

## Source of Pride

**T**here have been many great stories told on our jobs over the years about how the public views the company when we move into their communities to build a project. These are fun and positive stories: comparisons to the circus moving into town with all the truck loads of equipment arriving all at once and moving out just as quickly when the job is done, the “red-ball express” with all the red trucks moving equipment and materials day and night, and the lines of job-seekers at the field offices to just recall a few. It is quite a show when a Koss division moves to your town! What is often surprising to those who interact with our crews is just how independent and autonomous each of our construction divisions is. Each division that shows up on a job to pave a highway or airfield has the capabilities to recruit and hire crafts-persons and laborers, maintain the equipment, manage the delivery of huge amounts of materials, and of course deliver all of the resources required to build quality pavements.

For a brief period there were three divisions active in the company, all with their own organizational structure: the Des Moines Division, the Topeka Division, and the Springfield Division. However, by the 1940’s there were two divisions that had matured into very large and productive paving organizations, the Show-Me Division with an equipment shop in Springfield, Missouri and the Sunflower Division with an equipment shop in Topeka, Kansas. These two divisions pursued projects from Iowa to Oklahoma and completed the majority of the paving in Kansas and Missouri.

The 1980’s ended with the Show-Me Division evolving into an Oklahoma, or Sooner Division. The Springfield shop was closed and sold. Paralleling this same time period was steady growth in asphalt markets by the company. From a small start in the 1970’s with one of the very first Roto-Mill machines, the company added more milling capacity and then entered the cold-in-place asphalt recycling market. Finally in 2003, the



When you look at our history, it is easy to see why we have been so successful with this organization. In fact, you can even see the birth of the management philosophy of delegating responsibility to the time-tested men and women who actually build our products. Going back nine or ten decades ago when the company was headquartered in Iowa and was building a bridge over the Ouachita River in Arkansas, or in Lansing, Michigan, or Harpers Ferry, Alabama it took a couple of days travel by train to reach these job sites from Des Moines. The successful companies of that era knew how to recruit and retain the very best people to entrust with the large construction projects. As the concrete paving markets developed after World War II, the company continued this commitment to delegate authority while developing the large paving divisions we still maintain today.

company again began producing our own hot-mixed asphalt for our paving crews.

Recognizing the pride each of our construction divisions has in the men and women and the equipment that keep this company thriving, this year we are formally recognizing our commitments to our historic Kansas markets with the Sunflower Division, the asphalt markets we serve with the Asphalt Division, and the southern markets we serve with the Dixie Division. We are one company, we share the same standards and expectations of each other, but we also value the autonomy and the skills that make up the three construction divisions of Koss Construction Company, each with their own stories to be told.

# West Memphis Shop

Sometimes things work out better than expected. Such was the case when Koss Construction Company was looking for a location, or facility, to support the I-40 reconstruction project that it was low bidder on in December of 2013 in Crittenden County, Arkansas. Just so happened that Riggs Caterpillar had their West Memphis facility for sale and it was practically adjacent to the project! A deal was made, and Koss now owns this 18 acre facility with a large shop building and all the accessories to go with it.



Support of this high profile I-40 reconstruction effort is priority number one, but a number of other projects in eastern Arkansas will be supported from here as well.

## New Pavers

The Company has invested in two new pavers this year to keep the fleet updated and to provide flexibility for the products being delivered in new and existing markets.

The Vogeles Super 2100-3 paver with the AB-600-3 screed was delivered to the West Memphis Shop in early April and has been used to place Cement Treated Base on the I-40 Reconstruction project (K#86). This paver has a Low-Emissions "EcoPlus" Cummins Diesel Engine and a high density, extendable screed with extensions that make paving possible up to 31' wide in a single pass. This paver is also capable of paving hot mixed asphalt products as well, with the installation of heating elements.



