

Management Message

Tooling Up for Industry Opportunity

by Jon Schoff
Executive Vice President,
Chief Operating Officer

Economic predictions notwithstanding, our industry has lots of work which has to get done and it will take years to do it. As a result, infrastructure engineering and construction services are in great demand. Our chosen strategic markets are offering major opportunities that are currently redefining business development, risk management, and Project Management/Construction Management (PM/CM). We are busy tooling up for these greater opportunities in our multiple lines of business.

Business Development

Larger, more complex and more frequently turnkey projects are bringing greater risk and potentially greater reward. On the business development front we are communicating with the customer from the

prebid all the way through project award, and are more deliberate every step of the way about understanding and aligning with the customer's goals and project scope. Because business development and relationship development go hand in hand, our thinking is both relational and transactional. More and more we are finding that it's what we do before and after the bid goes in that determines the probability of the outcome, assuming we have articulated our value add proposition in our proposal. Thus, we have begun to use an executive summary in order to communicate the expanding range of the H&M brand to existing and potential customers at all levels within the customer organization. We are busy creating and delivering supply chain leadership, not satisfied to be just part of the supply chain. For discerning customers, contractor ingenuity, innovation, and entrepreneurship are in great demand. This is our trademark, even as we evolve it.

Training Services

Preparing South Carolina's Youth

Henkels & McCoy's Training Services Group's (TSG) mission is to improve the quality of the workforce and enhance the productivity and competitiveness of the nation through comprehensive, customized programs offering hands-on training and technical instruction to youth and adults. Since 1987, TSG has trained more than 60,000 youths nationally, receiving official recognition from Pennsylvania, California, Florida, and New Jersey. TSG's TechBridge program's primary goal is to help individuals overcome educational and technological barriers, while placing emphasis on increasing self-esteem and confidence through achieving academic and/or training goals.

Since July 2006, TSG has been fulfilling its mission in South Carolina. Under the direction of Kal Kunkel, Jim Hughes, Eve Gaffney, and their staff, almost 600 Out-of-School Youth are being served in nine counties, geographically encompassing the Trident area around Charleston,



A TSG graduating class in South Carolina.

the Pendleton area around Anderson, and the Catawba area around Rock Hill. The Trident initiative alone involves over 300 students. TSG also conducts a summer program in conjunction with South Carolina State University serving 60 students at five sites around the state.

The Trident program is administered by the Trident Workforce Investment Board (TWIB), a group of community leaders, business owners, executives, directors, and concerned citizens. Similar to

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Jonathan C. Schoff

Risk Management

On the risk management side, we are tooling up our risk assessment as part of our PM Methodology and are now using the Risk Assessment Template on Level 4 reviews to identify, plan, and price risk for these larger and more complex bids. As an organization, we are mitigating and/or transferring unacceptable risk, as opposed to rejecting it or ignoring it. Customers increasingly understand risk sharing, in the form of contingencies which must be based on resource availability or added to contract language. Labor resources are in great demand and in limited supply; all the more reason why we are being selective.

Project Management/Construction Management (PM/CM)

On large projects and programs, we will be as good as our PM/CM culture, now that we are competing more frequently against GCs and other prime contractors, or in some cases teaming with them. As we continue to evolve into the expanding markets for GCs and "primes," PM and CM are the price of admission. Our H&M brand must be synonymous with PM/CM. When we respond to our customers, we do not want it to be at our undue risk or theirs. When risk is involved, the professional delivery of project management and construction management is insurance against random project results. Hard work may be a deliverable, but it alone cannot be used as a prediction of project outcome. Thus, we continue to recruit and hire PMs from the outside as well as train PMs internally through our curriculum of accredited online PM courses. At last count we had 140 employees currently enrolled and 70 already certified. We are also putting a renewed and equal emphasis on training and promoting CMs to meet changing customer demand.

We are making a number of strategic investments for the future, apace of industry demand. The better the contractor, the stronger the demand; the stronger the demand, the better the opportunities.



Interaction between student and instructor.

