

Employee Grown Employee Owned

www.kegtusv.com

Issue 020 - September 2017 web



In This Issue

- IOI Potrero Creek Emergency.....1
- ADOT Buffalo Soldier Trail.....1
- City of Nogales Crawford St.....1
- October ESOP Month2
- ESOP Suggestion Box.....2
- 401K Participation.....2
- Meet Kristi Halicki.....3
- Meet Louie Duarte.....3
- ESOP Suggestion Form.....3
- Complacency is a Hazard.....4
- Company Promotions.....4
- Welcome New Hires.....4

All of our current and past newsletters are available online at:

www.kegtusv.com/esop/newsletters/



ESOP Communication Committee

Chris Albright, Ross Parker,
Jesse Grinsteiner, Elise Puhala, Chris Martinez, Ridge Wilson, George Norwood, Rick McMahon, David Saunders, Grey Major, Justin Wilson, Ed Anderson, Chris Weinell, Larry Saunders.



Office Locations

Sierra Vista

1601 Paseo San Luis #202
Sierra Vista, Arizona 85635
520.458.9594

Tucson

5100 South Alvernon Way
Tucson, Arizona 85706
520.748.0188

IOI Potrero Creek Emergency Sewer

by: Jesse Grinsteiner, Project Engineer

This project consists of repairing a 30" RCP sewer and manhole that broke in the middle of the Potrero Creek in Nogales, AZ, and was discharging sewage into the creek. Nick Olejnik, Mario Stavreff and their respective crews spent the weekend of 7/29 & 7/30 fusing 11,400 LF of 18" HDPE bypass pipe and setting 7 – 12" pumps in order to stop the sewage discharge. One of the early challenges was the multitude of agencies involved including: IBWC (Owner), ADEQ, Army Corps of Engineers, Santa Cruz County, and the City of Nogales, among others, and the debate amongst themselves of who would pay for the repairs. The repair sat under bypass for several weeks while the IBWC sorted through the different options KE&G priced out for them. At the end of August, the IBWC instructed KE&G to proceed with the repair by removing and replacing the broken RCP, removing the manhole and installing a shallow manhole, and encasing everything in concrete.

There will also be 60 LF of sheet piling installed to protect the bank and the railroad tracks that are on the bank approximately 60 feet away from the manhole. A new creek channel will need to be built to divert the water around the manhole so the repair can be done. All of this is heavily impacted by the amount of rain that Mexico receives and the water level in the creek. It's a challenging project but an excellent opportunity for KE&G to show off our emergency response capabilities.



ADOT East Buffalo Soldier Trail/Hatfield Street

by: Kristi Halicki, Administrative Assistant

KE & G was awarded an ADOT contract within the City of Sierra Vista at the intersection of State Route 90 and E. Buffalo Soldier Trail/Hatfield Street.

The project scope includes pavement widening and rehabilitation; adding a designated right-turn lane; construction curbs and gutters and sidewalks; new guardrail, traffic signal and street light replacement; utility relocation; new culvert and culvert extensions; and new signage and pavement markings. The \$2,633,000 project began in mid-September and construction is expected to be completed in late summer 2018.

Dan Reese will take the reins as Project Supervisor and Sergio Gallego will keep the project running as Project Manager.

This intersection is one of the busiest in Sierra Vista and is a main entrance onto Ft. Huachuca, leading to the Van Deman gate. Traffic will be the biggest challenge with this project, as crews are scheduled to be onsite from 6 a.m. to 6 p.m. weekdays, and there will be shoulder and lane restrictions on SR 90, Buffalo Soldier Trail and Hatfield Street. If you are able to avoid this intersection, whether by horseback, helicopter, or sleeping under your desk, we recommend you do so.

ADOT City of Nogales Crawford Street

by: Kristi Halicki, Administrative Assistant



KE&G was awarded an ADOT contract within the City of Nogales on Crawford Street between McNab Drive and Sonoita Avenue.

The work includes removing and replacing asphaltic concrete,

constructing concrete sidewalk ramps, signing, pavement markings, and other related work.

The \$447,500 project will begin in Fall 2017, continuing through the end of 2017.

The Project Team on this job will be led by Chris Martinez and the Project Engineer is Ben Carter.

Reminder

ATV/UTV riding excursions are scheduled for Sierra Vista employees on Oct. 7th around the Town of Patagonia. RSVP to Ed Anderson by email: eanderson@kegtus.com or Cell: 520-940-4576. Tucson employees are scheduled for Oct. 21st, location yet TBD.

Enrollment for Benefits

by Chris Weinell, Controller

Another year of Open Enrollment is done! This is our second year using the Clear Path Prime enrollment process and we believe it gives each of us a unique way to purchase benefits that are right for you and your family.

We hope you feel the same way and get the most out of the benefits that are offered to you.

Please don't forget your log in information as there is valuable information online to help you get the most from the benefits you signed up for and also to learn more about the benefits offered so you can make the most of them in the Company Corner section of the website.

