

Employee Owned Employee Grown

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In This Issue

- KE&G Office Expansion.....1
- ADOT Jobs in Sierra Vista.....1
- La Estancia Subdivision.....1
- Holiday Safety2
- New ESOP Committee Members.....2
- ESOP Month Donations2
- Financial Planning Benefit.....2
- Meet Daniel Uchimura.....3
- Meet Andrew Joyal.....3
- ESOP Suggestion Form.....3
- Rio Rico Crews4
- Equipment Update.....4
- Welcome New Hires.....4

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ESOP Communication Committee

Ross Parker: 2017 chair, Jesse Grinsteiner: 2018 chair, Elise Puhala, Chris Martinez, Ridge Wilson, George Norwood, Rick McMahon, David Saunders, Grey Major, Justin Wilson, Ed Anderson, Chris Weinell, Chris Albright, 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

KE&G Tucson Office Expansion

by: Ross Parker, Project Superintendent

The additional Tucson business offices of KE&G are located at 3949 E. Irvington Rd., east of Alvernon Way. KE&G has hired architectural firm Swaim Associates, Ltd., to design the building renovations.

Thomas Guido, our pre-construction services manager, will acquire the subcontractors needed to complete the scope of work. Demolition and removal of walls, floor coverings, interior trim and doors started in October. The two-story building was built in the 80s with a dark decor, which is understandably very outdated. The company is selecting a brighter decor and will add more windows to the building to let more natural light and sunshine in.

The new building will provide much more office space, as well as a much needed larger conference room. The expansion also will offer a more sophisticated lobby area to better accommodate prospective clients, current clients and vendors. In efforts to achieve adequate parking, the single story building that adjoins the new office will be demolished and removed.



I am very excited to be involved in assisting in this expansion. Please address any ideas or concerns that you may have in writing to Chris Albright. Happy Holidays!

ADOT White Water Draw Project

by: Justin Wilson, Field Engineer

This project was awarded this past October and consists of a scour retrofit, located in Cochise County on SR 80 just west of Douglas, AZ. The project includes constructing a new concrete slab and shot crete to protect against scour under the bridge, removing and replacing guard rail, removing and replacing concrete barrier wall, and seeding. This project also includes a unique 3/4" concrete bridge deck milling to place Polyester Polymer Concrete which will be applied by a subcontractor from Denver, CO, that specializes in this work. I have never seen this type of work completed and it could be fun putting this project together.

The project has a price tag of \$1,494,000 and will be very similar to the ADOT Rain Valley

Wash Project (mentioned below), which was also recently awarded.

ADOT Rain Valley Wash Project

Rain Valley Wash is a bridge deck rehabilitation and scour retrofit ADOT project located west of Whetstone on SR 82. The bridge deck rehabilitation work includes milling pavement, polyester polymer concrete (PPC) overlay, removal of existing guardrail, and installation of new guardrail. The work also includes constructing concrete floors underneath the existing bridge and placing shotcrete. Work began on this \$528,000 project in late November and is anticipated to go until early 2018.

Additional La Estancia Subdivision Work

by: Mark Campbell, Project Manager/Estimator

In November, KE&G was contracted to perform additional subdivision work on the East half of the La Estancia Project along Kolb Road.

The contract work includes all trades and is in excess of \$4 million.

The work will extend into the latter part of 2018, and may lead into additional phases, which would carry over into 2019.



Take an Additional few Seconds for Holiday Safety



by Louie Duarte, Safety Manager

Christmas is just around the corner and there are many activities going on that can act as distractions to our daily work routine. All year long you've heard messages that remind you to "work safe... don't take short-cuts... prevent accidents."

To do this, of course, you must keep your mind on your tasks. Yet, this time of the year, it's a challenge to stay focused at work. So, this is when it is especially important to take an additional few seconds for Holiday Safety. Injuries during the Holidays seem to magnify how many families are really affected if you were to have an injury and not able to work. Ask yourself: How many of my loved one's count on me each day to come home safely?

Statistically, you are more likely to have an accident during this time of the year on the job, at home or on the road. At work, you may be distracted

by personal matters or financial concerns and overlook safe work practices. At home, tension between family members are sometimes high, since they too are feeling both the good and bad holiday stress. Combine that with the daily stresses of holiday commuters and travelers. When roads and freeways are jammed with frustrated drivers, the number of auto accidents increases. It's a time to drive defensively.

