



**A newsletter for our employees and friends
Fall 2004**

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R&L CELEBRATES 10 YEARS

OUR ACCOUNTING DEPARTMENT HAS PLAYED A MAJOR PART IN OUR COMPANY'S GROWTH

In the early days of R&L Brosamer, back in 1994, there were two official employees and a couple consultants. The story goes that, after Bob, Linda and Charles won their first bid in September 1994, they looked at each other and said, "Okay, now we've have to hire some people and get this company going."

That was the beginning of the Accounting Department because, back then, Linda Brosamer was the accounting department aided by a consultant, Cindy Lundquist. Cindy became a salaried employee in 1995.

The computerized accounting system Linda and Cindy established 10 years ago is

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ACCOUNTING DEPARTMENT



Tami Taylor

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still in place today, so well conceived and implemented that it has grown and expanded in scale as has the company.

"Accounting follows the work," says Cindy. "As the company has grown in new and interesting ways, so has the Accounting Department – taking on talented employees and greater responsibilities to support the growth of the company."

Today, CFO Cindy Lundquist supervises a team of eight skilled and experienced accountants who are every bit as committed to accounting excellence as Linda and

Cindy were so many years ago. They are Danielle Amerio, Beverly Archie, Lee Berkey, Sandi Nethercott, Teresa Rebman, Tami Taylor, Kathy Verello, and Cathy

"Everyone here is extremely skilled at their job; the experience and knowledge each bring to the company is unsurpassed."

– Cindy Lundquist –

Wisher, a member of the Property Management Division.

Through the years of growth and change, the Accounting Department's core objective has remained the same: to process company payments, and produce clean accurate financial reports.

"The most visible part of our job is processing and paying everyone" says Cindy. "That includes material suppliers, sub contractors, and all employees. We issue over 1500 checks a month." That includes weekly payroll for 200 hourly employees, and twice-monthly payroll for 65

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BROSAMER GOES TO THE BAUMA

R &L BROSAMER WAS FORTUNATE TO HAVE CHARLES WALL AND JOSE ESCOBEDO INVITED AS GUESTS OF LIEBHERR AT THE BAUMA, the world's largest construction trade fair for the international construction machinery industry, in Munich, Germany.

The show included forward-looking technology concepts and innovative products and services that offered visitors a comprehensive demonstration of the Liebherr Groups' performance potential.

Product lines included hydraulic excavators, mining trucks, crawler tractors and loaders, pipe layers, wheel loaders, crawler cranes, pile-driving and drilling rigs, truck and mobile cranes, tower cranes and concrete mixing plant and truck mixers.



Charlie Wall and Jose Escobedo.



An example of the new technology.



ACCOUNTING DEPARTMENT

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salaried employees.

As anyone who maintains a personal budget and check-book knows, managing cash flow is tricky business - cash in and cash out do not necessarily flow evenly.

"In accounting, certain obligations are daily, weekly, monthly, or yearly," says Cindy. "Hourly payroll, for instance, is weekly, so we know how much to allocate for that; accounts payable is also weekly, and while the amounts vary, the processing is consistent. We pay subs and insurance monthly, and process month-end closing reports."

December is a big month for R&L Brosamer. It's Christmas and year end. Yet, winter is not a high volume month. So, there maybe more going out than coming in. There's an ebb and a flow to all this, and in accounting, we're responsible for managing the ebb and flow of receivables and payables." Cindy says

The Accounting Department is also the Human Resources Department, handling all issues related to employees including payroll, disability, non work related claims, retirement, medical and dental plans, vacation and sick leave, and hourly union contracts and benefits.

"Most of the time we deal directly with employees, asking or answering questions and supplying information, but, much of the work is on behalf of the employees, like making scheduled payments, negotiating contracts, and dealing with adjustments, for instance," says Cindy. "That's HR: in front of the employees and behind the scenes."

"Overall, there's a consistency to our work: weekly and bi-weekly payroll, monthly benefit plan disbursements, annual benefits renewals. But then, we're

very busy in the winter, from December 1 through March 31, with Christmas, year-end close reports, W-2s, 1099s, and our year-end property taxes, tax returns, and audits. That's when we're a bit out of sync with the rest of the company; winter is busy for us when the field is slowing down. So we may not be processing as much payroll and payables, but that's overridden by the year-end activities."

Cindy has nothing but high praise for her team.

"Everyone here is extremely skilled at their job; the experience and knowledge each bring to the company is unsurpassed. That's why Brosamer's accounts are clean and trouble free — the traits required of a great accountant are found in every employee in this department."

Cindy speaks of accuracy, acumen, and attention to detail.

"None of our work can be 'close enough.' It's got to balance, period. Everything comes down to accuracy and easy-to-follow paper trails. We've got to be organized with our filing because somebody else will need to look at our files, either government auditors or outside auditors. They may need to look at files from last week; they may need files from five years ago. Those files have to be easily accessible, clean, and absolutely accurate."

