

# Shop Talk

3rd Quarter 2010 - Schuck & Sons Construction, a proud employee-owned company - [www.schuckaz.com](http://www.schuckaz.com)

## From the President's Desk



Craig Steele  
President, CEO

Many say the recession is over and the economy is beginning to recover. That may be true in some sectors but it is surely not the case with construction. It has been four grueling long years since the recession began. It may be another eighteen to twenty four months until housing recovers. Competition for what little work there is is brutal. Housing starts for Maricopa and Pinal counties combined will be around the 8,000 mark again this year. Far from the 60,000 plus permits of 2005.

That being said, Bob Langtry, Willard Mitchell, Tony Major and Scott Schuster are working hard forging relationships with contractors that specialize in non-residential building. Projects like the Fort Bliss military barracks with Sundt Construction and the assisted living facilities with Weitz and Austin Commercial are the fruits of their hard work. The Grand Canyon University student housing project with Pono Construction, which Jeff Randall worked hard in

securing, is another example of a successful project.

As we stitch together each quarter and search for ways to return to profitability, it is very important in these times that we not lose focus on our reputation for quality and safety. At the end of the day we always want to be able to say we did the best possible job and did it right. Thank you for your diligence and hard work.

## Texas News

By the time this article comes out, all should be complete in Texas. The job at Ft. Bliss, Texas has been a successful project, with the hard work of many.

This job is a prime example of how Schuck, as a whole, in tough times, can pull together to make a successful project. I wish to thank all, who have worked hard to make Sundt, a believer in Schuck. And we look forward to working with Sundt again in the future.

*Ron Fears  
Superintendent*

## Schuck's New Paint Division

We are branching out to conquer another phase in the construction industry. Harold Nickels has set up a truck with tools and equipment to start painting! He has done a couple projects already: a repaint and a remodel. We are starting from the ground up, so it's been a slow process. I have been working with Harold to set up the estimating process and we're close to having it dialed in. We have sent out several bids for Commercial and Residential, interior and exterior painting. To date we have not been awarded any Commercial bids that have been sent out, but rumor has it that our bid numbers are very competitive. It will take a period of time for the word to get out that Schuck now does paint. When it does, there will be plenty of opportunities out there. **So put the word out that Schuck does paint too.**

*Jill Wozniak  
Contract Admin.*

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## Board of Directors

### Schuck & Sons Construction Co., Inc.

#### Chairman:

Craig Steele - Schuck & Sons - President

#### Board Members

Tony Carollo - Syntellect Retired

Keith Matheney - Louisiana Pacific Retired

Steve McDonnell - Solano Ventures

#### Board Members Emeritus

Jackye Schuck-Powell - Schuck & Sons Retired

Jim Liem - Schuck & Sons Retired

**From the Finance Corner:**

In what came as somewhat of a surprise to the management team, I am happy to report that our stock value increased from \$1.35/share to \$1.53/share. It doesn't seem like much, but, it is a 13.33% increase from the June 30, 2009 valuation.

Were any of you wondering who the energetic gentleman is that scampers around our facility carrying 3 ring binders? You know, the one that is not too tall and not too young? Well, if you don't know, his name is Tony Carollo and he is a member of our board of directors. Tony has been dedicating a greater amount of his time advising our management team. His experience in business at many levels, including top level management, operations, finance and sales have been an asset to our organization. Feel free to introduce yourself to him.

On the accounting side of the yard, we continue to survive through the worst recession in our lifetime. In order for us to continue to survive, we must continue to do exceed our best work each and every day.

Every day when you go home and relax for the night, ask yourself, "Am I proud of what I accomplished today?" If your answer is "yes", then you know you did your best because your conscious does not lie. If your answer is "no", then make damn sure your answer is "hell yes" tomorrow night.

This is OUR Company, so treat it like it's YOUR Company.

*John Petrocelli  
Corporate Controller*

**Door Shop News**

When Calply decided to close down their door shop, Schuck and Sons was given the opportunity to purchase two of their warehouses of inventory and machinery for pennies on the dollar. Included in the purchase was hollow metal and Timely frames, a large assortment of higher end commercial doors and door machinery valued well above what was paid for everything. The door shop has been able to benefit from this purchase in a couple of different ways already.

In the residential metal shop we were able to switch out our "door lite" machine for a newer model. By using the doors and metal frames from the Calply inventory we benefited from not incurring the cost of the material we would have had to purchase. For April, that cost was estimated to be In May it was closer to

In other business, we have been wrapping up the student housing at ASU and nearing completion of the Pono Construction job at Grand Canyon University. We have shipped one of the two buildings for Sagewood Villas and the hollow metal frames for Skilled Nursing. We will start shipping the living units in July.

