



Always providing quality service to the construction industry

P.O. Box 340
Cloquet, MN 55720
Phone (218) 384-4266
Fax (218) 384-4110

505 West 37th Street
Hibbing, MN 55746
Phone (218) 262-3406
Fax (218) 262-5348

2400 Myers Road
Albert Lea, MN 56007
Phone (507) 373-1960
Fax (507) 373-6360

Visit us on the web at
www.ulland.com

NEWSLETTER

Safety is key to success

From Michael Welch, President

The Ulland Brothers 2006 construction season has started off strong. It is always good to get started building projects after the long, cold, windy winter days and nights of Minnesota. Once again the safety of our employees and your fellow workers should be your first priority. Everyone who works for Ulland Brothers has the responsibility of safety! Please take the extra time and think about what you are trying to accomplish so that the end result is a safe environment for everyone. Thank you for your dedication to Ulland Brother's safety program.

Annual Shareholders' Meeting

The annual Shareholders' meeting was held at Grand Casino Hinckley on April 22, 2006. The board of directors thanked Kelly McCue and Ken Johnson for their service on the board and welcomed new directors Derek Sager and David Debevec. The night concluded with a dinner in honor of retirees Ken Johnson and Paul Stollard.



Ken Johnson



Paul Stollard



Motor Vehicle Sales Tax (MVST) Constitutional Amendment

The Minnesota Chamber of Commerce is actively working for passage of the Motor Vehicle Sales Tax (MVST) ballot question. If adopted, the amendment will trigger a gradual transfer of the sales tax collected from all motor vehicle sales from the general fund to transportation purposes. When the phase-in is completed in 2011, transportation funding would be boosted by more than \$300 million per year. This permanent injection of funds would be accomplished without raising any taxes.

Minnesotans have an opportunity to permanently dedicate all existing MVST to transportation purposes. This is not a new tax. This was the in-

tended purpose when the Legislature enacted this policy in 1981. However, lawmakers have used the money for other purposes, and today only 54 percent of the MVST dollars is used for transportation.

Passage requires a "yes" vote by a majority of everyone who goes to the polls, even if individuals skip the specific ballot question. In other words, a "non" vote is counted as a "no" vote. Since a portion of voters usually leave constitutional ballot questions blank, it's estimated that passage will require a "yes" vote of approximately 65 percent of those individuals who do mark the question.

| | |
|--------------------|---|
| From Michael Welch | 1 |
| Safety Messages | 2 |
| Tires, Fuel Issues | 3 |
| Company Updates | 4 |

The Costs of Injuries

Dave Debevec, Safety Director/HR

Workplace injuries consist of “direct” and “indirect” costs. Direct costs typically are those covered by workers compensation insurance and disability claims/benefits. Workers compensation covers ambulance service, emergency-room care, treatment by a physician, medication and hospitalization. Temporary disability benefits are calculated as a percentage of the injured worker’s lost wages. Indirect costs include those not directly related to the injury, but which occur as a result of the injury. Because there is no such thing as a “typical” injury, these costs vary and can be difficult to determine. But reliable estimates place them at up to 30 times the direct costs. In most cases, they probably represent three to four times the direct costs.

Indirect Costs Include:

- * Cost of lost time of injured employee.
- * Cost of time lost by other employees who stop work to assist the injured employee, or out of curiosity or sympathy.
- * Cost of time lost by foremen, supervisors and other executives to assist the injured employee, investigate the accident’s cause; arrange for the injured employee’s production to be continued by someone else; and to select, train or break in the replacement worker.
- * Cost due to damage to machines, tools or other property.
- * Cost to employer under employee welfare and benefit systems.
- * Cost to employer in continuing the wages of the injured employee in full after his or her return even though the services of the employee (who is not fully recovered) may for a time be worth only about half of their normal value.
- * Costs resulting from the weakened morale of workers due to the accident.

To this list could be added the costs of management time dealing with lawyers and regulators, the costs of cleanup (including waste disposal if chemicals, blood or other bodily fluids are involved), possible legal action, the potential long-term effects on the worker’s family, and the damage a poor safety record can inflict on a company’s reputation. Reliable estimates place indirect workplace injury costs at up to 30 times the direct costs.

The true cost of an injury to the injured person includes lost wages, job security, permanent health effects and the lost enjoyment of family time and recreation.



Don't forget to call before you dig!
Call Amy in Hibbing
or
Donna in Albert Lea
for a
Meet or Locate Request
at least 48 hours in advance

MN TOLL FREE
800-252-1166

Dig Safely

**DON'T FORGET ABOUT THE CONVENIENCE
OF DIRECT DEPOSIT!**

**YOUR CHECK WILL ALWAYS BE DEPOSITED
DIRECTLY INTO YOUR CHECKING OR
SAVINGS ACCOUNT!**

**NEVER AGAIN WILL YOU WASH A PAY-
CHECK IN YOUR PANTS POCKET OR LOSE IT
ON THE WAY TO THE BANK!**

**CONTACT THE PAYROLL DEPARTMENT IN
CLOQUET OR ALBERT LEA FOR MORE
INFORMATION ABOUT SETTING UP YOUR
DIRECT DEPOSIT TODAY!**

Tire shortages plague construction industry

Planning, tracking performance, air pressure checks, proper tire matching and rotation, proper repairs and rim maintenance are among the important strategies for coping with the current tire shortage.

Do a thorough fleet inspection; inspect and survey all the tires; check tread depth; inspect for damage, wheel, and hardware problems; and do air-pressure checks. We need to make the commitment to do this, but in the hustle and bustle of daily business it doesn't take long for it to become a secondary priority.