TSG Success Stories

A 20-year-old single mother, diagnosed at an early age with meningitis, completed her Practical Care Training, obtained her State Nurses License, and is pursuing a career in phlebotomy (drawing blood) and nursing. She attends classes at the Trident One Stop Career Center through a Certified Nursing Assistant and Practical Care Technician course offered by Trident Health Systems and Trident Hospital with a two-week clinic conducted onsite at Trident Hospital.

A 21-year-old man, paralyzed from the waist down, entered the program in early 2007, targeting a career in homebound transcription services. TSG provided online Medical Transcription classes through Trident Technical College and he has successfully completed the first of three series of classes to earn certification.

A young man entered the Palmetto Youth Connections program to obtain a Commercial Drivers License to support his family. He completed training at Orangeburg-Calhoun Technical College in fall 2006. He increased his Test for Adult Basic Education scores and successfully completed Work Readiness training. He is now employed full-time with a construction company earning \$13 per hour. Positioning students to understand the relationship between training and real world earnings is a central theme of the program.

A young single mother enrolled in the Palmetto Youth Connections program in January 2007. She completed her GED requirements, 20 hours of career readiness training, and the National Retail Federation's Customer Service Credentialing Class at Trident Technical College. She is now working full time with an insurance company earning \$8.50 per hour, and has registered to attend Trident Technical College to obtain an Associate of Science Degree.

Preparing South Carolina's Youth

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TSG, the Board's mandate is to improve the quality of the workforce and enhance the productivity and competitiveness of area business.

Typical of TSG's programs, the training is funded through the Workforce Investment Act, established by Congress in 1998 and implemented in South Carolina in July 2000. The TWIB solicited competitive bids to achieve their mandate; TSG was awarded the contract through this process.



(Top right) An instructor provides one-on-one attention. (Center) The branding logo for the TSG program in South Carolina. (Bottom left) A student receives her certification.

TSG's bid proposed a community-wide, systematic approach to provide real world solutions for At-Risk Out-of-School Youth ages 16-21 in the Trident Region (Berkeley, Charleston, and Dorchester counties). TSG developed a comprehensive, branded partner network to leverage multiple resources from throughout the region to positively impact a large number of youth, with TSG serving as the broker of Workforce Investment Act services.

According to Jan Capellini, Youth Board Chair, TWIB, "We interviewed several people that responded to the bids. The difference with Henkels & McCoy was they were able to answer our questions with accuracy and had some innovative ideas. We were very impressed with them."

Advertising in newspaper classifieds, radio spots, and locally distributed flyers attracted students. Approximately 1,100 youth applied and went through orientation. Qualified applicants had to meet eligibility requirements related to age, income, or socioeconomic need and were assessed to determine aptitudes, occupational interests, math, and reading levels.

"A lot of these young adults have to deal with socioeconomic barriers. We help them see academics and work as a priority," commented Paul Connerty, Executive Director, TWIB.

To provide a local flavor, Kal and his team branded the program Palmetto Youth Connections (PYC). Jan attributes much of the ongoing interest to this branding,

saying, "When Henkels & McCoy branded this program as Palmetto Youth Connec-



tions and had done their own website and advertising in the paper and many other things, I think Palmetto Youth Connections actually captured the attention of some of these youth."

As of July 2007, the PYC program, which started July 1, 2006, had enrolled 320 Out-of-School Youth, ages 16 to 21. Over 60 per-

cent of participants are seeking to complete their high school education. TSG's first mission is to address this goal. Some students earn their General Education Development (GED) while others pursue a high school diploma through Adult Education.

TSG's programs also provide Life Skills, Social Skills, Basic Computer Application, Pre-Employment Work, Maturity Skills, Financial Literacy, and Customer Service training. Several options exist when a student completes the entry-level components and obtains a high school credential. These include moving into Occupational Skills training at a local technical or community college, or entering On-the-Job Training (TSG reimburses 50 percent of their wage to the employer while the participant is in training). Alternately, they may enter the military, enroll in full-time college classes, or seek full-time employment.