Cindy says the variety of projects keeps the day fresh.

"We're constantly learning, growing, and facing challenges. It's certainly never,



Lee Berkey and Cindy Lundquist



Cathy Wisner, Kathy Verello and Beverly Archie

ever boring. And, because accounting follows the work, and because the work is so diverse, the work we do in accounting is exciting and diverse," says Cindy. "My kids say, 'Oh Mom, you're an accountant — that's so boring.' And I say, 'Well, you ought to come and see what

we do, and you'll see it's not boring at all.'

The dynamic corporate culture of the company really defines the character of the work we do in accounting — the rate of change and growth is exhilarating."



MESSAGE FROM BOB BROSAMER

HIS 10-YEAR ANNIVERSARY NEWSLETTER IS A TIME FOR REFLECTION.

Seismic retrofit seemed the perfect place to start. Charles Wall (my business partner) was supportive of this decision and provided much-needed enthusiasm to go forward. He was also a source of some very interesting pieces of equipment.

Our first job, a \$9 million seismic retrofit on the I-880 viaduct between 98th and 105th avenues in Oakland, was one of eight jobs inside the Oakland city limits. The largest was the \$55 million retrofit of the "MacArthur Maze." These were part of the 54 separate contracts that have been awarded to R&L Brosamer, Inc. through 2004.

We were successful in 1997 in obtaining our first light rail contract from the Santa Clara Valley Transportation Authority. This \$33 million job was the first of five light rail projects completed by the R&L Brosamer teams.

The \$40 million construction of Runway 27L at San Jose International Airport was the first of 10 airport projects. We purchased the high production concrete spread necessary to

be a player in the airport markets.

The transition to PCC paving of highways was a natural progression, given our concrete equipment investment. We've obtained six highway paving contracts to supplement the airport work.

We've constructed six water canal projects in three states. Our seventh canal project is the \$71.2 million Coachella Canal replacement in the Imperial Valley in Southern California. This is the largest project we've undertaken to date.

There is in excess of six million cy of excavation, 40,000 cy of structure concrete and 130,000 cy of three-inch-thick concrete lining that makes up the project. We're mobilizing now, with the big push slated for 2005.

R&L Brosamer has developed into a full-service contractor. Our managers bring strong engineering and planning skills to the complex projects. R&L's field forces have shown an extraordinary ability to tackle the tough job. Fast track scheduling, night work, one-of-a-kind equipment, high-traffic impacts are all in a day's work. Our teams are building these complex projects with a commitment to safety and quality that is second to none.

The building of the team we now have in place didn't happen by accident. Our early hires, our core, reached out and brought new talent on board. We've developed our own culture. We've all built something we can be proud of. I wish to first thank all the "old" hands that rallied around us as we launched ourselves in late 1994, and I want to tell our new hands we're glad to have you on board, because the best is still to come.

The outlook for 2005 is outstanding. The governor has committed to replace the \$2 billion that was diverted from highway funding in 2004. The BART retrofit bond passed; this funds more than \$1 billion of seismic retrofit work on the BART system. Measure "J" in Contra Costa County extended the one-half cent sales tax that is the backbone of financing for Highway 4 improvements and the East County BART extension.

We look forward to a successful 2005, and we wish for a year full of joy and happiness for all the members of the R&L Brosamer family.

THE SAFETY ZONE

R &L BROSAMER IS COMMITTED TO ELIMINATING worker injury at every project site. No accidents mean any tolerance to unsafe behavior is unacceptable.

At R&L Brosamer all employees are empowered to conduct their work in a safe matter, and to stop work to correct any unsafe condition, so work may proceed in a safe matter.

WINNERS PROMOTE SAFETY

In today's competitive business environment, a company cannot afford to

overlook promoting all the advantages it has to offer. A good safety record is a strong indicator of an organization's employee relations, produc-

tivity and innovation.

ATTACH SAFETY TO QUICK COUPLER OPERATION

Quick couplers on excava-



tors have had a dramatic effect on construction productivity. R&L Brosamer has benefited much from this technology. The following steps are required when utilizing quick couplers to ensure the bucket is secured after each change out.

1. Install the safety pin, if applicable.

2. Cycle the bucket or attachment in and out for visual inspection.

3. Dig the bucket teeth into the ground and raise the machine up. If the attachment does not dislodge from the coupler, it is okay to begin work.

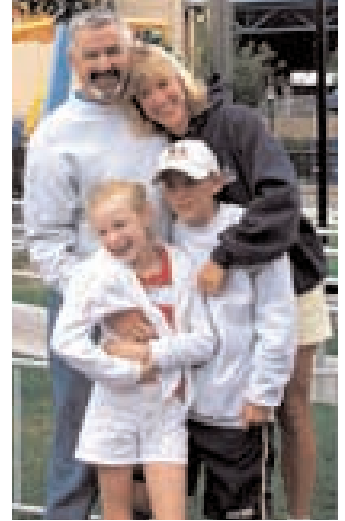
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HAPPY 10TH ANNIVERSARY AT GREAT AMERICA!

