. Our Commercial and Industrial segment ended 2019 with year-over-year growth in revenue and backlog, positioning ourselves for continued success in 2020. Our long-standing client relationships are of the utmost importance. And again, these relationships have generated another solid quarter of backlog growth for C&I.

I'd like to take a few moments to describe our outlook for the coming year and share some statistics that support our optimism. In January, Dodge Data and Analytics released the Dodge Momentum Index, showing increases in nonresidential building planning in November and December of 2019, ending the year 3.7% higher than the 2018 December reading. Both the commercial and institutional components of the non-res markets ended above their respective 2-year averages. The report stated that economic growth is slowing but is not anticipated to contract in 2020. As an overall index, these results show a generally positive market across the country, which mirrors our outlook for C&I.

As we take a deeper dive into our regional markets, we're seeing similar growth forecasts. In California, where our recently acquired subsidiary, CSI Electric resides, the UCLA Anderson School forecast states that although California's growth is slowing, it's likely to outpace that of the nation overall. At CSI, we are seeing an increase in backlog and a continued pipeline of opportunities across these industries and others.

Moving up the coast, the economic outlook in the northwest looks equally steady. According to a study prepared by the Washington State Economic and Revenue Forecast Council, Washington continues to see consistent growth and strong momentum, particularly in the Seattle metropolitan area. Washington's ranking and economic growth rose from fifth highest in 2018 to fourth highest in the nation in 2019. Opportunities in this market haven't subsided and our current pipeline remains particularly strong.

As we move over the border to Western Canada, we look to The Conference Board of Canada for their economic forecast, which estimates that British Columbia's economy grew 2.6% in 2019 and will grow by 3% in 2020. Major infrastructure investments, including LNG Canada's multibillion-dollar liquefied natural gas project and the province's Site C dam are a clear part of that growth story. The board report also points to strong office building construction in Vancouver and a bounce back in housing starts as reasons for BC's superior economic position at the start of the new year. Our company has already been engaged in early discussions about many of the exciting projects cited in the board's report.

Another C&I region reflecting steady opportunities is the southwest. According to new data from the U.S. Bureau of Labor Statistics, Arizona's job growth ranked second in the nation last year. Overall, the state's economy is generating robust growth that is outpacing the national average.

Moving to the Rocky Mountain region. The question has been, will Colorado's prior outsized economic growth continue into 2020? The Colorado business economic outlook forecast calls for a 1.4% growth rate and our backlog and prospective projects are at an all-time high. The primary drivers are airport expansion, data centers, transportation, entertainment and water projects across the state. New opportunities remain numerous and a diligent selection process is being deployed.

As we move east to New England and the Mid-Atlantic region, economic forecasts from TD Economics vary somewhat from other regions of the country. While unemployment rates are at historic lows in 2019 and a shortage of workers has challenged many sectors, economic growth is expected to maintain a moderate pace in 2020. Sectors such as manufacturing, health care, tourism and renewable energy are anticipated to lead the way. We continue seeing resilience in the manufacturing sector, especially in shipbuilding and large modernization projects, which is expected to increase construction activity.

We remain focused in our target markets in New York, where Cree Incorporated is investing $1 billion in an advanced manufacturing plant in Utica. And in Syracuse, Microsoft is gearing up to open a tech hub, where substantial investment will create manufacturing jobs for 5G electronic components.

In New Jersey, health care has accounted for 1/3 of all job gains in 2019. Several new hospitals and planned expansions support the sector's positive trajectory. As we close out a successful year and look to the future, we're continuing to focus on greater collaboration internally and with our clients, while implementing new recruiting tactics and professional development programs structured to help our employees reach their fullest potential. Significant investments in training position us to continue leading the industry while working safely and efficiently as possible.

Thanks, everyone, for your time today. I'll now turn the call back to Rick, who will provide us with some closing comments.

Richard S. Swartz ***MYR Group Inc. - President, CEO & Director***

Thank you for those updates, Betty, Tod and Jeff. Our fourth quarter and full year 2019 performance indicates the action we have taken are strengthening MYR Group's position as an industry leader and are helping us capture new opportunities and grow our business. In this healthy business climate, we believe our experience and reputation enable us to successfully execute all types and sizes of projects, compete effectively against existing and new competitors and most importantly, serve the needs of our clients. This past year's accomplishments are the culmination of the efforts of our talented, smart, hardworking group, and I take great pride in being part of this team.

I'd like to close by extending a thank you to each and every of customer for allowing us to serve you, to our stockholders for your support and to MYR Group employees everywhere for your hard work, your ingenuity and your passion.

