

Commitment to Quality Through Pride of Ownership....

SHOP TALK QUARTERLY

Superior Plumbing & Heating • Alaska Sheet Metal • Superior Mechanical Service • Haakenson Electric • Support Services of Alaska

MISSION STATEMENT

The Superior Group, Inc. is committed to being the best mechanical and electrical contractor in Alaska.

To meet our commitment we pledge the following:

- ◆ **Meet or exceed our customers' requirements every time by providing services of the highest quality.**
- ◆ **Provide an environment for our employees which fosters safety, teamwork, innovation and professional growth.**
- ◆ **Be a good corporate citizen of our community.**

SAFETY COLUMN

By Bari Gray, PFO (SPH)

Hello All,

The season is off to a strong start. I would like to remind people to keep safety in the thought process when planning work.



Does the task include Hot Work? Let us touch a bit on fire extinguisher use.

All fire extinguishers are rated for what type of fire you are dealing with. The common rating of "ABC" will put out most fires. The rating can be found on the label of the fire extinguisher. To operate a fire extinguisher, remember P.A.S.S.: Pull the pin, Aim at the base of the fire, Squeeze the trigger, Sweep from side to side.

All fire extinguishers have to be inspected and tagged annually with the date. A monthly visual inspection should be done. The last thing you would want to happen is the extinguisher not to work if it is needed.

Until next time

Mike's Place

By Mike Blake, CGM

It seemed like spring took forever to get here but once it got here it sure has been wonderful!! Hope everyone has taken the time to enjoy the warm and sunny weather, it seems like we were long overdue for a run of nice days.

TSGI is in the middle of closing out fiscal year 2008-2009 and the results have been impressive!! In fact at the Board of Directors Meeting that was held on June 9, 2009 the Board passed a resolution congratulating all of the companies on a job well done! All companies finished the year in the black which means they all made money. In fact it was one of the best years in the company's history!! Haakenson Electric showed the biggest improvement overall with excellent results on all major projects. Superior and Alaska Sheet Metal provided solid bottom line numbers that we are becoming to expect, Superior Mechanical Service had another outstanding year that

met their goals that were set last spring and Support Services of Alaska has started to pick up volume and book backlog work which indicate to me that they are on the right track and moving in the right direction.

The 1st quarter of fiscal 2009-2010 got off to a good start with several projects getting into the ground earlier than expected and projects that were delayed from spring 2008 finally getting underway. I look forward to a very busy summer and fall for all of the TSGI family of companies.

Jan is back and looks better than ever, and from the sounds of it his new project in Njombe, Africa has a lot of the same "opportunities" that TSGI had when he was here. I guess business is business no matter where you are and the issues that are problems for us are not uncommon.

Please enjoy the summer weather and be safe, take the time to smell the roses and spend time with family and friends.

ESOP Trivia Answers

(ESOP Trivia went out in paychecks May 22, 2009)

1. By law how long do I have to participate in the ESOP before I can Diversify some of my company stock into other assets?
 - a. 65 years old and twelve years of participation
 - b. 55 years old and 10 years of participation**
 - c. 62 years old and 10 years of participation
 - d. 55 years old and twelve years of participation
2. Refers to a corporation where stock is not traded on a recognized stock market.
 - a. Publicly held
 - b. Privately held**
 - c. Public Market
 - d. Private Market
3. Legal requirement that every year an independent expert or firm review an ESOP to determine its value as measured in dollars.
 - a. Valuation**
 - b. Vesting
 - c. Diversify
 - d. Appraisal
4. ERISA stands for
 - a. Employee Retirement Income Security Act**
 - b. Employer Retirement Income Savings Association
 - c. Employee Retirement Income Security Action
 - d. Employer Retirement Income Security Act

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Superior Plumbing & Heating

By Sherri Caddell, OM

This spring, the Superior team has been busy with multiple job start-ups. **Dan Paris** and **Geoff Crouse** are on site at Fort Richardson overseeing the Battalion Complex project as it gets off the ground and will add to their repertoire two F-22 hangars on Elmendorf Air force Base as the summer progresses. **Dan** and **Geoff** will remain on site for the duration of those three projects. Here in town, **Mark Holman** is overseeing Centerpoint West as that project reaches the halfway mark. He is working with **Eric Sundt** and **Andy Boedefeld** to ensure that the Anchorage Fish Hatchery gets off to the right start. The new addition to our team **Spence Hochstein** has been working with **Mike Kitzan** to keep all at an even keel on MOB 3. As everyone knows, much of our focus for the past several months has been on getting the Goose Creek Correctional Center project up and running. To this end, I have asked **Helen Y Kaye** to give us all a little insight as to what the project entails.

