

WISCONSIN Constructor

A Publication of the Associated General Contractors of Wisconsin

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Hammersley Stone

COMPANY

FIFTY YEARS OF EXCELLENCE



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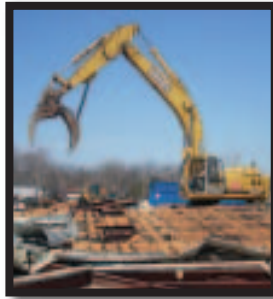
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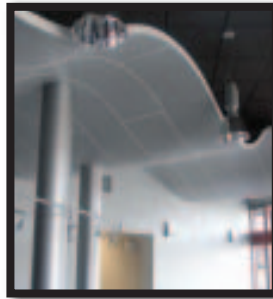
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Hammersley Stone COMPANY



FIFTY YEARS OF EXCELLENCE



1968 — Fay Hammersley Jr. with the new 8240 Dozer at Drott Tractor

EXCAVATORS ARE THE UNSUNG HEROES OF THE CONSTRUCTION BUSINESS. THE HARD-WORKING DOZERS AND SHOVELS REMOVE HUNDREDS OF THOUSANDS OF CUBIC YARDS OF SOIL AND DEBRIS FROM A JOB SITE. IT IS OFTEN THE EXCAVATOR'S SKILLS THAT KEEP A PROJECT ON SCHEDULE, ESPECIALLY WHEN ROUGH WEATHER STRIKES.

Hammersley Stone Company in Madison is one of the premier earth-moving companies in Wisconsin. Not only do they excavate for big projects like UW-Madison's Kohl Center, Hammersley Stone crews also build streets and roads; install underground utilities; provide customers with sand, crushed limestone, and screened soil; and recycle concrete, asphalt, bricks, and other building materials on-site.

Fay Hammersley incorporated his growing company in 1957. The son of a farmer, Fay was born in 1911 and worked construction on a number of projects during the 1930s and 1940s, including the Baraboo Army Plant. He acquired a stone quarry on Lacy

Road in Fitchburg and began crushing limestone.

"When my dad started on his own as an excavation contractor, he only had a team of horses and a slip scrape," says Keith Hammersley, president of Hammersley Stone. "He dug basements and then began to do larger-scale site development and subdivision work." Keith notes with pride that there was only one front-end loader in Madison in 1942—and his father owned it.

Fay Hammersley saw great potential in the Interstate boom in the 1950s and 1960s. "He really gambled when he traded up from his small earth-movers to much larger capacity machines to compete for this new



highway work," says Keith. "He worked on many large highway projects throughout Wisconsin during those years."

Keith has many strong memories of his father including that he worked too hard. "My dad burned the candle at both ends," he says, "to better himself and his family."

A Company in Transition

On New Year's Day, 1971, Fay Hammersley died unexpectedly. Keith, who had just finished a tour of duty in Vietnam as a medic and had a background in accounting, joined Hammersley Stone as corporate secretary two months later to help run the company.

"The sudden death of an owner creates a huge amount of stress and confusion," says Hammersley. "Projects have to be completed, the estate needs to be settled. And then there's the larger question: Will the company continue? Everything was hanging in the balance." In 1976, Keith and his two brothers decided to continue the operation, with Keith assuming the role of president. Today the company is owned by Keith Hammersley, vice president Jim Wolf, and construction manager Jon Hoffmann. Keith's son, Nate, who also works for Hammersley Stone, may be a third-generation owner in the future.

"We have worked as a subcontractor with Hammersley Stone for over 20 years," states Bud Siebecker, project manager for Payne and Dolan, an asphalt paving company. "Keith did a great job of taking over the family business during a very difficult time in its history and guiding it through several transitions. Even though it's a bigger company today, it's still very family oriented and has many long-term, extremely loyal employees."

One of those major transitions was getting out of highway construction after the economic downturn in the early 1980s struck. Hammersley Stone shifted toward more large-scale site development work and increased the volume of sand and stone production from its quarries. Today the company also produces several popular mixtures of specialty soil, another growing niche business.



1942 — First D-2 in Madison



1947 — Housing project on Madison's East Side (D-6)



1950 — First shovel unit



Brooks Tractor — Sun Prairie, WI



Farm & Fleet — Verona, WI

Recycling construction waste, which Hammersley Stone started in the 1990s, is an increasingly important part of the company's business. Not only does it reflect Hammersley Stone's commitment to the environment, but also Keith Hammersley's keen eye for recognizing growing niche markets in the construction industry.