The G&Z S600 Concrete Slipform Paver made by Guntert & Zimmerman Const. Div, Inc. is the most modern and efficient paver on the market today. The tractor features a double telescopic frame, pivot bolsters, jacking columns and heavy duty crawler tracks. It is powered by a Cummins QSB6.7 Diesel Engine and includes paving kit to 24' in width. The paver has vibrator monitoring and the "Enhanced Transport and Maneuverability Package". The "Enhanced Tractor Width Change Kit and Swing Leg Relocation Package" will allow for



resizing the paving width in a matter of hours. The versatility of this machine, along with the proven G&Z850 pavers in the current fleet, will improve the ability of our concrete paving divisions to adapt to any type job, including the more common urban projects with multiple width changes. The paver was delivered to the West Memphis Shop in late April and will get to work as soon as the spring rains there let up a bit.



# Payroll Checks 101



Each payroll check or direct deposit stub issued by the company has a lot of information, and some may be a little confusing. This article will help demystify the data that is provided to you and hopefully give you a better understanding of those facts and figures.

Each payroll check or direct deposit stub has several sections; such as: Employee Information, Employee Earnings, Employee Deductions, in some cases Company Paid Benefits, and Period and Year to Date payroll recap data. Below is a picture of a direct deposit payroll stub depicting each of these sections which we will review and define.

Section **A** is a unique employee “ID” identification number assigned to every employee. Section **B** displays the current name and address Koss Construction has on record. If this or any information displayed on the stub is incorrect, notify your local field office with correct data so we can update our records. Section **C** displays your current filing status which you completed at the time of hire or annually updated on form W-4. Section **D** displays the Koss project where you work and your payroll labor classification. Section **E** shows all your

earnings for the week with hours worked and rate of pay. Note in our example the amount the employee deferred into their 401K and dollars for the employee’s health insurance shows in this area as negative earnings. This is to reduce your earnings and consequently reduce the amount of taxes to be paid. Section **F** is employee deduction section which Koss is required to withhold and remit payment to federal and state agencies on behalf of the employee. Note that this person has “Employee Savings” which has already been taxed and therefore is a deduction. Section **G** has been recently added this year. If you qualify for and enrolled in any Company paid benefit, the Company portion of the contribution, in your behalf, will appear here. As per the example, the employee paid \$113.63 for his/her health insurance, but the company paid \$383.65 for this benefit for the employee. Sections **H** & **I** are recaps of Earnings, Deductions & Net Pay for the current pay period and year to date. We have had a lot of inquires in the past for Year to Date earnings, so we modified our checks in response to your requests. Now, every time you receive your pay stub, you have the most up to date pay information

5830 SW Drury Lane  
Topeka, KS 66604

Emp No.      Name / Address      Filing Status      Ref Number: 9904191411  
Deposit Date: 4/23/14  
Period Ending: 4/19/14  
Pay Frequency: Weekly

A

B

C

	Health & Welfare-Hourly	\$0.00	0.00	-\$113.63	
	401K	\$0.00	0.00	-\$59.25	F
D	Regular Earnings	\$19.75	31.50	\$622.14	FWH
	Overtime	\$29.63	19.00	\$562.88	FICA-Social Security
	Per Diem Reimbursement	\$40.00	0.00	\$200.00	FICA - Medicare
					Arkansas State Withholding
					Employee Savings

E

G

	Company paid Benefits	Period Amount
	401K Match > 5%	\$47.40
	Health & Welfare	\$383.65

H

I

Important Messages

	<b>THIS PAY PERIOD</b>							
4/19/14	<table style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 33%;">EARNINGS</th> <th style="width: 33%;">DEDUCTIONS</th> <th style="width: 33%;">NET PAY</th> </tr> <tr> <td style="text-align: center;">\$1,212.14</td> <td style="text-align: center;">\$247.20</td> <td style="text-align: center;">\$964.94</td> </tr> </table>	EARNINGS	DEDUCTIONS	NET PAY	\$1,212.14	\$247.20	\$964.94	
EARNINGS	DEDUCTIONS	NET PAY						
\$1,212.14	\$247.20	\$964.94						

