

Employee Owned Employee Grown

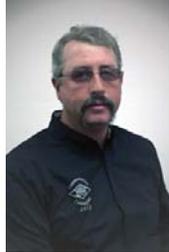
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Issue 022 - March 2018



John Drake Promoted to SV General Superintendent

by: Ed Anderson, Vice President



John Drake,
SV general
superintendent

I would like to welcome John Drake as our new General Superintendent for Sierra Vista. John has been with KE&G for over 20 years. He has worked hard and is dedicated to the success of KE&G, our fellow employees and our ESOP. Through the years, he has consistently proven himself to be an accomplished Supervisor. I am looking forward to greater success in Sierra Vista with his guidance. I know he will do a fantastic job.

Please join me in welcoming John to his new position.



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

www.kegtusv.com/esop/newsletters/



ESOP Communication Committee

Jesse Grinsteiner: chair, Justin Wilson: co-chair, Cindy Bryan: secretary, George Norwood, Gaspar Rosas, Cliff Klamath, Mike Porter, Dana Whittaker, David Saunders, Grey Major, Ed Anderson, Chris Weinell, Chris Albright, Larry Saunders.

Miami, AZ - Wastewater Collection System Project

by: John Warner, Utility Division Manager

In February, the Miami Town Council unanimously approved to contract with KE&G for the Wastewater Collection System Improvement Project at \$10.5 M (+/-). The project will involve rehabilitation of 38,000 lf of sewerlines and 248 manholes. Also, 9,800 lf of new sewers, 3 grinder pump stations, 1,339 lf of force mains will be constructed. Incidentally, 184 MHs will be rehabilitated, 117 MHs will be adjusted, 79 MHs will get fitted with water tight covers. During down time, crews will disconnect and re-establish in excess of 716 HSCs and or service laterals.

On a lighter note, 64,000 + SY of pavement

repairs will occur prior to project completion. This project has a 14-month substantial completion requirement with a 16-month completion schedule.

The project offers numerous challenges to address and overcome, but that's what KE&G underground dudes excel at every day!



Great job to everybody who participated with the project investigation, re-con and bidding.



Office Locations

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

Tucson
5100 South Alvernon Way
Tucson, Arizona 85706
520.748.0188



FUN & GAMES FOR THE WHOLE FAMILY

FOOD, ACTIVITES, PIÑATA, & RAFFLE PRIZES

Saturday, April 7, 2018

9:00 a.m. - 1:00 p.m.

**Main Ramada at
Lion's Park in Benson, Arizona**

Safety Slogans: Safety is our Priority, Know Safety - No Accidents, Safety First, Stay Alert - Don't Get Hurt

by Louie Duarte, Safety Manager

We have all seen these safety slogans... But what do these slogans really mean?

When KE&G decided to implement a behavioral based safety observation program, our first step was to develop a safety strategy that included identifying safety behaviors, as well as hazard recognition and incorporate them into our company's safety policies and procedures in an effort to take our safety performance to the next level.

The goal of our Safety Program is to provide every individual with an understanding of the Company's safety standards, safety aspiration, training and tools to achieve these, specifically focusing on the following areas:

- **Communication and Awareness:** Continuously communicating safety focus points, progress and good safety practices that will ensure a high level of awareness on safety matters.
- **Learning and Development:** Safety skills are best taught at the workplace. Peer-to-peer training that engages Project Managers, Supervision and field employees to work together in identifying job-site hazards and pro-actively addressing safety concerns.
- **Performance Management:** Safety performance management that supports the development of individual performance through assessment and guidance towards a set standard.
- **Measurement and Monitoring:**

Monitoring the general level of safety competence, observed safety performance, employee engagement, and the overall level of behavioral change, which provides information about our organizational safety efforts and capability to nurture safe work practices, such as:

Being held accountable for our own safety performance and being recognized and acknowledged for good safety behavior.

Being evaluated, and receiving coaching and feedback, related to our safety behavior.

To achieve a world-class safety culture, let's think about this safety slogan, Safety Starts with Me. It is important that each one of us at KE&G contributes to our safety culture through behaviors and actions that keeps our own personal safety in the forefront. KE&G management aspires to strengthen our everyday safety behaviors and mind-set, and thus achieve a higher level of safety maturity.

No matter how many hours of safety training, safety meetings, safety talks and number of Safe work procedures, they will not entirely prevent you from becoming injured unless YOU take full responsibility for you own safety. Make this your own personal credo and take no short cuts because if you do the only person likely to be hurt is YOU.



KE&G Receives Letter of Thanks from Operation Gratitude

by Ed Anderson, Vice President

The successful holiday donation drives in Sierra Vista and Tucson office locations were acknowledged and appreciated by Operation Gratitude (OG) recently.

KE&G received a letter from this amazing organization stating that they sent over 200,000 'chock full' care packages to tens of thousands of brave men and women who are still deployed overseas and to their children anxiously awaiting their return. Veterans, new recruits, first

responders, wounded heroes and their caregivers were also recipients of these care packages.

To those who participated, OG thanks you for your thoughtfulness and wonderful patriotic spirit.

Each donation that OG receives furthers its mission of giving to those who serve our great country. OG also emphasized that the recipients of your generosity will remember this kindness for years to come.

ESOP Suggestion Box

Question/Comment: I love this Company.

Answer: Me too! This is a great company with awesome people.

Question/Comment: With the new tax law going into effect, how will this impact KE&G? Will this mean even better breaks or will it be a negative on us?

Answer: The new tax laws will essentially have no impact on KE&G as a company. However, it may impact us as individuals. Hopefully in a positive way.