Ultimately, the program provides training for occupations that are demonstrating growth in the region, thus facilitating placement and providing good wage potential. In the past year, Henkels & McCoy has placed 120 individuals into careers or secondary educational opportunities. The average placement wage in the PYC program is \$9.20 per hour, an accomplishment of which Kal and his team are very proud.

"I will say that Henkels & McCoy took over a youth program that was not performing to our standards and efficiently cleaned up the issues putting us back in the top spot in the state in performance standards," stated Jan. "Both enrollments and outcomes have exceeded our expectations."



Norfolk, Virginia, more than 20,000 people were waiting on the dock waving American flags. The first men off the ship were the 300 new dads whose babies were born while they were at sea. They each carried a teddy bear provided by the Navy to give to their new baby.

Mark says, "Riding on the carrier was a real treat and it was great to spend time working with Chris. Now, when I communicate with him, I know exactly what he is talking about." Mark's impressive ride on the world's first nuclear-powered aircraft carrier will be part of his memories for quite some time.

Mark Crowson, Henkels & McCoy Operations Vice President Central Region, is no stranger to oversized construction vehicles. But recently he went for a ride on a vehicle that would dwarf even the largest bucket truck. This vehicle is 1,123 feet long, 257 feet wide, 250 feet tall, and weighs 93,000 tons, with a flight deck that covers 4.47 acres and holds 85 planes. Mark's ride was on the U.S. aircraft carrier USS *Enterprise*, lovingly referred to as "The Big E."

Mark says, "When the Navy announced the opportunity for parents of sailors to accompany the ship to its homeport, I jumped at the chance. I had not seen my son for six months." After completing the extensive paperwork for his required clearances, Mark joined up with the *Enterprise* and his son, Aviation



Chris Crowson (left) and Mark Crowson on the flight deck of the USS *Enterprise*, America's first nuclear powered carrier.

Boatswain's Mate - Handling (A.B.H.) Chris Crowson in Lisbon, Portugal. The ship had visited the Persian Gulf (twice), Hong Kong, Malaysia, Singapore, South Korea, Greece, and Croatia in its six and a half months at sea.

Mark was assigned a bunk in a berthing with thirty sailors. There are 4,500

Marines and sailors on board. Space is limited and the bunks are stacked so a sailor must slide in on his back. Days are long and the work is hard with little time off. Lights go out at 10 PM and reveille is at 6 AM. Just like a Henkels & McCoy project, each day starts

with a safety talk and a job brief. Sailors are reminded that the flight deck is a dangerous place and are trained to always do the right thing.

The ten days Mark spent on the ship were filled with the excitement of aircraft maneuvers and training, scheduled activities such as guided tours and demonstrations, and working side by side with his son everywhere from the flight deck to the galley. During one of the aircraft practice runs, an F/A-18 Super Hornet broke the sound barrier while Mark was standing on the deck. "The plane was so close I could see the air wave behind it," Mark said.

When the ship arrived at its homeport in



Flight deck crew member "lifting a helo" at sunset.



From top: Part of the *Enterprise's* crew assemble for a snapshot; Mark helps secure a fighter; F/A-18 Super Hornet roars down the flight deck; after a hard day's work, Mark gratefully tries out his bunk and, like his new shipmates, fondly dreams of homeport.

Living our Values through Action

by David Cox
Senior Director, H&M NetWorks East

On a Sunday morning in August 1998, I decided to ride my bike to a local market to pick up some doughnuts for my kids. Simple enough, as the store was less than one mile away and back in those days I was in pretty good shape.

What wasn't so simple was the ambulance ride that interrupted the return trip and the four weeks of recovery that followed. Both of which were results of my ignoring simple safety rules: wear a helmet and wear appropriate apparel for the task at hand. In this case, I did not wear a helmet and instead of appropriate footwear, I donned fashionable flip flops!

At the time, my oldest daughter was 6 and my son was 4. The sight of me being loaded into the back of an ambulance is forever stamped into their memory. Since that time, my family has valued safety when riding bikes and it was instinctive that flip flops and bikes did not go together, while helmets are required Personal Protective Equipment. We lived these rules until recently when I (Dad) ignored them and jumped on my bike to meet the kids at our neighborhood pool.