"We recycle about half a dozen different materials, either in our yard or on the job site using our track-mounted portable crusher and screens," says Hammersley. The most common materials are concrete, asphalt, and bricks. "Pulverized concrete and brick can be mixed with sand and used as backfill on the worksite," he adds. "Extra care needs to be taken with asphalt. Clean asphalt has great resale value, but if it's contaminated with dirt, it is virtually worthless."

Hammersley is proud that the company is still in business after 50 years. "We survived the death of my father and the economic hardships of the 1980s, which has made us a stronger company," he reflects. "And even though we've reacted well to market changes, our success and longevity is also a result of our very loyal, dedicated employees, some of whom have retired from the company after long careers."

Getting It Done

"We've enjoyed a great relationship with Hammersley Stone for about 25 years," says Jim Pientka, president of PLANNING Design Build, a construction firm in Madison. "They have always provided quality service and innovative solutions, at very competitive rates. They always come to the table with a 'can do' attitude."

Hammersley Stone Company's staff of 64 employees includes administrative personnel, truck drivers, laborers, heavy equipment operators, and mechanics who maintain the fleet of heavy equipment. Crew members also operate the latest surveying instruments, including a state-of-the-art grade control system.

"General contractors often want us to stake out the jobs ourselves," says Hammersley. "It's important to verify the information coming from the engineers and architects is accurate, so we are a good double-check on those



Oregon Industrial Park — Oregon, WI

plans. Any error, from one-tenth of inch to as much as two feet, can waste a lot of money.”

“Hammersley Stone has good people who are fun to work with,” says Pientka. “They have very experienced operators whom I consider to be craftsmen. They do the shaping and grading right the first time.”

“Their quality of work is always outstanding,” adds Bud Siebecker of Payne and Dolan. “The communication is excellent—they always keep us informed about any special conditions we need to know about, and when they need us. They do an excellent job on the base course they put down for us. And their safety awareness on the job has always been outstanding.”

Hammersley Stone’s mod rate ranges between .65 and .85, far better than the industry average for safety. This reflects Hammersley Stone’s unwavering dedication to safety. “You have to drive safety into people’s minds,” says Hammersley. “Day after day, week after week, month after month, until it becomes a way of thinking.”

Because Hammersley Stone works with a variety of GCs and specialty contractors, safety concerns often vary from job to job. Job superintendents and project managers work together to change/modify any aspects of the job that will make it safer. Hammersley also

believes strongly in random drug and alcohol testing. “It may not be popular, but it is a very smart thing to do,” he says.

Hammersley Stone has been an AGC member since 1989. Besides taking advantage of AGC’s safety training, Hammersley Stone relies on AGC for legal assistance in matters of contractor and labor disputes. “There is no question AGC has helped us become a better contractor,” indicates Hammersley. “Being a member has also been a great way to get to know other general contractors and subcontractors.”

There is a lot of competition in the excavating business. “We’re union contractors and can’t compete with smaller excavators,” says Hammersley. “Take a gas station job, for example. A smaller excavator might work 12-16 hours a day, and be there on Saturdays and Sundays. That’s something we don’t want to do.”

Instead, the company has enjoyed much success bidding on larger, more complex projects, which require more know-how and draw less competition. “We also try to keep the work local in Dane County,” says Hammersley. “We don’t chase jobs all over the state. This way everyone gets to stay home at night with their families—this is a big priority for Jim Wolf and me.”

Selected Projects

Kohl Center, Madison

This impressive structure looks smaller from the outside than it actually is—the playing surface is one and one-half floors below street level. Hammersley Stone, operating as the excavating subcontractor for Oscar J. Boldt Company, kept 15-20 trucks busy removing about 200,000 yards of dirt. The \$2-million project also included installing an earth-retention system, dewatering for large-volume pads, and installing all the site utilities.

“One of the challenges we encountered was a mass of arsenic-contaminated soil near the railroad tracks that had to be trucked to a special facility,” says vice president Jim Wolf. Hammersley Stone worked full-time on the project for one year to complete all the construction, restoration, and surface work.