Now that we have all completed our new benefit elections, a reminder that the plan year runs October 1, 2017 through September 30, 2018



and the first deductions from your paycheck will be on the pay date October 13, 2017.

Please review your paystub to make sure everything you signed up for is included on your stub. If not, I need to know immediately so I can correct any mistakes. This will be your final verification and chance to correct any errors.

Everyone should go online today at www.clearpathprime.com to review your upcoming enrollments to make certain they are what you want. If a mistake was made during the enrollment process, it can be fixed if I know about it as soon as possible, so don't delay.

ESOP Missing Participants

by Chris Weinell, Controller

Did you know we have former employees who are participants in our ESOP that can't be located? Every year I send out statements and plan information to former employees and get a handful of those envelopes returned as undeliverable.

When this happens, I spend time and ESOP money trying to locate the missing participants.

All employee owners need to keep us informed with current addresses and updated beneficiary elections while employed, and equally as important, after separation from KE&G.

If you happen to know the whereabouts of the following former employees, please tell them to

contact me so that I can update their information and send them what is coming.

Employee Termination Date

Jose Avitia	04/03/2013
Brian Hill	05/12/2008
Edward Rivera	04/05/2012
Matthew Terry	01/09/2009

We can't reallocate their account balances to the remaining participants as forfeitures. There are strict rules we follow in making distributions to lost and missing participants. Don't be one of the missing employee owners in the future. Please keep us up-to-date on your address.

OCTOBER is ESOP Month!

October is ESOP Month! Expect to receive an October ESOP Calendar with an upcoming paystub/check. The calendar will be filled with lots of fun activities for October!

We'll have a Breast Cancer Awareness Day to support efforts in finding a cure! There will be Military Care Package programs and food drives at both KE&G offices, as well as days to honor our Vets, BBQs to celebrate ESOP month, Burrito days with our Field Employee Owners... And, we cannot forget Hawaiian Shirt Day nor Sports Jersey Day! Join in on the camaraderie that this special month offers us! We anticipate strong participation from everyone!

ESOP Committee Volunteers Sought: Anyone interested in participating in our ESOP Committee? We are currently seeking volunteers at both KE&G locations. The term is for 2 years and will begin in December. Please let Jesse Grinsteiner know if you are interested.

ESOP Suggestion Box

Question: Can/does KE&G distribute shares to specific individuals?

Answer: The simple answer is no. The quantity of shares to be distributed are calculated by using a formula that is based upon each individual's salary. As an example, for the past three years employees have received 6% of their wages in the form of shares on top of their regular wages. Please note that not everyone will receive the same number of shares. However, the calculated percentage will be the same for all.

Ed Anderson, Vice President

401(k) Participation

by Chris Weinell, Controller

The ESOP isn't the only retirement plan that we can participate in. Are you putting money into the company's other retirement program? All full-time employees are eligible to begin saving a portion of their salary before taxes in the company's 401k plan on the first of the month after being employed for a year and having worked 1,000 hours.

Go to www.netbenefits.com to begin the enrollment process. For those of you who are already participating, you can change your contribution at any time; just go to the same site and change your deferral percentage.

Since you are contributing with pretax dollars, the government is helping you save for your own retirement because you save taxes. For example, if you currently pay 25% of your income in taxes, for every \$100 you put into your 401k account, your net pay only goes down by \$75. The \$100 then grows for years, tax deferred, until you take it out in retirement. The more money you put into your 401k account, the more taxes you will save and the more your account can grow. The sooner you start, the better off you will be. Enroll today for a more comfortable retirement. Please contact me with any questions.

Meet Kristi Halicki

by: Tammy Messer, Project Assistant



Kristi Halicki, Administrative Assistant, Sierra Vista

- Q:** *Do you have any nicknames?*
- KH:** None.
- Q:** *Are you married?*
- KH:** Yes, to Bryan.
- Q:** *Do you have children?*
- KH:** No children.
- Q:** *How long have you been employed with KE&G?*
- KH:** 2 months.
- Q:** *What is your favorite hobby?*
- KH:** Hiking and eating at all the best bakeries. I also like to eat at Thai, Mexican and Indian restaurants in

the area.

- Q:** *What is your favorite TV Show?*
- KH:** Tiny House, Big Living
- Q:** *When you retire, do you have any special plans for your ESOP disbursements?*
- KH:** I want to travel.
- Q:** *How old will you be when you retire?*
- KH:** Best case scenario 35, worst case scenario 65. Probably somewhere in between.

ADDITIONAL THOUGHTS OR COMMENTS:

KH: None.

Meet Louie Duarte

by: Elise Puhala, Project Coordinator



Louie Duarte, Safety Manager, Tucson

- Q:** *Do you have any nicknames?*
- LD:** Louie.
- Q:** *Are you married?*
- LD:** Single.
- Q:** *Do you have children?*
- LD:** Yes. Son Mathew, age 18 and daughter Adrina, age 22. Two granddaughters, Zara 8 months and Xena 2 years old.
- Q:** *How long have you been employed with KE&G?*
- LD:** I just started in August.
- Q:** *What is your favorite thing about your job?*
- LD:** Interacting with everyone.