Operators, we are now ready to open the call up for your comments and questions.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions) We have a question from the line of Sean Eastman from KeyBanc Cap MKT.

Sean D. Eastman ***KeyBanc Capital Markets Inc., Research Division - Senior Equity Research Analyst***

Nice quarter and nice end to a solid year. So I guess, firstly for me, on the top line, I'm getting to around 22% organic growth for 2019. I mean, obviously, a really strong number across the board in Transmission and Distribution and C&I lines. Seems well above what the underlying end markets there grew in 2019. So I'd just like to get a sense, I know you guys don't give guidance, but just getting a sense for what roughly is a sustainable growth rate as we look out to 2020? And whether there's some really tough comps there that you'd point out?

Richard S. Swartz ***MYR Group Inc. - President, CEO & Director***

When we look at that, I wouldn't look at that kind of growth going forward. I'd probably model it in the high single digits that's mid- to high single digits. It's something we continue to see a lot of activity in the marketplace on both our T&D and C&I side, a lot of activity, but still a lot of competition out there. So I think we're getting -- we've got our fair share of work, but it's still competitive landscape out there.

Sean D. Eastman ***KeyBanc Capital Markets Inc., Research Division - Senior Equity Research Analyst***

Okay. That's helpful. And then 1.5x book-to-bill in the C&I segment in the fourth quarter. Really solid number again. Anything really large in there that's driving that? And as you look at this C&I backlog today, does that support a return to kind of the 4% to 6% margin target range for that segment in 2020?

Jeffrey J. Waneka ***MYR Group Inc. - Senior VP and COO of Commercial & Industrial***

It's -- there's really a mixture of awards across the country. There's nothing major that's standing out. There's just been some nice hits in various regions around the country. We're still facing some headwinds as far as our margins. There are a few projects out there that we're working our way through, late design issues and like change order issues. And that's kind of always going to be the case. But we're continuing to manage those to the end and hoping for some good results.

Richard S. Swartz ***MYR Group Inc. - President, CEO & Director***

And on the side of the backlog, I think they had some good projects come in and close this quarter. But again, that backlog can always be lumpy and we can't -- we don't control the timing of those awards. But this past quarter, we had some come in that you guys have been working on -- or the team had been working on a very long time.

Betty R. Johnson ***MYR Group Inc. - Senior VP, CFO & Treasurer***

I guess, just to provide within that 4% to 6%, you saw our quarter -- this quarter came in at 3.9% for the C&I segment. And that is our goal, Sean, to get -- begin in that 4% to 6% range for the C&I group.

Sean D. Eastman ***KeyBanc Capital Markets Inc., Research Division - Senior Equity Research Analyst***

Okay. Got it. And then on the T&D side, it seems like some bigger renewable opportunities coming into the mix here. Any comments on the anticipated mix of work on the T&D side as it relates to the margins? any kind of change in margin profile around some of these newer opportunities coming out?

Tod M. Cooper ***MYR Group Inc. - Senior VP & COO of Transmission and Distribution***

I really don't see anything there. This is Todd Cooper. The mix of work, when you look at our MSAs and our small- to medium-sized projects, many of those have that piece or there's a large piece of that or a good piece of it. That's the renewable-associated, and we're seeing more of that, but we're seeing a lot of the similar competition that's out there today performing that work. So it's what we do and it's what our competition does. So from a margin standpoint, I think you can expect to see where we're at today on things.

Operator

We do have another question from the line of Andrew Wittmann from Baird.

Andrew John Wittmann ***Robert W. Baird & Co. Incorporated, Research Division - Senior Research Analyst***

I just wanted to try to understand the earnings in the quarter a little bit better. Betty, I'm going to start with you. You mentioned that there was a claim that broke in your favor here that it looks like it helped the T&D segment margins. I was wondering if you could -- use this SEC compliant form to disclose that information and quantify that for us?

Betty R. Johnson ***MYR Group Inc. - Senior VP, CFO & Treasurer***

Yes. I -- we'll just tell you that, that's a shy of $1 million. So that is not the majority of our improvement this quarter. Enough for us to disclose, but it's under $1 million.