My simple act of violating one of our rules was an instant sign for my son, now 12, and Allie, my youngest daughter, to do the same. When questioned, Allie was quick to point out that "Dad (the supervisor) and Davis (the co-worker) did it." In her mind, she was simply following the examples WE, as her mentor and peer, had set. It also served as a reminder to me that they were simply following the rules until someone broke them. Allie did not see the value in the

preventive measures. Do you see any parallels to our work at H&M?

In the previous issue of *Performance* newsletter, the company's Goals, Values, and Mission were published and our President and CEO Rod Henkels asked everyone to reflect on them and ask the questions: "How does the management team emulate the values? How well do I emulate the values?"

While reflecting on my recent learning experience at home, I could never imagine myself mindlessly ignoring our company's values, which safety is part of, as it is part of my job. Perhaps that in itself is the roadblock. While I would give many of us high marks for emulating the values, are we truly living the values and following the rules if it is considered "part of the job"? If it is "part of the job," will it ever become instinctive?

One of the Core Values is Integrity: Be honest and keep our promises, living our values through action. Living our values through action does not stop when we "punch out." To be a true value there cannot be delineation between work and play; it is part of our daily lives and reflective in our actions. Once that happens, checklists become validation points and not reminders.

On more than one occasion, our EVP and COO Jon Schoff has challenged us to make safety instinctive. Continually monitoring and improving processes such as Job Briefs and Work Site Observations will be key factors in reaching this goal, as will "living our values through action."



David Cox

H&M Timeline: 1943

The U.S. economy is on a wartime footing. Defense work for Henkels & McCoy this year includes contracts for electrical distribution work at the Pomona Naval Air Station in New Jersey and bituminous paving work at the Armor Plate Plant in Philadelphia. H&M also completes electrical distribution work at the Naval Training Station in Bainbridge, Maryland... In 1943 H&M also constructs a high line crossing over the Susquehanna River. One tower is on an artificial island in the river. Because no heavy equipment could cross the river, the tower on the island is constructed by hand. The project is dangerous, but Henkels & McCoy completes the job with few problems and no accidents... H&M helps to create a seven-acre dike in Barnegat Inlet, New Jersey for the U.S. Engineering District... Also this year, Andrew L. Lewis (right, in a 1945 photo) joins the company. Andy will rise to President of Henkels & McCoy and serve in that capacity from 1962-1972.



For more on H&M's war work and to discover over eighty years of company history, visit our Timeline: <http://www.henkels.com/corporate/timeline/TimelineIntrohome.asp>

Customer Correspondence

I write to call your attention to the exemplary work and attitude presented by individuals under your direction while work was completed on the property of Audubon Mutual Housing Corporation (AMHC).

Ken Frech, who supervised the project; Ron (Smith), the foreman; Pete (Salotti), the operator; Tony (Tavares) and Rick (Fuss), the laborers; and all the other men who worked on the project were very accommodating and knowledgeable. They all contributed to a job that was large in scope for AMHC; yet the residents did not make one complaint regarding Henkels & McCoy. Further, Ken Frech and Ron were extremely eager to explain what they were doing, why they were doing it, and how, in the end, it would benefit AMHC.

It has been a pleasure forging a relationship with Henkels & McCoy and I look forward to building on the relationship in the future. Thank you.

Secretary-Manager

It is my pleasure to write you concerning your employees working on a project in Garland (TX).

During the week of April 9th all the trucks and men reached the area in front of our house. It was interesting to see how efficiently and quickly they went about performing their various duties. I was amazed at how carefully they replaced the dirt and grass that was removed every block or so.

The main reason for my letter is to give credit to Mr. Heath Allen and the crew he supervised. As they were working next door to our house, a freak wind came up and broke a fairly large limb from a redwood tree in front of our house. This happened through no fault of theirs. However, the whole crew came over and moved the limb off of the sidewalk and up on our lawn so that it could be prepared for pickup by the City. In particular, Mr. Allen went out of his way to assist us in cutting the tree for pickup.