Blain’s Farm and Fleet, Verona

Design Structures Inc. is the general contractor for the new 130,000-square-foot Blain’s Farm and Fleet in Verona. “This is their new flagship store,” says Jim Anderson, president for Design Structures. “Farm and Fleet is incorporating a lot of natural light and upgraded exterior materials.”

Hammersley Stone is conducting the



Costco — Middleton, WI



Oregon Industrial Park — Oregon, WI

\$2.2-million excavation and site-preparation work on the project, which includes all the utilities, curb and gutter, and parking lot. They also cut down a big hill and stabilized the slope. “We had to fast-track the completion of the street circle before winter set in,” adds Wolf.

“Hammersley Stone is always very professional and reliable,” says Anderson. “As good as they are with conceptual design, pricing, and performance in the field, probably the most important thing is that Keith is always there if any sort of problem arises. They always figure out a way to solve a problem quickly. Their attitude is that our clients are their clients. They don’t beat up clients with lots of change orders. I have known Keith for over 15 years—we share the same values and they are a great strategic partner for us.”

The Hometown Village Nursing Home occupied the site prior to construction. Hammersley Stone tore down the building and recycled the masonry and concrete on-site. “We used the crushed material as backfill, which helped us meet some of our green objectives for the project,” says Anderson.

Even though they lost 11 days due to severe winter weather, “Hammersley Stone was always there, plowing snow and putting down gravel base to keep us out of the mud,” adds Anderson. “Their commitment to the job has helped keep us on schedule for the August 2008 opening.”

East Verona Avenue, Verona

This \$2.7-million project for the city of Verona consists of the complete reconstruction of East Verona Avenue from Lincoln Street to old Highway PD. Hammersley Stone is removing and recycling the old surface, laying down new base course, repaving, and installing all site utilities. The first phase of the project was completed in spring-summer 2007; the second and final phase will be completed in spring-summer of 2008.

Costco, Middleton

As a subcontractor for Chicago-based Novak Construction, Hammersley Stone is conducting all the excavation, grading, utilities installation (sanitary/sewer/water main/storm



Costco — Middleton, WI

sewers), and street/parking lot construction for a new Costco store being constructed on Deming Way in Madison. The \$3.3-million project also includes excavating and installing three 20,000-gallon fuel tanks for a nearby gas station.

The Costco project required about 800 pilings 60 to 90 feet deep due to the poor soil conditions. “We hauled out about 100,000 yards of dirt during the excavation” reports Jon Hoffmann, engineer and construction manager. Excavation (which included frost ripping) continued throughout the winter months. Three rain gardens will also be constructed on the property.

Wal-Mart, Jefferson

A new Wal-Mart store was built in Jefferson last year by Oregon-based Corporate Construction. The construction site was piled high with abandoned concrete waste from ripped-up sidewalks and curb and gutter. Before excavation and construction could begin, the property had to be cleared of the rubble.

“They had 80,000 tons of concrete

debris that had to be hauled away or recycled,” states Hammersley. “We brought down our portable equipment and had the piles crushed within three weeks. Because ground conditions were fairly unstable, the crushed material was used to stabilize the subgrade.”

Future Plans

After enjoying steadily improving sales for 20 years, Hammersley Stone experienced a slight downturn in 2006 and 2007. “So far it has come back nicely in 2008, and we already have more scheduled work than we did in 2007,” Hammersley states.

An increasingly difficult challenge for the company is finding new dump sites for waste material (the site Hammersley Stone has been using for the past 15 years for dirt and concrete is almost full). “Finding places for good clean dirt isn’t too difficult, but rubble from redevelopment projects is tougher to dispose of,” says Hammersley.

New dump sites are governed by the county and the township. “There are DNR regulations and storm water issues to address,” he indicates.

“Depending on the site, the U.S. Army Corps of Engineers may also have jurisdiction, especially if it’s on a floodplain.”

Hammersley speaks firsthand about the critical need to have a succession plan in place. “People from my father’s generation did not have succession plan, as they thought they would live forever,” says Keith. “We do have a succession plan in place and as time goes by and things change, so must the plan for succession. Because of these periodic changes in ‘scope and hope,’ we update the plan on a regular basis. This company is not the same company my father built. We are extremely dedicated and loyal to our employees and the customers we serve, and continue to evolve and add value as the demands of the marketplace change.” ■

Hammersley Stone Company has been a member of the AGC of Wisconsin since 1989.