	<b>YEAR TO DATE</b>							
	<table style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 33%;">EARNINGS</th> <th style="width: 33%;">DEDUCTIONS</th> <th style="width: 33%;">NET PAY</th> </tr> <tr> <td style="text-align: center;">\$18,106.23</td> <td style="text-align: center;">\$4,141.42</td> <td style="text-align: center;">\$13,964.81</td> </tr> </table>	EARNINGS	DEDUCTIONS	NET PAY	\$18,106.23	\$4,141.42	\$13,964.81	
EARNINGS	DEDUCTIONS	NET PAY						
\$18,106.23	\$4,141.42	\$13,964.81						

This covers most of the basics of the information provided on employee payroll stubs, but if you have any questions regarding any terms or numbers on this document you can always call Jennifer Fleming, Payroll Coordinator at the Corporate Office.

# Basic Safety Review

Every spring at the beginning of the construction season, employees are reminded to work safely and to be aware of the hidden dangers and the not so hidden exposures on the job-sites. Organizations such as the National Safety Council, the Kansas Department of Transportation are also doing special events and activities to bring attention to Work Zone Safety or National Work Zone Awareness. Whether it is regulatory compliance or just injury /accident prevention, it all comes back to basic policies and procedures.

Employees are required to dress appropriately for highway construction which includes wearing the company issued hard hat and high visibility vest or high visibility jacket. By wearing company issued safety apparel that is in good condition and worn properly, employees will be more visible to other employees and truck drivers.

Employees who drive trucks are required to make the necessary pre-trip inspections of their trucks to be sure that they are in good operating condition. Any problems should be noted on the inspection form so that the mechanics are able to repair non-working items. Drivers are also encouraged to become engaged to the operations around them and not become distracted. Distracted driving is a major cause of accidents, both on the construction jobsite and off. Cell phones are not allowed to be used by CDL drivers in a commercial vehicle.

Distracted driving or cell phone usage also applies to equipment operators and employees who work around equipment. Any employee who is working around equipment should not to use their cell phone in the active construction area. If it becomes necessary to make or take a call, employees must take their call away from the active area. A distracted employee, even on foot, can be a danger to their self as well as other employees working around him.

Personal protective equipment is provided to all employees for the jobs that they perform. All employees are issued safety glasses to help keep dirt and debris out of their eyes. Mechanics and others who are in locations where goggles are necessary, are issued goggles. Koss Field Offices make sure

that there are sizes and types of safety glasses and goggles to fit all employees. Various types of gloves and hearing protection are also provided with the styles and protection needed for specific jobs.



As outlined in the Employee Handbook, all employees are responsible for conducting their job in a safe manner and performing their job using proper procedures. No one should take it upon themselves to perform shortcuts without consulting their Foreman or the Division Manager. Ultimately, employees are responsible for their own safety. Employees will not be asked to put themselves at risk to perform any function.

If any employee has a problem or concern with their job function, they should discuss their concerns with their Foreman or Division Manager. If this discussion does not satisfy the employee's concern, they should follow the Complaint Procedures on page 23 in the Employee Handbook.

## Personnel News

**Joseph P. Lantrip** has been promoted to Plant Foreman. Joseph has been around asphalt plants for many years and has been operating our plant #246 for the last year. The move from Bristow, Oklahoma to Hope, Arkansas is complete and the plant is in production now.

**Mitchell T. McAtee** has joined the company as Paving Foreman. Mitchell has extensive experience in concrete paving throughout the Midwest and has been a welcome addition to the Sunflower Division. He is working with Danny Vestal and the paving crew.

## In Memory

**Robert O'Dell**, 85, of Excelsior Springs, Missouri passed away November 6, 2013. Bob began his career with Koss Construction Company in 1982 as a Grade Foreman. He was promoted to Grade Superintendent in 1988 and held this position until his retirement in 1993. After his retirement, Bob and his wife, Beverly, who passed away in June, 2013, enjoyed attending the safety and service awards dinners every year.