Sometimes, the worst thing about Christmas is getting there! Once it arrives, it's lots of fun so don't have an accident on the way! If you keep in mind that the holidays put extra pressure on everyone this time of the year, it may help keep you and your loved ones safe and accident-free.

Stay alert, take extra care & have a safe and happy holiday!

ESOP Month Inspired Food Bank & Military Package Donations

by Ed Anderson, Vice President

The food drives were very successful with Sierra Vista donating \$300 worth of food to their local food bank and Tucson had \$324, with the KE&G match for both locations.

The Tucson location dropped off its donations on Nov. 17th at Resources Community Food Bank located in Vail.

We selected the Vail area because the area has a hard time getting donations versus Tucson because it is a rural community.

After itemizing all of the donations for the military care packages, the



Elise Puhala and Jesse Grinsteiner presented a KE&G donation check to Vail Food Bank in addition to food donations.

new dollar value is \$250 and KE&G matched that for a total of \$500 for our troops.

The care package items and a KE&G donation check were sent to Operation Gratitude, a non-profit organization dedicated to lifting the spirits of our deployed U.S. Military and giving Americans a way to express their appreciation to all who serve our country.

Thank you all for participating in both donation drives.



Military Care Package items were sent in November to Operation Gratitude.

NEW ESOP MEMBERS!

2018/2019 ESOP Communication Committee Members

- Cindy Bryan, SV
- Gaspar Rosas, SV
- Cliff Klamath, SV
- Mike Porter, TUC
- Dana Whittaker, TUC

Welcome aboard! George Norwood has offered to commit to another year of service to fill the necessary number of members needed for Sierra Vista.

2016/2017 ESOP Communication Committee Members

- Elise Puhala, TUC
- Ross Parker, SV
- Ridge Wilson, TUC
- Rick McMahon, SV
- Chris Martinez, SV

To our outgoing members, we cannot thank you enough for all the hard work, dedication and service that you have provided. Your efforts have greatly benefited the KE&G ESOP and all employee owners.

Financial Planning Benefit for KE&G Employee Owners

by Chris Weinell, Controller

One of the reasons hard-working people in America are stressed out is that they didn't make the right financial choices. Everything is too complicated (taxes, smart ways to invest, how to get the kids to college, etc.) and the country does not give families the help and education they need.

Research shows that you could DOUBLE a family's assets (money!) if they understood better. Fortunately, Wellspring Financial Partners (KE&G's long-time 401k advisor) is a nationally recognized expert in this area.

To help our employees get on track, they will create a full financial plan that provides easy-to-understand and actionable direction so they live well today and tomorrow.

The value of this plan is \$2,400, but Wellspring has offered to create a personalized plan for you for only \$160. Please feel free to reach them directly at (520) 327-1019 or via email at info@Wellspringfp.com.

Everyone should consider taking advantage of this very generous offer from Wellspring. This can help with all of your financial planning needs such as planning for college, buying a house, retirement planning, etc.

I recall a saying about retirement that goes for many things in life, "People don't plan to fail in retirement, they fail to plan".

I believe our ESOP is one leg of a four-legged stool that will help build wealth for your retirement needs, but there is more to it than just this one asset. Wellspring representatives Pat and Deirdre can help you achieve your financial goals.

Meet Daniel Uchimura

by: Tammy Messer, Project Assistant



Daniel Uchimura, Warehouse/ Yard Foreman, Sierra Vista

- Q:** Do you have any nicknames?
- DU:** Coach.
- Q:** Are you married?
- DU:** Single.
- Q:** Do you have children?
- DU:** Yes, one son - Joshua James Uchimura
- Q:** How long have you been employed with KE&G?
- DU:** Almost 16 years.
- Q:** What is your favorite thing about your job?
- DU:** Working with all the people at KE&G.
- Q:** What is your favorite hobby?

- DU:** Watching sporting events.
- Q:** What is your favorite TV Show?
- DU:** Hawaii Five-O
- Q:** When you retire, do you have any special plans for your ESOP disbursements?
- DU:** Haven't thought about it yet.
- Q:** How old will you be when you retire?
- DU:** 66

ADDITIONAL THOUGHTS OR COMMENTS:

DU: None.