If we did nothing but air-pressure checks once a week minimum to make sure the tires are at their optimum air pressure, it would extend the life of the tires. Do a visual inspection of the tires to see if there's any chunking or any other kind of damage that will affect performance or safety and check tread depth. We don't want to have a bald tire out there that will damage the casing.

If you're not taking care of your tires, and you have a quick failure, you've got automatic downtime. Often we see the tire might have been running low air-pressure and if this had been addressed in routine

maintenance, the tire would not have had the failure.

Also important is controlled braking, making sure the slack adjusters on brakes are adjusted properly, and watching out for false positives, like exchanging a lower maintenance brake lining for the cost of tires. When the brakes heat up, there's nowhere for the heat to go except to the beads. Another forest-for-trees strategy is running too heavy. A few hundred pounds may realize a significant savings in cost of transfer but much more in terms of tires and rims, brakes, hubs, bearings, and steering knuckles. Time constraints demonstrate themselves in aggressive driving tactics, hard braking and hard accelerating, which means drivers should be aware of driving practices that are detrimental to the equipment.

Site maintenance is another sound management strategy. Make sure your haul roads are clear of debris that could damage a tire.

The key is to start thinking of tires as equipment that deserves preventive maintenance. Everyone should do at least a weekly inspection and air-pressure maintenance.

Fuel costs continue to rise

We all know that fuel costs have risen. Take a look at the price you pay at the pump. This carries over into our equipment and pickups as well. From 2004 to 2005, our equipment hours operated were the same while our fuel costs increased about 43.7%.

The national average price per gallon of fuel from one year ago is up

by 32%. With this projection, 2006 looks to be a more expensive year yet in the way of fuel costs.

While we cannot change the price we pay for fuel, we can conserve on consumption. Always remember to shut down equipment if not operating it for longer than just a few minutes. Let's all do our part to keep our fuel consumption under control.

Fuel Saving Tips

Tire Pressure

Keep your tire pressure to the maximum. Under-inflated tires waste gas and wear out the tread.

Extra Weight

Carry only what is necessary. Extra weight produces the need for extra fuel.

Plan your Trips

Pre-plan your trips. Eliminate extra trips. By taking care of all of your errands that are in the same area you will not only save gas, but your precious time as well!

Carpool, Walk, Bike, Stay Home

Carpool whenever possible. Walk or bike instead. Or just stay home.

Conserve on Air Conditioning

Roll down the windows at lower speeds, roll up the windows at higher speeds. Use air conditioning conservatively.

Get a tune-up

Always keep your vehicle in good repair, since a well-tuned vehicle uses less gas.

Avoid idle time

Idling and long warm-ups burn more fuel and are unnecessary.

Slow down

Drive the speed limit and you will not only save fuel, but a costly ticket. Slow down before you brake, speed up slowly, don't waste gas by idling the en-

2006 Construction season looks to be busy for Ulland Brothers, Inc.

North Division

By Ryan Swanson

Ulland Brothers was recently successful low bidder on the Morgan Park Phase #4 wastewater project near Duluth. This project has approximately 3,000 feet of sanitary pipe and 3,000 feet of storm sewer pipe along with concrete removals and common excavation. We will start in May on Hermantown Square, a small site development located on the corner of Lavaque Road and Hwy #53. In March, we were low bidder on a 4-acre wastewater pond at Minntac. We are just finishing up the pond base and getting ready for the liner subcontractor to come and place the liner.

We have secured numerous mix jobs including Hibbing Taconite paving and several in St. Louis County: #92 / #5 / #5 (East of Hibbing), #132 (near Fayal), #25 (near Kinney), and #37 (Jean-Duluth Road). These jobs total about 90,000 ton of mix.

At the end of April we were successful low bidder on the Fortune Bay Resort & Casino expansion that will add two wings to the hotel and expand the parking lot. This project includes footing excavation and backfill, utilities, grading, and paving.

With several projects to be let in the near future, we are working hard to make the 2006 season a very busy and productive year.

South Division

By Jeff Carlson

Our estimating team has been successful in securing a full slate of work for the upcoming season. To date we have the following contracts: 97,000 tons of mix on I-90 partnering with Duininck Brothers, 27,000 tons of mix on TH 22, 40,000 tons of mix on TH 56, 24,000 tons of mix for Freeborn County, a \$500,000 street project in Albert Lea, a \$1.3 million street project in Austin, and a \$450,000 project at Hormel in Austin.

Our aggregate division will supply product for the mixes and we are also supplying Duininck Brothers with aggregates for their portion of the I-90 project which is 140,000 tons.

Sales are up in our new Quarries in Grand Meadow and LeRoy. We sold 85,000 ton to Mathiowetz Construction on a grading project in Mower County. We also made a sale of 170,000 ton of rock for a windmill Farm between Grand Meadow and LeRoy. These projects along with the county, township and local sales should make for a banner year in aggregate product sales.

Future lettings include Wal-Mart in Austin, Walgreen Drug in Albert Lea and possibly two new truck stops in Albert Lea at the I-35 & Freeborn County 46 interchange. Freeborn County is also going to let a 6-mile concrete project on County road 46.

Congratulations!



Lance & Pam Strandberg are the proud parents of a son, Ian Malachi Strandberg, born on February 2, 2006.



Best wishes to **Mike & Mandi (Mancina) Petroskey**, who were recently married.



Tim & Kelly Grahek are the proud parents of a daughter, Alyssa Kaylin, born on May 23, 2006. She is welcomed home by big brother Cooper.



Happy Retirement to **Ken Johnson** and **Paul Stollard**.

Gene Ulland, a former president of Ulland Brothers, Inc. and brother of Bob Ulland, passed away on May 24, 2006, at the age of 81. He is survived by his wife, Geri, 11 children and stepchildren, 12 grandchildren, and 3 great grandchildren.