**Donald M. Johnson, Jr.**, 77, of Eufaula, Oklahoma passed away December 14, 2013. Don was a blade operator for Koss from 1992 until his retirement in 2004.

# PAVING AWARDS

## MISSOURI/KANSAS CHAPTER, ACPA

### DIVIDED HIGHWAYS (RURAL)

I-70 Sherman County, Kansas

### STATE & PRIMARY ROADS

K-18, Riley County, Kansas

### OVERLAYS

US-75, Brown & Nemaha Counties, Kansas

## ARKANSAS ASPHALT PAVING ASSOCIATION, AAPA

### QUALITY ASPHALT PAVING AWARD

2013 STATE WINNER

MULTI-LANE HIGHWAY

I-40, Prairie County, Arkansas

## NATIONAL ASPHALT PAVING ASSOCIATION, NAPA

### QUALITY IN CONSTRUCTION AWARD

I-40, Prairie County, Arkansas

**Clare Schroeder** was recognized at the Iowa Concrete Paving Association (ICPA) Annual Paving Conference in January by way of that ICPA Outstanding Achievement Award for his noteworthy contributions to the concrete paving industry. Clare retired from the ICPA at the end of 2013 after 15 years of service to this association dedicated to promoting quality concrete pavements in the state of Iowa. Clare retired as Vice President of Engineering from Koss Construction in 1997 after a 19-year career with the company. Prior to joining Koss, Clare enjoyed an 18-year career with the Iowa Department of Transportation.



**Former Company President Ray Michel and Vice President Clare Schroeder at the Iowa Concrete Paving Association Convention in January 2014**

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## Utilizing Recycled Materials in Highway Construction

Over a decade ago the Federal Highway Administration drafted a policy on the use of recycled materials in highway applications. The FHWA policy stated in part that Recycled Materials should get first consideration in materials selection. The policy also stated restrictions that prohibit the use of recycled materials without technical basis should be removed from specifications.



The use of Recycled Asphalt Pavement (RAP) is a shining example of how we can successfully incorporate recycled materials in new pavements. Most states now allow the use of RAP up to as much as 30% replacement of virgin materials in new asphalt pavements. Using RAP reduces the amount of new asphalt binder and virgin aggregates needed in new pavements. The benefits to the public are found in reduced construction costs and decreasing the environmental impacts of building a new pavement without sacrificing quality or durability.

Many states and universities across the nation have done research showing that by using good engineering principles there are numerous ways to incorporate different types of recycled materials into our highways without affecting the overall long term durability. In fact, some products have shown to be beneficial to long term pavement performance. Even though much of this research has shown promising

results, many DOT executives have been reluctant to mandate or even allow the incorporation of these products.

Contractors will always find the most efficient and economical way to utilize a product, but we need state leadership that is willing to think outside the box and allow or even promote the use of these recycled products if we are going to have success in our efforts to build economically and environmentally responsible pavements.

# Koss Construction Company

FOUNDER, GEORGE W. KOSS—1879-1955

## 2014 Honor Roll

### **30-YEAR ASSOCIATES**



Mark A. Newlin.....	32
Kelly D. Moore .....	31

### **25-YEAR ASSOCIATES**



G. Allen Payne .....	29	Thomas L. Rodgers Jr .....	28	David M. Howard.....	26
Alfred D. Adams .....	28	Trent E. Doyle .....	27	Vernon R. Reed .....	26

### **20-YEAR ASSOCIATES**



Abel G. Salinas .....	24	Jose Q. Jaquez.....	23	Steven D. Andris.....	21
Lydia Blixt .....	23	Thomas A. Breyfogle .....	22	Juan M. Ibarra.....	21
Tim W. Gerhardt.....	23	Randy W. Brown .....	22	Clinton R. Myers .....	20