Andrew John Wittmann ***Robert W. Baird & Co. Incorporated, Research Division - Senior Research Analyst***

Okay. So -- that's good. So then, it looks like the benefits of efficiency. Is there anything in the mix of the T&D work right now that we should look at the fourth quarter strength in the margins there and use this to kind of extrapolate? I mean, your margins, many years ago, were much higher. We've -- you've talked at length about how pass-through revenues and other things have kind of shifted the mix of this business. It feels like this quarter has got a little bit more lift to the T&D segment margins than we've seen in a while. And I am just trying to wonder as we move into 2020, how we should think about that? Are -- is the mix of procurement down that's helping margins? Is execution up? Is the gross margin that's in the backlog feeling better? I think any color that you could give on how to think about margins and what this quarter means for the year ahead would certainly be helpful.

Richard S. Swartz ***MYR Group Inc. - President, CEO & Director***

Sure. I'll start and then Betty and Todd can add. Our execution, I would say, is up and has improved. It's been a big focus of Todd and his group and Jeff on his side with the C&I group, really making sure we focus on execution. And along with that, we did have some -- we didn't have bad weather conditions where we were. So that was a benefit to us. Nothing outside of what we call seasonal weather. When we look at our backlog across the board, it's very similar to what we've had before. We're always pushing to get margin increases where we can. But again, it's a very competitive landscape. One of the things you said was going back in time, our margins are a little press from what they were. I think we've always said, back in time, kind of that '11 to '14 time frame, that's when a lot of large projects were going on, and we continued it -- there's been that lull in large projects. We continue to see some activity now on large projects that should come out this year and start construction next year. So that's a positive thing. It's the first time we're really seeing what I'd call that movement and that kind of activity.

Tod, do you have anything to add?

Tod M. Cooper ***MYR Group Inc. - Senior VP & COO of Transmission and Distribution***

No, I think you hit on it, Rick. When you go back to the '11 through '14 time frame, on the larger projects, the competitive mix, our competition wasn't as -- there wasn't as much competition back then. And today, we're seeing many more contractors attacking these the larger mid-sized projects as well as the large projects. So from a competitive standpoint, it is get -- it is more competitive today than it was in '11 through '14. But as Rick mentioned, we continue to hone our training and our project management expertise and apply it to how we're growing as an organization. And I think part of that is what you see in the results for the quarter.

Betty R. Johnson ***MYR Group Inc. - Senior VP, CFO & Treasurer***

Probably the last thing I would just add is that, obviously, this 8% operating income for T&D is very strong this quarter. It's our goal to continue to be that way as we've talked about -- focused on execution. Just remember that there was a onetime settlement and some very favorable productivity. So as much as we're there. I'm not sure that we would continue to model that exactly at this point in time. But that's our goal.

Operator

(Operator Instructions) Our next question comes from the line of Noelle Dilts from Stifel.

Noelle Christine Dilts ***Stifel, Nicolaus & Company, Incorporated, Research Division - VP & Analyst***

Congratulations on the good quarter. So I think my question is probably for Tod. I'm just -- you spoke a bit about renewables and how you're thinking about -- how -- what you're seeing in that market. I'm kind of curious how you're thinking about the outlook as we move past the next couple of years. Obviously, the extension of the PTC is a positive thing. But are you viewing this as a market that can kind of stay at these levels even in the absence of some of the tax credits?

Tod M. Cooper ***MYR Group Inc. - Senior VP & COO of Transmission and Distribution***

Yes. I think, in short, when you look at the fact that the tax credits have been extended, that's great for the developers and the utilities and what's happening out there. But I believe it's a market that's going to remain strong, even when and if those tax credits do disappear. Solar and renewable energy is now "the right thing to do." And I think that's where the economy -- that's where we're going as a generational utility side, grow in the renewable side of the business. And with the tax credits, that's good. But I don't think that the removal of the tax credits are going to slow the train too much.

Noelle Christine Dilts ***Stifel, Nicolaus & Company, Incorporated, Research Division - VP & Analyst***

That's helpful. And then just generally, Rick, how are you thinking about M&A at this point? And where you may want to continue to diversify in that onto the business. How are you just generally thinking about the M&A strategy as it stands today?

Richard S. Swartz ***MYR Group Inc. - President, CEO & Director***

We continue to look for tuck-in acquisitions. We look every day. Offers come -- opportunities come across our desk every day. We evaluate them. We look at them. It -- when we do make the next move, it will be for another one that has the right culture and the right fit for us and is additive to what we do. So it's probably not going to be in a business segment outside of what we currently do today. It will be something that's in the line of T&D or C&I. We are continuing to see opportunities in that between organic growth and acquisitive growth, we're going to push both sides.