You are very fortunate to have men of this caliber working for you.

Bob and Jeanie

Golfing for Good Causes

Henkels & McCoy's benefit golf tournaments met with great success last year, attracting 328 golfers in all and raising over \$62,000 between the East and West Regions. This year's tournaments are off to a great start as we again look to assist those who do so much for others.

First up was the West Region's Tournament on Wednesday, September 26, 2007 at the Pacific Palms Resort's Industry Hills Golf Course in Industry Hills, California. Proceeds benefit The Leukemia & Lymphoma Society, the world's largest voluntary health organization dedicated to funding blood cancer research, education, and patient services. Founded in 1949, the Society's mission is to cure leukemia, lymphoma, Hodgkin's disease, and myeloma and to improve the quality of life of patients and their families. More information on the Leukemia & Lymphoma Society is readily available at www.leukemia-lymphoma.org.

Golfers of all skill levels were encouraged to come out and help raise money for this organization. Prizes were awarded for tournament placement as well as closest to the pin, most accurate drive, hole in one, longest drive, and longest putt. There was a raffle and auction at dinner with many prizes up for grabs.

The Henkels & McCoy East Golf Tournament will be held at 11 AM on Monday, October 15, 2007 at the Philadelphia Cricket Club's Wissahickon & Militia Hill Courses. All proceeds will be going to Covenant House Pennsylvania (CHPA), the largest shelter program for homeless and runaway youths under the age of 21 in the state. Established in 1999, CHPA is one of Covenant House's most recent affiliates and has evolved from a single community outreach center in Philadelphia into a diverse agency that offers a full continuum of services including street and community outreach, crisis shelter, support services, and transitional housing. Please see www.covenanthousepa.org for more details on CHPA and its offerings.

In addition to a wide array of prizes that will be raffled off as part of the day's events, attendees will have the chance to win tournament awards including closest to the pin, most accurate drive, hole in one, and longest drive. For additional information concerning the East Golf Tournament, please contact Rick Pieper at 215-283-7924 or rpieper@henkels.com.

A special thanks to everyone whose participation contributes to the success of these events.



Left to right: Joanne Tirpak, Joanne Antrim, Sherry Scandone, Rod Henkels, and Christine Howard draw winning raffle tickets during the United Way 2007 Campaign Kickoff Barbecue, held at Blue Bell headquarters. Below: H&M employees catch the spirit and have a great time.

United Way Kickoff Picnic Helps Net \$130K

Friday, June 15th marked the official kickoff of the 2007 United Way initiative at Henkels & McCoy. Sherry Scandone and her team, including Joanne Antrim, Chris Howard, and Joanne Tirpak, planned a successful BBQ filled with delicious food provided by Mermaid Lake Catering and great raffle prizes ranging from Diamond Club Phillies tickets to digital cameras, portable DVD

players, and gift certificates. However, the most important result of the afternoon was heightened awareness of the need for generous donations in support of United Way and their efforts to "improve lives by mobilizing the caring power of communities" (<http://national.unitedway.org/about/missvis.cfm>). Exemplifying Henkels & McCoy's core values of compassion, commitment, respect, and stewardship, supporting United Way is an excellent opportunity to reach out to those in need while showing our company's commitment to serving one another. We are happy to report that Henkels & McCoy surpassed this year's goal of \$110,000, with 748 employees raising nearly \$130,000 as of Labor Day.

United Way's Southeastern Pennsylvania branch representative Ken Silvius joined Henkels & McCoy employees for lunch, thanking them for their past support and enthusiasm for this year's program. Sherry Scandone encouraged everyone to pledge and ask others to donate as well. "The number one reason why people do not give is because they were not asked," said Scandone.

There are options for pledging a donation to United Way. Employees can elect a payroll



deduction, buy raffle tickets if their Region is hosting a drawing, or simply fill out a pledge form. The pledge form enables employees to designate where their contribution is to be sent. If an employee would like to donate but does not have

a specific charity in mind, he/she can provide a zip code and United Way will find a worthy charity in that area.