### **15-YEAR ASSOCIATES**



Mario R. Barrera.....	19	Bruce Henderson.....	16	Douglas B. Hawkins.....	15
Mark A. Haines .....	19	Jeffrey L. Jay .....	16	Ronnie W. Hiser .....	15
Lynn D. Maxey .....	19	Daniel L. Vestal .....	16	Ray D. Lalicker .....	15
Randy A. Caruthers.....	18	Dwayne H. Yearnis.....	16	Rick D. Shelton .....	15
Alvaro Deleon.....	18	Jackie D. Bartley .....	15	Wilbur D. Turner .....	15
Donald D. Hill.....	18	Maurice R. Dunseth .....	15		
William S. Marquart .....	17	Jennifer J. Fleming.....	15		

### **10-YEAR ASSOCIATES**



Arnulfo Garcia .....	14	Raul Gonzalez.....	12	Virginia Kurzen .....	11
Robert L. Kennedy.....	14	Rebecca A. Harmon .....	12	Tyronn Rothchild.....	11
Pamela S. Koerth.....	14	Ascencion Mendoza.....	12	Matthew Boyer.....	10
David K. Kenworthy .....	14	Bradley J. Pohlmeier .....	12	Jeffery Bray .....	10
Jose I. Salinas.....	14	George Roberts.....	12	Ruben Escamilla.....	10
Sandra L. Wilson.....	14	Ronald L. Wilson .....	12	John S. Hart .....	10
Manuel D. Aguilar .....	13	Benjamin Carrillo.....	11	Sergio Lechuga Ruiz .....	10
Salvador DeCasas .....	13	Sergio Cervantes .....	11	Alan E. Peimann.....	10
Dale Heronime .....	13	Francisco Gonzalez .....	11	Steven L. Smith .....	10
Jamie Lalicker.....	13	Tyson Funk.....	11	Victor D. Zarate.....	10
Arturo Marin .....	13	Jose I. Garcia.....	11		
David C. Vestal.....	13	Garry Kennedy.....	11		

### **5-YEAR ASSOCIATES**



Greta Barton.....	9	Leopoldo Martinez.....	6	Robert Heaton .....	5
Juan C. Deleon-Perez.....	9	Nicole Money Penny .....	6	Benito Moreno.....	5
Mike L. Payne.....	9	Venancio Palacios.....	6	LaJeana Neises .....	5
Edward D. Perez .....	9	Juan Romero .....	6	Frank Newkirk.....	5
Steven Tackett .....	9	Camilo Rutiaga-Nunez.....	6	Ricardo Ortiz.....	5
Ray Little .....	8	Dale Smith.....	6	Saul Ivan Perez.....	5
Tim R. Loomis .....	8	Michael Welch.....	6	Clyde Ritter .....	5
Matthew Lyman .....	8	Lynette Burdett.....	5	Alex Rivera.....	5
Alberth C. Ruiz.....	8	Raymond Kirk Burton.....	5	Angel Romero .....	5
Stephanie Anderson .....	7	Joseph Elliott.....	5	Bruce Russell.....	5
Armando V. Garcia.....	7	Rafael Escalante .....	5	Blake Shaw.....	5
Carl Guess.....	7	Terry Feebeck.....	5	James E. Smelser Jr.....	5
Janine Mohan.....	7	Bryan C. Fox .....	5	German J. Sorto.....	5
Favio Castillo .....	6	Ivan Garcia .....	5	Vertsel A. Tate .....	5
Joseph Erie .....	6	Juan JR Garcia .....	5	Wesley Vestal.....	5
Jose L. Fernandez.....	6	Victor Garcia .....	5	Reynold Wickliffe .....	5
Angel Guevara .....	6	Sheila Gochenour.....	5		
Jamie Guevara.....	6	John Harding .....	5		

**“THE STARS ON THE SLEEVE TELL THE STORY”**

The number denotes completed years of service; does not include the 2014 season.