Question/Comment: Can we please leave the double wide trailer for shop meetings or offices for the shop?

Answer: As of this time there isn't a plan to remove the double wide (shack) and we can look into using this area as needed.

Ed Anderson - Vice President

Develop a Better Understanding of ESOP

by Chris Weinell, Controller

Looking for a place to get a better understanding of how ESOPs work? As an Employee Owner of KE&G, you have access to a great resource to learn more about ESOPs from the convenience of your home computer or smart phone.

If you are unaware, KE&G is a member of the National Center for Employee Ownership (NCEO). As a company member, it allows all employees to use the members' resource center that houses a wealth of information for those of you who want to learn more about the valuable benefits of your company ESOP. The resource center includes newsletters, webinars, articles, case studies, discussion forums and more.



Just go to the following website:

<http://www.nceo.org>

1. Click Members Area
2. Click Main Page
3. Log in using the following username and password:

User: 34876KEG

Password: KEGESOP

The above site is not KE&G specific but is an overview of how ESOPs work along with laws, regulations, etc., for you to expand your knowledge.

The more informed we become about how ESOPs work, the better off all of us will be. Start learning and educating yourself today. **Knowledge is power.**

Meet Cliff Klamath

by: Tammy Messer, Project Assistant

Cliff Klamath, Leadman / Operator, Sierra Vista



- Q: *Do you have any nicknames?*
- CK: None.
- Q: *Are you married?*
- CK: Single.
- Q: *Do you have children?*
- CK: Yes, one daughter - Ashley
- Q: *How long have you been employed with KE&G?*
- CK: About 14 years.
- Q: *What is your favorite thing about your job?*
- CK: Every job is different and it is outdoors.
- Q: *What is your favorite hobby?*

- CK: 4-wheeling & mountain climbing
- Q: *What is your favorite TV Show?*
- CK: Price is Right.
- Q: *When you retire, do you have any special plans for your ESOP disbursements?*
- CK: Haven't made any plans yet.
- Q: *How old will you be when you retire?*
- CK: 65

ADDITIONAL THOUGHTS OR COMMENTS:

CK: None.

Meet Mike Tadeo

by: Elise Puhala, Project Coordinator

Mike Tadeo, Project Manager/ Estimator, Tucson



- Q: *Do you have any nicknames?*
- MT: None.
- Q: *Are you married?*
- MT: Married to Marcela.
- Q: *Do you have children?*
- MT: None.
- Q: *How long have you been employed with KE&G?*
- AJ: one and a half months
- Q: *What is your favorite thing about your job?*
- AJ: I enjoy the diversity of the bid opportunities that I get to prepare estimates for.
- Q: *What is your favorite hobby?*
- AJ: Working on my '41 Chevy Special Deluxe.

- Q: *What is your favorite TV Show?*
- AJ: The Black Donnellys.
- Q: *When you retire, do you have any special plans for your ESOP disbursements?*
- MT: I would like to do some traveling.
- Q: *How old will you be when you retire?*
- MT: 65 +/-

ADDITIONAL THOUGHTS OR COMMENTS:

MT: We have a talented Team here at KE&G. I'm looking forward to what we can accomplish in the future.

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):

Equipment News by: John" Doc" Archambault, Equipment Manager

At the end of 2017, KE&G was able to procure a 2006 Kenworth T300 4K water truck. The well maintained truck, which was bought through a local Tucson rental company, only had 7,757 hours and 55,070 miles on it on the day of purchase.

This Kenworth cab and chassis came well equipped with a 275 HP Cat C7 engine, 8 speed manual transmission, 4.11 Dana rear axles, 14,000 lb steer axle, and 40,000 lb Hendrickson rear suspension.

The water system consists of a 4,000-gallon Valew double baffled water tank, equipped

with five air operated spray heads, two fronts, two rears and one on the left side. It's also equipped with hose reel system mounted in stinger on the rear.

This new 4K water truck is keeping the dust down while it is being used at jobsites throughout Sierra Vista. Thanks to everyone's hardwork, safe decision-making and productivity, KE&G is able to add to its ever expanding 100% Employee Owned Equipment Fleet.



Sierra Vista Snags Another Project from Canyon Building & Design

by Ben Carter, Project Engineer



KE&G was awarded the \$305k sitework at the Le-man Academy Improvements project by Canyon Building & Design.

Some major items in our scope of work include the removal of an existing building and shed, asphalt and concrete pavement removal, 4500 CY of dirt export, 926 LF of

HDPE storm drain, six catch basins, site concrete, 220 tons of asphalt paving, striping and signage.

This is KE&G's fourth project for Canyon Building & Design. Previous projects include Crossing Point Villas, Lawley Honda Remodel and the Lawley Nissan Remodel.



The achievements of an organization are the results of the combined effort of each **INDIVIDUAL**
- Vince Lombardi

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.

- Roy Baldwin, Tuc
- John Broughton, SV
- Lauren Chapelle, Tuc
- Ricardo Contreras, Tuc
- Ignacio Alvarez Gonzalez, Tuc
- Sammy Granillo, Tuc
- Travis Hacket, Tuc
- Brett Hurtienne, Tuc
- Claire Jean Kyle, Tuc
- Lorenzo Lopez, SV
- Mathew Miller, SV
- Heriberto Ramirez, Tuc
- Jesus Rodriguez, Tuc
- Jose Rojas, Tuc
- Zackery Scott, Tuc
- Saul Sierra-Bustamante, SV
- Mike Tadeo, Tuc
- Michael Van Winsen, Tuc
- Kevin Varner, Tuc
- Jacob Wallace, Tuc
- Amanda Wittenborn, Tuc



KE&G Construction, Inc.
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