



minnesota construction association

June 2008

MINNESOTA CONSTRUCTION ASSOCIATION

# Construction Views

The Official Organization of Minnesota's Construction Industry

## CALENDAR OF EVENTS

**Thursday,  
June 12, 2008**

7:30-9:00 AM

**MCA Board Meeting**

MCA Office

4248 Park Glen Road

Minneapolis, MN 55416

Please RSVP by calling  
952.928.4646

**Wednesday,  
June 18, 2008**

8:30-9:30 AM

**Interstate 35W  
Bridge Tour**

*\*Registered participants  
will receive a  
confirmation email prior  
to the program with  
meeting details!*

**Wednesday,  
August 20, 2008**

8:00-9:00 AM

**IMAGE - ICE Mutual  
Agreement between  
Government and  
Employers**

Robert Kyle, U.S.  
Immigration and  
Customs Enforcement  
8000 Norman  
Center Drive  
Second Floor  
Conference Room  
Bloomington, MN  
55437

## Register now for MCA's June and August Breakfast Programs!

**Wednesday, June 18, 2008**

8:30-9:30 AM

*Interstate 35W Bridge Tour*

Construction of the new Interstate 35W bridge is moving so quickly that its builders say they expect it to open by mid-September instead of late December. Join the MCA and Kevin Gutknecht, the I-35W bridge project information officer with the Minnesota Department of Transportation, to get a closer look at the bridge while it is still under construction.

Space on the I-35W bridge tour is limited to 60 individuals, so register now to secure your place!

**Wednesday, August 20, 2008**

8:00-9:00 AM

*IMAGE - ICE Mutual Agreement between  
Government and Employers  
Robert Kyle, U.S. Immigration and  
Customs Enforcement*

U.S. Immigration and Customs Enforcement (ICE) is responsible for enforcing the nation's immigration and customs laws. One known vulnerability is the presence of undocumented workers who have secured jobs by fraudulent means, including presentation of false documents, completion of fraudulent benefit applications and theft of identities. To combat unlawful employment and reduce vulnerabilities that help illegal aliens gain such employment, the Department of Homeland Security (DHS) recently introduced the ICE Mutual Agreement between Government and Employers (IMAGE) program. The goal is to assist employers in targeted sectors to develop a more secure and stable workforce and to enhance fraudulent document awareness through education and training. Join MCA at the August breakfast program to learn more about the IMAGE program.

**PROGRAM REGISTRATION - SEE PAGE 3!**



## President's Column

*By Phillip Baum*

I would venture to guess that most everyone in the Twin Cities and surrounding communities remembers exactly where they were and what they were doing late afternoon or early evening of August 1, 2007. That is when most of us heard the news that the I-35W bridge

catastrophically failed, collapsing to the river and riverbanks below. Thirteen people were killed and approximately one hundred more were injured.

Within a few days of the collapse, MNDOT began planning a replacement bridge, later named the St. Anthony Falls (35W) Bridge. The new bridge is well on its way under construction. I understand the project could be completed by mid to end of September of this year, months ahead of the contractor's deadline of December 24, 2008.

The vast majority of the MCA membership is affiliated with construction of buildings. Therefore, the MCA usually sets up one or two tours a year to a significant building under construction in the Twin City area. However, because of the unique construction methods and techniques being used to construct the new 35W bridge MCA has set up a guided tour for the morning of June 18th. If you have not already signed up I urge you to do so as space is limited.

## Please help the MCA welcome our newest members!

### The Blue Book of Building and Construction - Company Membership

The Blue Book provides regional construction directories  
in print and online plus bid management tools.

[www.thebluebook.com](http://www.thebluebook.com)

MCA is a non-profit association dedicated to educating and promoting the construction industry. Statements of fact and opinion in this publication are the responsibility of the authors alone and do not necessarily reflect or imply the opinion of the members, directors or staff of MCA.

## MCA 2008 Board of Directors

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STAFF

**CORINNA HASTINGS**

*Executive Director & Editor*

## Minnesota Construction Association (MCA) Program Registration

### Pricing (per program):

\$50 Non-Members

\$35 Members at the door

\$30 Members pre-registered & pre-paid

\$25 each for three (3) or more members  
from the same company

Wednesday, June 18, 2008

Wednesday, August 20, 2008

Name(s) \_\_\_\_\_ Phone \_\_\_\_\_

Company \_\_\_\_\_

Address (non-members) \_\_\_\_\_ Zip \_\_\_\_\_

Visa  MC C.C. No. \_\_\_\_\_ Exp. Date \_\_\_\_\_ Amount Enclosed \$ \_\_\_\_\_

RETURN REGISTRATION WITH PAYMENT TO:

MCA | 4248 Park Glen Road | Minneapolis, MN 55416

Phone (952) 928-4646 | Fax (952) 929-1318



## Learn more *ONLINE!*

Visit the MCA Website

**[www.mnconstruction.org](http://www.mnconstruction.org)**

Get information on upcoming events, review the benefits of being a member or sponsor, view samples of past newsletters, or access our online member directory.

