

THE PIPE LINE

Hussung Mechanical Contractors
HMC Service Company

October 2008

Dave's Corner

The economy continues to dominate the news. As of this writing, we have seen a five year low for the stock market, massive bank bailouts, government intervention on a scale never before envisioned and further erosion of consumer confidence. Ford and GM trade below \$5.00 per share, a price no one would have ever conceived.

Fortunately for those of us at HMC, our concerns are tempered a bit by the recent award of the Downtown Arena as well as several other smaller but still significant projects around town. Even so, I think it is safe to say that the record volume of work we've enjoyed these past few years will be increasingly difficult to replicate. I believe that we will face challenges for the next several years, because the work we have right now was in the construction "pipeline" prior to the recent downturn and it remains to be seen whether the "pipeline" of new projects will remain relatively full or will reduce flow. It's simply too soon to tell.

Our firm is well positioned to weather a storm if one develops. We are well capitalized, have an envied reputation in the local marketplace and are typically asked to bid most projects. The difficulty will be whether there will be sufficient work to satisfy the needs of all the mechanical contractors in the area. Fewer projects mean increased competition which increases pressure on prices. While we work hard at being consistently competitive in our market, some firms unrealistically lower prices to the point that they make no sense whatever; to risk levels that far outweigh any possible benefit. Even so, we are totally committed to seeking out, bidding and securing work for our company.

Our ability to design work in-house is a tremendous asset in tough economic times. Owners and clients are increasingly searching for ways to reduce construction costs, and our design-assist and value engineering capability often allows us to salvage over-budget projects with a more economical mechanical system redesign. Lots of credit goes to Gary Outcalt, Earl Baker, Emil Durbin, and Floyd Springer for their design and bidding expertise. Also, loads of credit to our estimators, Matt Michels, Tim Estridge, Brad Miles, Brian Clark, Steve Gagel, and Ed Flamm for their continuous efforts to secure work. Even our project managers and superintendents are working to find additional work, bidding projects in their "spare" time. Thanks to Nathan Barbour, Tony Baker, Shawn Bray, Bob Smith, Jim Butcher, Jeff Hofmann, Mike Kleinhenz, Shane Neagle, Robert Pierce, and Phil Singer for their bidding efforts.

Our Fire Protection folks are busy finding work, too. Mike Nichols, Ron Johnston and Kevin Person bid dozens of projects each month. I'm sure you know that HMC Service has full time sales folk, Wayne Turchetta, Yvonne Richardson, Kathy Wirtzburger and Mary Martin, constantly looking for work. But did you know that Bo Bailey, Tim Ferry, John Stewart, Mark Hayden, Jim Miller and Gary Keeling bid work as well?

As you can see, almost all our engineers, project managers, superintendents and estimators are busy securing new projects, even if doing so isn't their primary responsibility. That's because they realize that bringing in new projects is the life blood of our company, vital to our future health. And, each of these guys is willing to contribute long hours, hard work and loads of expertise to create work opportunity for everyone here.

With so many talented and capable people working so hard to secure new projects, we can be confident that our future is in good hands, regardless of the region's economic condition. These folks are the best and as long as, each of us, work together and keep our focus on delivering the very best value in mechanical construction, we will get through this challenging period, and we will emerge stronger and even better when we do.

VISION:

To provide safe, functional and comfortable environments.

MISSION:

To be the preferred provider of superior mechanical solutions.

VALUES:

Integrity
Commitment to Excellence
Continual Improvement
Relationships
Safety

The Louisville Zoo Glacier Run Exhibit



The Louisville Zoo is known nationally for its innovative exhibits, so the stakes are high as Hussung Mechanical and Fire Protection begin taking part in the construction of The Glacier Run Exhibit. Hussung Mechanical will also be doing the Life Safety Systems for the exhibit. The feature will be modeled after an imaginary mining town located on the edge of the arctic wilderness. Glacier Run will be unique in that you will get the feel of the harsh, rugged atmosphere of the Arctic Circle, while curious Polar Bears wander through parts of the town (behind glass). The town will include a school house, a climatology lab, and a general store. One interesting feature will be an old parked truck, where visitors can sit while Polar Bears explore the truck behind them, also separated by glass, of course. Some of the town's buildings contain classrooms and group rental party rooms, while others lead visitors to prime viewing areas above and below water. A 200 seat shaded outdoor auditorium will provide multiple daily animal presentations to show off the demonstrations from the Seals and Sea Lions.