If you need a pledge form, please contact Sherry Scandone at sscandone@henkels.com or contact one of the Regional Chairpersons: East Region: Bonnie Baer; Central Region: Denise Landis; West Region: Emily



Schwartz; H&M NetWorks: Carla Sergio. Please visit the United Way website (below) to find out more information about the wonderful



work they do throughout the country and how you can assist those in need. www.unitedway.org



Regional Roundup

East Region News

The Power group has begun two transmission projects with PPL near Lancaster and several distribution projects with FirstEnergy in New Jersey and Pennsylvania.

The Telecom group has won a fiber placement job with Adesta in Maryland and has secured two additional tunnel jobs with Amtrak rebuilding conduits and placing and splicing cables.

The Specialty group has begun a series of construction and renovation jobs with PSEG, United Water, Lockheed Martin, Rutgers University, and FirstEnergy.

The Gas and Underground group recently won the renewal and extension of three contracts for the city of Richmond worth nearly \$10 million combined, the Rikers Island communication conduit construction project worth more than \$1 million, and the Camden Verizon subway contract for three years at \$1.5 million yearly, a contract Henkels & McCoy has competitively held for 35 years.

The East Region has embarked upon a recycling initiative in Blue Bell to reduce its trash disposal costs and generate revenue focused on the recovery of paper, metals, wire, etc.

In the York office, Wesley Gordon recently retired with 26 years of service as an essential part of the York shop's ability to maintain the fleet readiness. As of June, East Region has hired Jim Tighe as Manager, Business Development and Sales. Jim is responsible for facilitating the growth of the Region's diversified lines of utility construction business including telecommunications, gas, water, general construction, and power. Jim has over 20 years of experience in sales management, marketing, and sales training.

GIS Project: The detailed interception work being done (below); shoring method used to get to the bottom to overcome sandy soil.



Glendale Water and Power's newly installed Gas Insulated Switchgear, with the old switchrack in the background.

West Region News

The largest Gas Insulated Switchgear (GIS) station in North America is now located in Glendale, California and owned by Glendale Water & Power (GWP). The new compact GIS system occupies less space, and provides an improved aesthetic environment for the community at a height of eight feet, as opposed to the 25 feet required for the old air insulation station.

The new GIS station was designed to have (17) 69 kV bays of double breaker and breaker-and-a-half arrangements on two 3150 amp double buses. ABB, Inc. subcontracted with Henkels & McCoy (H&M) for the civil construction and power line work and Miron Electric for the control circuitry and wiring of the GIS station.

The first challenge was in the sub-structure construction work. The conduit duct bank was originally engineered using a trench that was 16' 5" wide and 2' 7-1/2" deep, 4' below natural ground. It was designed to spread all conduits horizontally with the concept of intercepting 21 existing conduits for seven 69 kV lines located in



close proximity to other existing 69 kV underground substructures and other utilities in the vicinity. When H&M construction personnel started work, they encountered difficulties because of existing sandy soil conditions, which required supporting the existing underground duct bank containing several medium voltage energized circuits, plus

a nearby reclaimed water pipe. Electrical service could not be interrupted; therefore, the crews had to work near the energized cables during construction.

The project started on August 18, 2004 and was completed early on May 16, 2006. Completing a project this size on schedule and under budget was a major accomplishment.

Central Region News

The Central Region recently completed the installation of an underground collection system and the tower wiring for the Twin Groves Wind Farm, under a subcontract with Minneapolis, Minnesota-based M.A. Mortenson. Twin Groves Wind Farm, located in Ellsworth, Illinois is owned by wind developer/owner Horizon Wind Energy, headquartered in Houston, Texas.

This phase included 120 wind turbines each with a rated capacity of 1.65 megawatts located on the windswept Bloomington Moraine in eastern McLean County, Illinois and will offer enough energy to meet the annual energy needs of about 30,000 homes.