Noelle Christine Dilts ***Stifel, Nicolaus & Company, Incorporated, Research Division - VP & Analyst***

Great. And then quickly, could you just give us an update on some of the -- on the organic expansion, the newer branches that you built out over the last few years. I think we're talking about them less now that you're seeing more volume in there, profitable, but if you could just give us an update on how those are running, that would be great.

Richard S. Swartz ***MYR Group Inc. - President, CEO & Director***

Sure. We're -- net-net, overall, with all the organic areas we started, which was about 7 organic areas since basically end of 2015, beginning of 2016, we started those. It took us a few years to get those profitable. Net-net, they're adding to our bottom line. They're a good additive thing to our company now. They've all got traction. Some, again, are performing a little better than the others. But net-net, it's a positive impact for our company, and we see that continuing going forward. We don't see any drawback on that side at this point. Still not at the overall margins that our existing businesses operate, but getting closer and closer every day.

Operator

(Operator Instructions) We do have another question from the line of Alex Rygiel from B. Riley FBR.

Min Chung Cho ***B. Riley FBR, Inc., Research Division - Associate***

This is Min for Alex. Betty, I just have a couple of more housekeeping type of questions for you. Can you provide any kind of guidance for 2020 CapEx? I know that you guys continue to make investment. I just wanted to know if it'd be similar to 2019? Or if you're going to pull back on them a little bit in 2020?

Betty R. Johnson ***MYR Group Inc. - Senior VP, CFO & Treasurer***

Generally similar to the 2019 levels, just for -- to support the growing operations.

Min Chung Cho ***B. Riley FBR, Inc., Research Division - Associate***

Got it. Okay. So in the high 50s, $50 million type of bump. Okay. And I'm sorry if I missed this in the K, but what was the revenue contribution from CSI in the quarter or for the full year?

Betty R. Johnson ***MYR Group Inc. - Senior VP, CFO & Treasurer***

Do we have that? I don't have that handy in front of me.

Min Chung Cho ***B. Riley FBR, Inc., Research Division - Associate***

Okay. I can follow up.

Betty R. Johnson ***MYR Group Inc. - Senior VP, CFO & Treasurer***

It's in there. I believe it is in the K.

Min Chung Cho ***B. Riley FBR, Inc., Research Division - Associate***

It is in the -- okay, I'll look a little more closely. Okay. And then finally, Betty, you mentioned that the C&I operating margin was actually like 4.6% if you exclude the amortization and earn-outs. Can you tell us what that number was in the fourth quarter of '18?

Betty R. Johnson ***MYR Group Inc. - Senior VP, CFO & Treasurer***

That 4.6% comparable? Yes, that 4.6% comparable would have been for the quarter is 5.3%. So we had nice benefits in 2018 Q4.

Min Chung Cho ***B. Riley FBR, Inc., Research Division - Associate***

Okay. And I know you mentioned in the C&I just the margin kind of being -- kind of on the lower portion of your range. I know that you're still going through some projects that have some lower margins. But once you get through those, is the competitive landscape to an extent where it's going to be difficult for you to get to that longer-term goal? Or is really -- is it these couple of projects really holding that margin back right now?

Jeffrey J. Waneka ***MYR Group Inc. - Senior VP and COO of Commercial & Industrial***

We are seeing some opportunities to increase margins in certain regions. Like I mentioned earlier, there definitely are some headwinds with general contractors and other trades on the jobs that can impact those margins. And that's what we're fighting through now. It's just in general inefficiencies across the board that sometimes come in and impact our ability to perform, even though we're executing quite well.

Richard S. Swartz ***MYR Group Inc. - President, CEO & Director***

If we get these -- when we get these projects behind us, I do think it will be -- that will have stronger performance. It's really when we look at the market out there what's available and how selective we are about who we do work for, and I think that will all show benefits in the future and get us into that -- where we'll be able to maintain that 4% to 6% range. That's certainly our goal.

Betty R. Johnson ***MYR Group Inc. - Senior VP, CFO & Treasurer***

Min, I'm just going to add your number you were looking for, for the year for CSI. It was $137.7 million in our books.

Operator

(Operator Instructions) There are currently no more questions at this time. I will now turn the call back to Mr. Rick Swartz. Sir?

Richard S. Swartz ***MYR Group Inc. - President, CEO & Director***

To conclude, on behalf of Betty, Tod, Jeff and myself, I sincerely thank you for joining us on the call today. I don't have anything further, and we look forward to working with you going forward and speaking with you again on our next conference call.

Operator

Ladies and gentlemen, this concludes today's conference call. You may now disconnect. Thank you for participating.