Norton Brownsboro Hospital

The Norton Brownsboro Hospital, at 4960 Norton Healthcare Blvd., in Brownsboro Crossings, is a new, complete healthcare facility. The hospital is a twin 5 story facility containing 128 patient beds, 9 operating rooms, an MRI facility, a CT Scan facility, Emergency Room, pharmacy, central laboratory, complete kitchen, administration and staff offices. Hussung Mechanical currently has over 45 plumbers and 25 pipe fitters assigned to the project, along with two sheet metal sub-contractors, insulation sub-contractor, and HVAC controls which is being handled by HMC Service. Three 600 ton water cooled chillers will cool the facility through two very large 65,000 cfm roof top units, one located on each patient tower. The chillers are cooled by three outdoor 600 ton cooling towers. There are 7 additional indoor air handling units ranging in size from 35,000 cfm to 7,000 cfm that condition the patient rooms, operating rooms, laboratory, and pharmacy. Heat for the facility is provided by 4 gas-fired boilers that deliver hot water to the air handlers as well as over 420 VAV and CAV units. Two steam boilers provide steam for cart wash and unit sterilizers. The project is progressing well, with a lot of work remaining. Hussung Mechanical is meeting the demanding schedule for the hospital grand opening of August 2009.

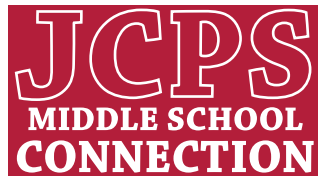


Community Involvement

Breast Cancer Walk Raises Over 500-Thousand Dollars



The 13th Annual Komen Race for the Cure was held on Saturday October 11, in Louisville. Officials with the group said they raised over \$500,000 for breast cancer research. A little over 10,000 people walked the event, including 800 breast cancer survivors. Three-quarters of the money raised will stay in the community to help pay for local breast cancer research programs and also help low income residents pay for screenings and treatment. Thank you to the employees who participated and donated to this charity.



Thank you to Earl Baker, Jeff Hofmann, Mary O'Leary, Gene Brown, and Phil Singer for volunteering their time for the JCS Middle School Connection. Each of them met with 7th grade students to talk about their own everyday experiences, which may leave a positive influence and therefore help the students make better choices about the need for education. Last year, some 1,700 volunteers partnered with schools in Jefferson County as part of the program. The goal of the Middle School Connection is to interact with students stressing the importance of coming to school; doing well in school; high school choices and career interest. The volunteers will also stress how reading, writing and math skills are used in all aspects of everyday life.

COMING SOON...

www.hussung.com will soon post current and past newsletters for employees to view at their convenience. Don't forget to check out the website periodically for projects that have been added with pictures and descriptions.

These are the most commonly used shortcut keys available to Microsoft Windows users. Cut this list out and put it somewhere "handy".

Ctrl+A	Select all
Ctrl+C	Copy
Ctrl+X	Cut
Ctrl+V	Paste
Ctrl+U	Underline
Ctrl+B	Bold
Ctrl+I	Italicize
Alt+Tab	Switch between tabs
Win+M	Minimize
Win+D	Switch to desktop
Ctrl+Z	Undo
Ctrl+Y	Redo
Shift+Delete	Permanently delete an item
Ctrl+P	Print document



Safety inspection completed - No violations found



The Louisville Office Building Project is being constructed by VCC (the construction manager) who is in a partnership with Kentucky OSHA. A courtesy inspection was performed by the Kentucky OSHA Education and Training Division. No safety violations were found with Hussung Mechanical's personnel or equipment, which is a testament to our continuous safety training and awareness within the company. Working with Kentucky OSHA on any project is valuable for Hussung Mechanical. Great job and keep up the safe work.

Successful Jobs

Baptist East Hospital Patient Tower

Hussung Mechanical has just completed another successful hospital job. The 265,000 square foot facility began construction in March 2007 and was finalized in August of 2008. The eight story building has six patient room floors with 144 private patient rooms. The building also has eight new operating rooms on the 2nd floor, while the 1st floor has complete laboratory services. A major part of our success on the project is due to the great team working on it. Some of the key people were Lealon Robinson, Plumbing General Foreman, Donnie Strothman, Pipefitting General Foreman, Mike Maddix and Brian Gordan, Coordination Drawings, Shawn Bray, Project Manager. At one time we had over 50 of our own men on site. The owner and general contractor were very pleased with the performance of Hussung Mechanical. Baptist Hospital East continues to remain one of our most important customers.