Goose Creek Correctional Center Job #2817

The Goose Creek Correctional Center is approximately 435,000 SF. It is a medium security correctional center and will have 1,536 beds for male prisoners. The site is about 330 acres with 150 acres to be cleared for the placement of the structures and yard facilities. The new campus is designed and constructed as a prison for long-term sentenced prisoners. When this facility is first opened Goose Creek Correctional Center will provide overflow capacity for un-sentenced prisoners from the local pre-trial facilities until additional jail beds can be constructed.



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Superior Mechanical Service

By Leah Mendonsa, Dispatcher

So far the start of summer has been phenomenal and we hope that it continues! With the threat of the volcano still looming over us and the abnormally warm temperatures we have been experiencing, our company has been very busy. We are not complaining about this!

We would like to welcome **Dan Hartman** as a new technician. He came from Johnson Controls. We would also like to welcome our new expediter **Lucas Devlin** to our team. Lucas is from Anchorage and came to us as an expediter and now is joining the pre-apprentice program. They are both dedicated and reliable and we are excited to have them join our team.

The Superior Group, Inc.

By Lisa Vandergriff, CAS

Greetings fellow employee owners. Well another fiscal year is under our belts and year end completed. While the rest of the company pushes forward into the new year starting April 1, we here at TSGI are firmly entrenched wrapping up the financial statements, accountants review, taxes and ESOP census into one big package with a giant bow to present happily to our

There are five separate buildings: Outside Administration, Support Visitation, General Housing, Vehicle Maintenance and Warehouse. There are also baseball diamonds and dedicated outdoor recreation areas for the inmates. There is a tank farm with natural gas and liquid propane; a power generation plant; water and waste water treatment facilities.

This corrections complex is unique in its design in that it has the ability to run completely isolated and at full capacity, for 14 consecutive days, in case of emergency and or natural disaster.

Neeser Construction, Inc. is the general contractor and **Superior Plumbing & Heating** and **Alaska Sheet Metal** have partnered with Neeser to provide the plumbing and mechanical materials, equipment and labor as required for this project. This job is very similar to the Mat-Su Regional Medical Center in the relationship between SPH and ASM.

Neeser Construction, Inc. has been on-site for approximately one month clearing, grubbing and compacting in preparation for the subcontractor to mob to the site and begin the deep underground. SPH will have a full time person on-site on May 29 and the remaining team members to follow as soon as power and communications have been installed.

The SPH/ASM Team is as follows: **Mark Erickson, General Manager; Rick Goss, Sr. Project Manager; Cody Moore, Project Engineer; Helen Kaye, Project Engineer; Richard Ross, Purchasing Agent; Mark Talbert, Plumbing Superintendent; Rob Johnson, Mechanical HVAC Superintendent.** There are also expeditors, foreman and numerous field hands, with an estimate of 80 hands to be on-site at the peak of the work to be performed.

The project is proposed to take 30 months to construct with an estimated completion in January 2012.

Greg and **Kirk** continue to find success selling projects. Projects that are due to start or that are already in progress include: Grace Hall, install a compressor; Fish and Game, install sequencing controls; Northern Air Cargo, install split A/C unit; 4141 B Street, install a variable frequency drive; DAFCU 440 E 36th, install a new VFD.

While looking for a Maintenance Sales Rep., **Fred** brought in several new contracts!! These include: Lowe's at the Muldoon location, Blockbuster on Dimond, United Methodist in Birchwood, Fresinius (Kidney Dialysis) on Dimond and National Park Service (computer A/C).