*Judi Willy  
Door Shop Inventory*

**Mission Statement**

To be the most honest and ethical trade partner of choice. To provide superior carpentry labor and building components to the residential and commercial industry. To foster a work environment that encourages new ideas, new innovations, and growth.

**Financial Peace University Study Group**

Does it seem like you have too much month left at the end of your money? Well you are not alone.

We started the Dave Ramsey Financial Peace University workshop on Thursday, June 17, 2010. We will be meeting every Thursday from 5:00 to 7:00 for 13 weeks, each week will be on a new financial topic. The workshop is open to all Schuck employees, plus you can bring your spouse or a guest. Even if you can't make it every week, you are welcome to come on the weeks you can. If you have any questions, please call Tammy, 623-931-3661.

*Tammy Rendon  
Axapta Administrator*

**Fishing Tournament Results**

Sorry for the delay in getting the results of the 25th Annual Fishing Tournament out to everyone. The tournament went well except for some wind on Saturday which made the fishing a little tough. Sunday the wind stopped, it was a nice day and everyone appeared to catch fish and have fun,

The results of this years tournament are as follows;

1st Place	James Powell / Dan Szary	19.61 lbs
2nd Place	Greg Loges / DJ Martin	12.81 lbs
3rd Place	Mark Sailer / JC Tabor	11.70 lbs
4th Place	Chris Willman / Rene Garcia	11.41 lbs
5th Place	Rick Garrison / PJ Garrison	11.29 lbs

1st Place Big Bass was won by James Powell / Dan Szary 5.28 lbs

2nd Place Big Bass was won by Chriss Willman / Rene Garcia 3.36 lbs

Congratulations to the winners and a big Thank You to all that attended this years tournament,

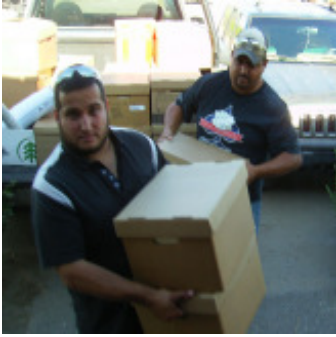
A special thanks goes out to Craig Steele and Scott Schuster for their support and contributions to this event,

It has been my pleasure over the past 25 years to be involved in this event. I would also like to thank the people that are a big part of helping to organize this event to make it a yearly success: Lenny Jurewicz, Mike Cook, Edie Hulsey, Molly Decker and Greg Foster.

Hope to see you all again next year.

*Rick Garrison  
Panel Yard Supervisor*





**Joel Ozaeta and Mark Duran taking boxes to storage**

## Beautification

Spring prompts the urge to fix-up and clean-up. We held Field/Yard/Office Beautification Days June 10 & 11. Sometimes we get too used to things the way they are; we need to look with new eyes. What does a visitor see? What image do we want to project? Why do we continue to observe Kent Schuck's protocol of clean trucks with chrome? Part of being known as a top-notch company includes putting our best foot forward and **looking** like a quality company in addition to **being** a quality company. Clean work areas also promote safety and



**Fabian Avelar and Chris Yazzie led weeding and cleaning teams**

productivity.

For Beautification Days, there were crews pulling weeds and picking up trash. Last year's paperwork was boxed up and taken to storage. There was scrubbing and scouring happening. Ahhhh, it feels good to get things cleaned up and organized.

*Anita Gavin  
Operations Co-ordinator*

## Advantages of Correct Tire Inflation

Maintaining correct tire inflation pressure helps optimize tire performance and fuel economy. Correct tire inflation pressure allows drivers to experience tire comfort, durability and performance designed to match the needs of their vehicles. Tire deflection (the tread and sidewall flexing where the tread comes into contact with the road) will remain as originally designed and excessive sidewall flexing and tread squirm will be avoided. Heat buildup will be managed and rolling resistance will be appropriate. Proper tire inflation pressure also stabilizes the tire's structure, blending the tire's responsiveness, traction and handling.

### Disadvantages of Underinflation

An underinflated tire can't maintain its shape and becomes flatter than intended while in contact with the road. If a vehicle's tires are underinflated by only 6 psi it could weaken the tire's internal structure and eventually lead to tire failure. Lower inflation pressures will allow more deflection as the tire rolls. This will build up more internal heat, increase rolling resistance (causing a reduction in fuel economy of up to 5%) and reduce the tire's tread life by as much as 25% while increasing the probability of irregular treadwear. Drivers would also find a noteworthy loss of steering precision and cornering stability. While 6 psi doesn't seem excessively low, it typically represents about 20% of a passenger car tire's recommended pressure.