- Q:** *What is your favorite hobby?*
- LD:** All sports.
- Q:** *What is your favorite TV Show?*
- LD:** The Big Bang Theory.
- Q:** *When you retire, do you have any special plans for your ESOP disbursements?*
- LD:** I'd like to buy an RV and travel.
- Q:** *How old will you be when you retire?*
- LD:** 65.

ADDITIONAL THOUGHTS OR COMMENTS:

LD: I've been welcomed by everyone and I'm looking forward to meeting all the employees.

Your Feedback is Important to Us!

Please tear off at dotted line and place in the office suggestion box.

KE&G CONSTRUCTION, INC. ESOP SUGGESTION FORM



HOW CAN WE IMPROVE KE&G AS A COMPANY?

EXAMPLE IDEAS: SAFETY, COST SAVINGS, ESOP AWARENESS

NAME (OPTIONAL):

Complacency is a Safety Hazard

by: Louie Duarte, Safety Manager

When somebody is working, or in an obviously hazardous environment, we use situational awareness to perceive and mitigate dangers to ourselves and co-workers. But when our tasks become routine, we tend to become complacent to the elements of the task, not to potential hazards.

Complacency can be the most dangerous mindset that results in an injury or accident. The first step to an accident involves the false belief that experience makes you invulnerable. The definition of complacency is “self-satisfaction accompanied by unawareness of actual dangers or deficiencies.”

Accidents can happen to anybody at any time and one’s sense should always be finely tuned to each situation’s risks. A false sense of security is the result of poor training and following bad practices. Management needs to intervene when boredom results in complacency.

Complacency is extremely dangerous in our workplace. When we get used to things being “the way they have always been,” we no longer take notice of our surroundings. We can underestimate the risk of tasks that we perform regularly or fail to notice a change in our environment when we have become complacent in our daily routine.

An accident rarely happens at the moment of the incident. More often, there were a series of steps (or mis-steps) leading up to that moment. Someone made a decision to do (or not do) something, such as not putting an item away

properly or doing something they were not trained to do. All of these factors can ultimately lead to an incident. A different decision/action at any point in that process might have prevented the incident.

Our environment can change at any moment – a tool could break; obstructions are now in your way. It is every employees’ responsibility to stay aware of what is



going on in his or her surroundings and to pay attention. In addition, each employee (foreman and supervisors in particular) should be actively surveying his or her work environment for hazards that may have been overlooked. It’s all too easy to live with a temporary solution that isn’t really an appropriate long-term solution, and unfortunately sometimes incidents result when stopgap measures are taken to solve a problem.

In addition, we sometimes get complacent about clutter in our workplaces, such as rebar or conduits that might stick out into a walkway causing a tripping or laceration hazard. Removing these hazards and looking for long-term, safer solutions will help us keep a safer work place.

KE&G Promotions

by Chris Weinell, Controller

We would like to congratulate Guillermo (Memo) Aquirre and Jesse Grinsteiner for their recent promotions to Project Engineers; Cristina Bonomini for her promotion to Assistant Controller; Robbee Blythe, Mark Jagoditsh, & Jesus Santamaria for their promotions to Pipelayers; Francisco Lopez, Andres Contreras, David Farnsworth & Angel Perez for their promotions to Equipment Operators; Chris Martinez for his promotion to Leadman; and Andrew Joyal for his promotion to Office Engineer/Take-Off.

Congratulations to all of you. Keep up the great work!

KE&G is an equal opportunity employer that offers each employee the possibility to prosper. The following employees have recently joined the KE&G Team.

- Martin Alvarado, SV
- Nazario Apodaca, SV
- Chris Baquera, Tucson
- Jesus Barrera, SV
- Arthur Castaneda, Tucson
- Cyrus Concho, SV
- Francisco Corona, SV
- Victor Curiel, Tucson
- Michael Finch, SV
- Simon Galvez, SV
- Michael Garcia, Tucson
- Nohe Garcia, Tucson
- Jose Guzman, SV
- Cody Haas, SV
- Kristi Halicki, SV
- Cesar Hernandez, Tucson
- Horacio Ibarra, Tucson
- Artis Johnson, Tucson
- Eduardo Lopez, Tucson
- Darius Martin, Tucson
- Mario Medina, Tucson
- Christopher Mendivil, SV
- Edgar Moreno, Tucson
- Miguel Ochotorena Jr., Tucson
- Connor Outman, Tucson
- Jose Saavedra, SV
- Saul Sierra, SV
- Luis Trujillo, Tucson
- Erik Vega, SV
- Thomas Wayman, Tucson



KE&G Construction, Inc.
5100 South Alvernon Way
Tucson, Arizona 85706