Banker, Bonding Company and employees. This takes a great amount of time and energy by the entire TSGI team while still maintaining our day to day work and activities. While it is a very challenging time we very much enjoy the outcome especially when we have such good years to report on. Now that the year end is about to be put to bed, the wage information will go out to our ESOP record keeper, **Continued on page 3**

Minutes of the ESOP Committee

By Lacey James, Admin Coordinator

June 10, 2009

ESOP Committee Meeting Minutes

The 61st meeting of the ESOP Committee for The Superior Group, Inc. (TSGI) was called to order at 9:00 am on June 10, 2009 in the conference of TSGI at 2220 E 88th. In attendance were committee members Jan van den Top (Trustee), Fred Griffith (Trustee), Darrell Koontz (Chairman), Lisa Vandergriff, Bo Beasley, Barbara Soots.

Also in attendance: Mike Blake, TSGI CGM, Lacey James, TSGI Administrative Coordinator

March 2009 minutes were printed and distributed in the Shop Talk Quarterly Newsletter, March 27, 2009. Darrell called for any questions or concerns regarding the March 2009 minutes, being none - the minutes were accepted.

Administration Report

Lisa Vandergriff presented an administration report consisting of the balance in the pershing account at 06/08/2009, participants who will be eligible for distributions for plan YE 03/31/2009 and the ongoing cross training in administration.

Barbara Soots presented an update on the Education and Communication Committee activities. The Annual Shareholders meeting is set to take place at the Homewood Suites on Wednesday September 23, 2009. After further discussion, the ESOP Committee would like to move the Shareholders meeting to the last week in August. This gives employees a refresher on how to read their stock certificates before they are distributed. Decision was made to announce the Stock Price at that time.

Trustee Report

Mike Brown contacted Lisa Vandergriff regarding our low interest in the money market account and suggested an alternative short term investment. Fred recommended that we wait until YE 03/31/2009 distributions are made and revisit this topic.

Old Business

Committee discussed the need to have the yearly valuation process evaluated. The committee is satisfied with the current process and feels that no change is necessary.

Telescope Repurchase Obligations were discussed.

Committee would like to view a ten year projection. Lisa and Lacey are to forward ten year projections to the committee.

New Business

Committee voted and agreed upon the reappointment of Fred Griffith for the Board of Directors.

Committee is to present possible candidates to serve on the ESOP committee at the September 2009 committee meeting.

The 2009 ESOP convention will be held in Las Vegas on November 12 - 13, 2009. Possible attendee: Bo Beasley. Other recommendations will be forwarded to Darrell.

Duties and Responsibilities-

The goal is to provide an in depth review of the duties and responsibilities for this committee in connection with the administration of the plan. We will review one or two items each meeting.

(vii) Communicating with Participants and other persons:

Quarterly contests and fliers are being sent out by the Education and Communication committee. ESOP committee meeting minutes are currently being published in the Talk Shop Quarterly Newsletter as well as other ESOP information.

Another possible suggestion was to post employee questions and answers on the X drive.

(vii) Reviewing periodically any allocations or delegation of duties and responsibilities and any appointments of advisors:

Although the committee is satisfied with the direction of the administration that is being done at the corporate office; Fred would like to review certain items before they are processed, or be updated on the process completion timely. Fred has provided a check list for the administrators so that the processes and paperwork flows through to the Trustees adequately in the future. The committee is also pleased with the services being provided by John Scripts (Sansome Street Appraisers, Inc.) and Menke & Associates, Inc.

Next meeting scheduled for September 1, at 9:00 am in the TSGI conference room.

ESOP Trivia Answers (continued)

5. What refers to the percentage of your accounts that is yours and cannot be forfeited.
 - a. **Vesting**
 - b. Years of service
 - c. Diversification
 - d. Participation
6. Whenever you receive a _____ from your Plan, it will normally be subject to income taxes.
 - a. Bonus
 - b. **Distribution**
 - c. Profit Sharing
 - d. Allocation
7. The _____ is the sole shareholder of the corporation.
 - a. **Trust**
 - b. Participant
 - c. Employer
 - d. Trustee
8. The two months that employees are eligible to enter the Plan
 - a. January / July
 - b. May / October
 - c. July / December
 - d. **April / October**
9. What does the letters ESOP stand for?
 - a. E m p l o y e r Stock Ownership Program
 - b. Employer Securities Own Plan
 - c. **E m p l o y e e Stock Owner ship Plan**
 - d. E m p l o y e r Stock Owners Plan
10. What day marks the company's fiscal year end and the anniversary date of our ESOP plan?
 - a. December 31st
 - b. July 30th
 - c. May 30th
 - d. **March 31st**