### Disadvantages of Overinflation

An overinflated tire is stiff and unyielding and the size of its footprint in contact with the road is reduced. If a vehicle's tires are overinflated by 6 psi, they could be damaged more easily when encountering potholes or debris in the road, as well as experience irregular tread wear. Higher inflated tires cannot isolate road irregularities as well causing the vehicle to ride harsher and transmit more noise into its interior. However, higher inflation pressures reduce rolling resistance slightly and typically provide a slight improvement in steering response and cornering stability.

As you can see, proper tire inflation is an important part of maintaining our fleet as well as your own personal vehicles.

Blown tires while driving, often caused from underinflation, causes body damage to our fleet. We see when our trucks come in for service that most of them have underinflated tires. We need to extend tire tread life as much as we can to save us as owners of our company.

Also, remember that air pressure changes with outside air temperatures.

*Molly Decker  
Fleet and Facilities Supervisor*

## Lumber yard & Truss Plant

We have recently started a VMI for the lumber yard. (Vendor managed inventory). This means we can stock the yard with material and pay for it as we use it. The truss plant has used a VMI for the last several years.

Jeff Mills (aka Duffy) has had a good last couple of months with outside sales. He has been selling lumber and trusses, both large and small jobs. For the month of June there were a total of about 65 transactions.

We also have an externship from Cactus High School. Ross Rector is a teacher and will be working in the yard for 80 hours. He will work in the truss plant, panel yard and door shop. After completing his time he will be eligible for college credit along with good information for his students.

*Greg Foster  
Lumber/Truss Plant Manager*



## Employee Profiles



**Dave Leidy**

**Residence:** Glendale, AZ  
**Hometown:** Phoenix, AZ  
**Title:** Lumber Yard Mgr  
**Job Duties:** Taking care of getting lumber packages out to field  
**Years Working At Schuck:** 22 yrs

**Give 3 words to best describe yourself:** Honest, Quiet, Trustworthy

**What are some of your pet peeves:** People who lie

**Do you have any pets:** No pets

**Favorite Sports Teams:** Any team that beats the Lakers

**Nicknames:** Speedbump, Junior, Put Put, Spanky



**Javier Silva**

**Residence:** Laveen, AZ  
**Hometown:** Los Angeles, CA  
**Title:** Scaffold Setter  
**Job Duties:** Set scaffold on Residential and Commercial Projects  
**Years Working At Schuck:** 4 years

**Give 3 words to best describe yourself:** Outgoing, Mellow, Great Dad

**What are some of your pet peeves:** I dislike like how other people talk while watching a movie

**Do you have any pets:** 2 Parrot's that talk a little too much

**Favorite Sports Teams:** LA Dodgers and Laker's

**Nicknames:** Havy, Foo Foo



**Marcia Mohr**

**Residence:** Glendale, AZ  
**Hometown:** Maquoketa, Iowa  
**Title:** Payroll Administrator  
**Job Duties:** Administer all payrolls and the 401k Plan  
**Years Working At Schuck:** 5 years

**Give 3 words to best describe yourself:** Detailed, Helpful, Trustworthy

**What are some of your pet peeves:** People who are not held accountable

**Do you have any pets:** Yes, 18 dogs, 4 cats & 1 guinea pig

**Favorite Sports Teams:** Iowa Hawkeye's, Minnesota Vikings.

**Nicknames:** M&M

## New Monitors in Estimating

If you have been in our office you may have seen the large monitors at the estimator's desks. Some are 32" and the larger ones are 42". The 10 best reasons for going with the large monitors instead of paper.

10) With these large monitors we are able to bring the plans up on them as opposed to printing them.

9) It adheres to our "Green" policy.

8) The estimators can make notes on the plan files so that when we are awarded the project and print the plans their notes will make it to the field.

7) Since we receive almost all of our plans electronically, there is no more time spent printing out each plan to do an estimate.

6) We no longer have to deal with the pile of paper plans everywhere.

5) More than one estimator can be using the same plan at the same time.

4) It is much easier to locate a set of plans in the computer filing system.

3) We no longer have to carry around that heavy 200 page set of plans.

2) It is much easier to click and turn the page than to actually have to find desk space to turn the page

And the #1 reason to use the monitors instead of paper, This saves us over \$1300 per month that we used to spend on paper and toner.

*Mike Cook  
IT Specialist*