This was the first wind project for Henkels & McCoy's Central Region. Henkels & McCoy mobilized in April 2006, and put in nearly 80,000 labor and supervision hours prior to finishing in April 2007. H&M's scope consisted of constructing a 34 kV underground collection system, installation of all junction structures, underground cable collection system splices, grounding grid for the wind turbines, fiber optic communication network cable, 120 – 1750 kV transformers, and the internal tower wiring rising and terminating some 80 meters at each Vestas V82 Nacelle, which houses the wind turbine generator.

The project was faced with several





Central Illinois location of Twin Groves Wind Farm.

weather-related challenges including an unseasonable amount of rain and excessive winds. The wet conditions and winds resulted in delayed erection of the turbines. The wet soil conditions also created challenges for our trenching and backfilling crew, as collection system specifications required our crews to screen the native material prior to backfilling around the collection system cable. Placing twelve inches of screened backfill materials around the cable provided adequate thermal resistivity, which allowed the heat to dissipate. Henkels & McCoy met this challenge by utilizing specially fabricated equipment.

Henkels & McCoy was recently awarded another wind project through M.A. Mortenson in Pomeroy, Iowa. This project includes a 320,000 circuit foot collection system and the tower wiring of 132 GE 1.5 MW wind turbines.

H&M NetWorks News

The H&M NetWorks division recently completed a nationwide rollout providing fiber and electrical installations for a major home improvement store chain. The fast-paced project touched a total of more than 500 stores between February and May.

H&M partnered with HTI, a Mount Laurel, New Jersey-based firm that specializes in designing and implementing integrated hardware and software solutions for business customers. HTI had a project scope calling for low voltage and standard electrical capabilities. Vice President of Operations Marty Roselli explains: "We needed a partner with a national footprint that could deliver both elements, performing at a very high quality level within the confines of a very aggressive schedule."

H&M's National Accounts team worked hand in hand with the HTI team, managing crews that performed the in-store work during overnight hours. Not involved in Phase One of the project, H&M partnered with HTI for a successful Phase Two. Through a two-week long pilot phase, the HTI and H&M teams validated what Roselli's team perceived to be the project's major challenges.

"Poor workmanship, poor scheduling, and in some cases lack of attention to detail forced us to revisit many of the sites during Phase One. The H&M team virtually eliminated any concerns we had regarding those types of issues in Phase Two."

HTI and H&M pulled out all the stops to ensure that unforeseen challenges were transparent to the end user. To Roselli, that's what matters: "The project went very smoothly from the standpoint of workmanship, project management, and required deliverables. Overall we were very pleased with the results."

Editor note: see insert for news of H&M NetWorks' exciting new location.

Engineering News

The West Region is aggressively pursuing EPC, Substation, and Transmission work, including:

Mountain View Substation

West Region Engineering provided consulting services to a large Southern California electric utility generating station facility in conjunction with repair and restoration service to a 230 kV underground line following a catastrophic failure of one of the pothead terminations. The cable run from the step up transformer to the switchyard was successfully returned to service after the cable vendor replaced the cable and pothead.

The East Region has been providing Architectural and Engineering services to the pharmaceutical market for over ten years, including the design for lab renovation, clean room, telecommunications, utilities, and storm water controls. Dennis Barrall, P.E. has joined East Region Engineering. Dennis has over twenty-five years of experience in the pharmaceutical industry and brings a working knowledge of industry requirements and

protocols. Dennis' addition to our experienced staff broadens our ability to better serve our clients.

Corporate News

In an effort to promote health awareness among Henkels & McCoy employees, the Corporate Safety Council (CSC) sponsored a Wellness Clinic at Corporate Headquarters on May 22, 2007. The idea was initially proposed by Corporate Safety/Environmental Coordinator Steve Kauffman and subsequently adopted as one of the CSC's major objectives for the year. "Under the leadership of Joe Cherone (Fleet Department), plans for the Clinic were formulated during our monthly meetings," explains CSC Chairman Gary Weikel. "It was a true group effort." Five registered nurses from the North Penn Visiting Nurses Association administered the various screenings. In all, there were 59 blood pressure screenings, 61 cholesterol screenings, 60 stress dots distributed, and 42 stroke assessments performed. "The attendance exceeded our expectations, which was a welcome surprise," says Weikel. "From the feedback we received, another clinic will be held later this year or in 2008, with more types of testing available." Many thanks to everyone who made this endeavor a success.