Fort Knox IBCT Barracks

Exceptional planning of the field and office staff, along with field personnel anticipating the requirements needed, is what led to the success of this project. We worked closely with the Corp of Engineers Inspectors, and created a schedule of field man hours and staffing that would meet project schedule demands. Each building is cooled and heated utilizing a geothermal well field coupled to individual water source heat pumps located in individual mechanical rooms for each apartment. A total of 84 water source heat pumps heat and cool 75 apartments, a central laundry room, the first floor lobby, communications rooms on each floor, and a central mud room. The plumbing systems take water supplied from the post main through a central water booster system and supply heated domestic water through two 399,000 BTUH domestic gas-fired water heaters. The water is circulated to maintain 140 degree water in a 2,500 gallon hot water storage tank. The building design has met the LEED Spirit Silver level. The Ft. Knox IBCT Barracks will provide an excellent and efficient facility to serve our service men.



Employee News

Entertainment Provided By:
THE ROMPERS BAND

Hussung Mechanical and HMC Service Annual Christmas Party

SATURDAY December 6, 2008
The Galt House West - Archibald Room
6:30 pm - 12:00 am

PLEASE RSVP BY NOVEMBER 25 TO:
Amber K (Mechanical 375-3500)
or Mary O (Service 375-0440)

We will have dinner, door prizes, safety awards, live music and dancing. Dress is business casual. The only "cover charge" is a wrapped gift for either a boy or a girl (please specify boy or girl on the outside of the package). We have a block of rooms held under Hussung Mechanical for those of you who are interested in staying the night. The rate is \$109 for a traditional room and \$129 for a suite, (taxes and parking not included). To reserve a room please call the Galt House at (502) 589-5200 by November 21.

2008 Annual Golf Scramble



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| <u>1st Place</u>
Jeff Akin
Kyle Browning
Ron Gaddie | <u>2nd Place</u>
Jim Halpen
Thomas Lenahan
Ed Flamm |
| <u>3rd Place</u>
Fred Byrd
Butch Baxter
Eddie Bryan | |

Happy
65th
Birthday
David L.
May all your wishes come true!
10/8/2008

HMC is GREEN and going GREENER!

HMC is one of twelve mechanical/ service contractors nationwide to have been awarded the MSCA GreenStar certification. This special certification is an exclusive designation for contractors who clearly show they are demonstrating environmental responsibility and are continually devoted to environmental stewardship.

MSCA GreenStar is recognized by the industry's top green building resource, the United States Green Building Council (USGBC). The GreenStar certification is only available to MSCA STAR contractors.

As an MSCA GreenStar contractor, HMC is charged with the following requirements:

- Promoting sustainability throughout our entire organization, from employee training and education to the products and services we offer our customers.
- Possessing the skills and expertise necessary to deliver energy-efficient and cost-effective indoor environmental solutions.
- Fulfilling customer needs and ensuring tenant satisfaction by implementing sustainable mechanical service practices.
- Understanding the latest in HVAC green technologies, including equipment upgrade and energy-efficient issues.



About You - A newsletter published by Baptist East printed an article titled Skip the Cold and Flu Season. Included in the article was a list containing some of the best ways to avoid colds and flu this season:

Every time you shake someone's hand, wash yours. But don't stop there. Wash them as much as possible.

Keep your hands off. Avoid touching your nose & eyes. Those are the most common places for germs to get in.

You want me to sneeze where? When you have to cough or sneeze, do so into the crook of your elbow, not into your hands.

Build up with healthy food. Eating plenty of fresh fruits and vegetables supports your immune system.

Another reason to quit. Smoking increases the risk of infections by making structural changes in the respiratory tract and decreasing immune response. In particular, smoking destroys cilia, the little hairlike fibers inside our noses; this can help increase infection risks.

Get your shot. Finding flu shots should be easy again this year, but you should get one early.

Work out. Get those sweats on and exercise. Working out regularly enhances immune function.

Try to smile. Positive thinking, playing with a pet and other pleasurable behaviors can boost your immune system.

Stay Away. Keep your distance from people displaying symptoms such as sneezing and coughing.