September 2004 marked the 10-year anniversary for R&L Brosamer, Inc. to celebrate the milestone in a big way, the company held an all-employee picnic at Great America in Santa Clara. More than 150 employees and their families – more than 500 people! – joined in the festivities with a full day of rides, food, games and acknowledgements, as employees reflected on the success of the company and looked ahead to its new ventures.



Tami Taylor, son (far right) & guest.

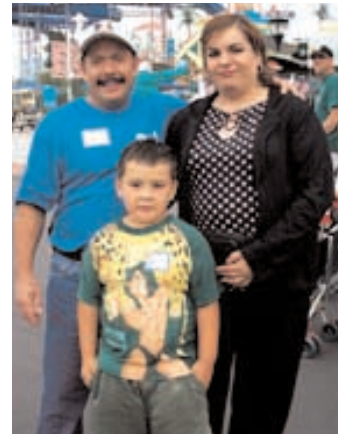


Charlie Tasto & family.



Lonnie Stahl's son.

**Alan Badillo,
Jeff Ramirez,
Rene Serrano,
John Pologar,
Willie Lee,
Mike Ostrom &
Shawn Otheim.**



Eddie Lopez & family.



Bob Brosamer, daughter & grandkids.



Cindy Gann & granddaughter.



Some riders got a little wet.



Rita Bustos (right) & her niece.



Rita Bustos & Beverly Archie arrange the raffle for prizes.



Farid Saddik & family.

EMPLOYEE NEWS

R&L BROSAMER WELCOMES ITS RECENT NEW HIRES

Kevin Williams joined the engineering team at our Roseville project. He graduated with a BS in civil engineering from UC Davis earlier this year. He was All-American on the men's swim team there. He grew up in Walnut Creek and Los Angeles and has previously worked at a wastewater treatment plant. He is single and lives in Davis.

Tim Wiggin brings lots of experience to our Pittsburg project. He grew up in the heavy earthwork industry and decided to follow it. He graduated with a degree in construction management from Cal Poly-SLO and then moved to Arizona to work with ETG, Inc. He went on to work in the state of Washington for more than a decade before returning to California. He enjoys reading and watching satellite TV about extreme engineering projects. He lives in Petaluma with his wife and family.

Jezzel Calderon helps with the administration in our Oakland office, headquarters to the San Francisco 4th Street, Port of Oakland taxiway D, and Highway 13/24/580 guardrail projects. Jezzel served in the U.S. Air Force for four years and then got his degree in Business Administration at Cal

State-Hayward. He lives in Hayward, is single, and enjoys spending free time at the gym and the mall.

Nick Burton is applying his engineering knowledge to our paving team. He recently graduated from UC Davis in civil and environmental engineering. He grew up in Woodland, where he coached youth sports, managed a summer park program and helped a graduate student with research. He lives in Vacaville with his wife. He enjoys softball, volleyball, basketball and playing the guitar.

FIVE YEAR AWARDS SALARY EMPLOYEES

Dan Magnolo, Property Maintenance Manager, Walnut Creek and Oakland; **Tami Taylor**, Human Resources Manager, Alamo; **Shawn Otheim**, Project Manager, Coachella

Canal Project; **Jeff Ramirez**, Project Superintendent, Highway 13/24/580 Project; **Pamela Shirley**, Estimating and Subcontract Administrator, Alamo; **John Gasiorowski**, Project Engineer, Skyport Drive and Cargo Ramp projects, SJIA.

BIRTHS

Congratulations to **Luke Carver** on the birth of his son, Wyatt Rodney on June 20. Jim and Wyatt's grandfather, Jim Miller, have been working at the Napa job.

STATISTICS

For the week ending November 21, 2004 R&L Brosamer employed 240 people.

Please e-mail employee news to cindyl@brosamer.com or call Cindy at Alamo extension 238.

THE SAFETY ZONE...Continued

LEARNED LESSONS: "BUDDY SYSTEM" WORKS!

At the Roseville Project, operator Rhonda Brinkley observed a co-worker struggle physically on a very hot day. She informed her foreman, Mitch Colvin. The employee was taken to the local clinic and diagnosed with early symptoms of heatstroke, was promptly treated and released. Rhonda's observation and quick action averted a dangerous situation, as heatstroke can be deadly if not treated promptly. WAY TO GO RHONDA! Looking out for each other is the cornerstone of our safety program.

ANNUAL FOREMAN'S SAFETY MEETING

The annual Foreman's Safety Meeting (photos above) was held at the Oakland Hilton August 24, followed by an A's baseball game. The all-day event had all projects shut down, to focus on safety training and procedures. One hundred percent attendance was achieved for the meeting, showcasing the level of commitment we all have in providing a safe work environment.