Henkels & McCoy's most recent blood drive was held on August 3, 2007. "We had an all-time high donor registration and we also had four first-time donors," reported Paul Stinson, who coordinates all of H&M's drives. "A special thanks to them." H&M employees provided the Red Cross with 28 pints of blood—an impressive result and especially timely for the summer, when the need for donations is highest. With up to three lives saved for every pint donated, our workers improved the odds for 84 people with their generosity.

Just Awarded to Henkels & McCoy...

A contract with **Minnesota Pipeline Company** (subsidiary of Koch Industries) for the installation of 150 miles of new 24" steel pipeline from the Minneapolis/St. Paul area north to the Canadian border. The project runs from September 2007 through fall 2008... A project with **Mortenson** working on the collection system for the Cohocton Wind Farm near Bath, New York. Scope includes wiring towers for fifty 2.5 kV wind turbines, trenching five feeder circuits, and connecting to the existing power grid. The project began in September 2007 and is set for completion in April 2008... A contract with **ClearCom, Inc.** for construction of seven terrestrial fiber segments as well as seven horizontal directional drill ocean bores. Part of the Paniolo Cable Network System, a total fiber system that will link five of the Hawaiian Islands into one telecommunication and data system, construction starts October 1, 2007 with a planned completion date of March 2009.

The Importance of Education

For the past seven years, Henkels & McCoy has sponsored an annual award presented to deserving Eastern Center for Arts and Technology students. Located in Willow Grove, Pennsylvania, Eastern was founded as a technical school in 1965 and offers courses in accounting/finance, automotive, communications, computer science, construction, cosmetology, culinary arts, electrical technology, and engineering.

This year, for excellence in the field of electrical technology, the awards were presented to graduating seniors Mike Hollop (pictured left)

from Lower Moreland and Francesco Derro (right) from Upper Dublin in a ceremony held May 22, 2007 in the Upper Moreland High School auditorium on Terwood Road in Willow Grove.

When asked what this award represents, Mike quickly responded, "A lot of hard work." Congratulations, Mike and Francesco on "a lot of hard work" and the recognition that accompanies this award. Best of luck in your future careers.

For more information on the Eastern Center for Arts and Technology, visit <http://www.eastech.org>



H&M Trade Shows 2007

The trade show season for 2007 is in full swing; don't miss Henkels & McCoy at these great shows!

September 27-28
Platts Transmission Conference
 Four Points by Sheraton,
 Washington D.C.

September 30-October 2
Western Energy Institute Annual Meeting
 Park City, Utah

September 30-October 4
FTTH Conference & Expo
 Walt Disney World
 Swan & Dolphin Resort,
 Orlando, Florida

October 9-14
MidWest Expo
 Grand Wayne Convention Center,
 Fort Wayne, Indiana

October 10-12
NYSTA
 Binghamton Regency Hotel,
 Binghamton, New York

October 21-23
MATTS
 Kansas City, Kansas

October 24-26
Carolina Virginia Telephone Association
 Grove Park Inn,
 Asheville, North Carolina

HENKELS & MCCOY Performance

A news publication of Henkels & McCoy, Inc.

IN THIS ISSUE

Training Services Group Prepares Youth

Like Henkels & McCoy's Training Services Groups nationwide, our South Carolina staff train young adults for meaningful employment in a competitive marketplace.

FEATURES

- The Big Ride: The USS *Enterprise* (right) provides the transportation home for H&M Operations V.P. and his son
- United Way Campaign Kickoff
- Golfing for Good Causes



DEPARTMENTS

Management Message, Safety Update, Regional Roundup

PLUS...

- Timeline: 1943 sees war work and a rising young star
- Trade Show Schedule through Autumn

MORE!

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