Meet Andrew Joyal

by: Elise Puhala, Project Coordinator



Andrew Joyal, Office Engineer, Tucson

- Q:** Do you have any nicknames?
- AJ:** Drew.
- Q:** Are you married?
- AJ:** Single.
- Q:** Do you have children?
- AJ:** Yes, one son - Caleb, age 16
- Q:** How long have you been employed with KE&G?
- AJ:** Over 6 years
- Q:** What is your favorite thing about your job?
- AJ:** Ask me in 6 months.
- Q:** What is your favorite hobby?
- AJ:** Drawing.
- Q:** What is your favorite TV Show?
- AJ:** King of Queens.

- Q:** When you retire, do you have any special plans for your ESOP disbursements?
- AJ:** Go up and down the coast in my motorhome... wherever the Cats are playing.
- Q:** How old will you be when you retire?
- AJ:** 65.

ADDITIONAL THOUGHTS OR COMMENTS:

AJ: None

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):

Rio Rico Crew Working on Liberty/Rio Rico Properties/EPCOR Contracts

by: Jesse Grinsteiner, Project Engineer

For the last 4 years, KE&G has been working steadily in Rio Rico, AZ, repairing water services, water mains, rehabbing sewer lift stations and putting in new water services and mains.

Liberty Utilities originally contracted with KE&G to repair leaking water services and handle emergency main breaks. It was anticipated that KE&G would repair a couple of leaks a month but over the past 4 years KE&G has repaired over 800 water services and water mains!

Work has been steady enough that this year KE&G was able to hire a new crew out of Rio Rico/Nogales consisting of Alonzo Medina, Juan Corella, Manuel Ortiz and Ivan Ayon. Fernando Contreras and Mario Stavreffe have both served as supervisor for the contract. Other municipalities/private owners noticed the high quality of work that KE&G's crews have done in Rio Rico and contacted KE&G to set up their own contracts. KE&G also has picked

up contracts with EPCOR Water in Tubac, AZ, replacing water services and Rio Rico Properties, a developer, installing new water services and extending



water mains for new housing. In addition, the Rio Rico crew has installed fire lines and hydrants for new produce warehouses in the area. Thank you to everyone that's worked on the Liberty/Rio Rico Properties/EPCOR contracts and we look forward to maintaining and building our relationships in this region.

2013 Crafcro EZ1000 Melter/Applicator by Ridge Wilson, Assistant Purchasing Agent

Another new addition to our KE&G equipment fleet is this 2013 Crafcro EZ1000 Melter/Applicator, better known as a crack filling machine. This unit has a 265-gallon capacity material tank, 63 CFM air compressor, an easy load conveyor system, sliding hose boom, with an electric hose and wand assembly.



This Melter/Applicator will enable us to do pavement preservation projects all in house with no need to rent additional equipment any longer. This unit is equipped with an air compressor, which enables our crews to blow out pavement cracks in front of the tow vehicle while sealing cracks behind the tow vehicle, making roadway and parking lot preservation projects a breeze.

This unit was purchased this past July, through our Crafcro dealer in Chandler, AZ. This particular machine was in their rental fleet, and became available for sale just this summer. It's a very clean, slightly used unit with just under 1,500 hours on it, making it a great addition to our arsenal of small tools and heavy equipment that are all 100% employee owned and debt free.

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.

- Brian Butterbaugh, SV
- Francisco Flores, Tuc
- Ian Smith, Tuc
- Anthony Wilder, SV
- Juan Contreras, Tuc
- Ismael Cordero Zepeda, Tuc
- Jesus Felix, Jr., Tuc
- Cheyenne Padilla, Tuc
- John Warner, Tus
- Nicholas Lange, Tuc
- Vilionet Coronado, SV
- Javier Moreno, SV
- Ismael Rodriguez, Tuc
- Benjamin Lapp, SV
- Mica Goeglein, SV
- Nicholas Cox, SV
- Zacharia Griffin, SV
- Santiago Orozco, Tuc
- Alexander Padilla, SV
- Debra Pursley, Tuc
- Francisco Torres, Tuc

Welcome



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