Questions or comments about the site? Just email the MCA Headquarters: [chastings@harringtoncompany.com](mailto:chastings@harringtoncompany.com)

***For instant MCA access -  
the web is where it's at!***

# HOW TO AVOID TRIGGERING A NOTICE FROM THE IRS

By: John Csargo, CPA, MBT, CFP®

Blanski Peter Kronlage & Zoch, P.A. CPA and Consultants



**T**he only thing you ever want to get in the mail from the IRS is a refund check. However, the IRS has increased the frequency of audits in recent years. The IRS website points out that in fiscal year 2007, the IRS increased the frequency of audits of individual income tax returns by 7 percent. Higher income taxpayers made up most of the increase. Audits of

returns which reported over \$100,000 of income increased by over 13 percent, those with incomes over \$200,000 increased by over 29 percent and those with income over \$1 million increased by 84 percent. In addition to audits, the IRS sends millions of letters and notices to taxpayers to request payment of taxes, notify them of a change to their account or request additional information. Tax notices can become quite a headache if you don't handle them quickly and accurately.

If you do get a notice, don't assume it is correct. The IRS makes mistakes too. Look over the notice, and if you have any questions, call your accountant to ask for clarification. If you think you may have made a mistake in one of the areas below, you may get a notice. Although most situations can be cleared up with relative ease, especially if you enlist the help of your CPA, here are a few tips so you can try to avoid a notice altogether:

- Report income correctly. The IRS matches income reported by payers with the amounts reported on your return. Be sure to report all income as well as proceeds from security sales. Many notices are generated due to inconsistent income amounts. Review all 1099s, investment income, stock and securities income. Any unreported income will eventually be found.

- Don't round numbers. A return where all numbers are rounded is likely to garner a red flag. The IRS does not like estimates, be exact. Business expenses of \$897 should not be recorded as \$900.

- Keep track of payment credits that you want applied to the next year's return. Payments don't always get carried over and it will trigger a notice. You will need to ask for a payment history and should then be able to resolve the problem.

- Be sure that you can defend everything on your tax return. You should claim every deduction you are entitled to, however, you will still need to follow the rules. If you are claiming deductions based upon unfounded interpretations of tax law, you could very well find yourself dealing with the IRS.

If you do receive a notice, don't panic. You will have to provide the information or clarification they are requesting. Do so by mail, not over the phone or through email. If you have any doubts about what the IRS needs or why you received a notice, contact your CPA. If you don't get resolution going through the proper channels, you can contact the Taxpayer Advocate Service, which will advocate on your behalf with the IRS. Getting a notice isn't the worst thing that can happen, but avoiding a notice altogether will prevent wasting time and unnecessary expense.

*John Csargo, CPA, MBT, CFP®, is a Shareholder at Blanski Peter Kronlage & Zoch, P.A. - CPAs and Consultants. Csargo leads the firm's Professional Services Task Force and Tax Advisory Group. He spends most of his time advising individuals and businesses on all areas related to tax planning.*

Commercial real estate leader **UNITED PROPERTIES** completed the reorganization of its business today. The company's real estate services divisions are now operating under the **NORTHMARQ** name. The new NorthMarq includes NorthMarq Capital as well as the former Brokerage, Property Management, Healthcare, Construction, and Corporate Solutions businesses of United Properties. United Properties will exclusively focus on Development and Investments.

NorthMarq Capital, one of the country's largest commercial real estate mortgage banking firms with offices in 29 markets, announced in November its plan to expand its investment sales business and build a network of 10 strategically located investment sales offices over the next three years. In February, the Investment Services team formerly of United Properties started operating as NorthMarq. NorthMarq Investment Services is headquartered in Minneapolis with a satellite office in Washington D.C. **ED PADILLA** leads NorthMarq Capital as CEO, and will continue to lead the national expansion of NorthMarq Investment Services.

"We're looking forward to developing our sales business into a national enterprise by working closely with our existing investment banking offices," said Padilla.

The new NorthMarq organizations and United Properties are led by distinct leadership teams and operate as independent companies under Marquette Real Estate Holdings, a new holding company, of which **BOYD STOFER** will be Chairman and CEO. Twin Cities-based **POHLAD COMPANIES** will continue to own all companies.

**JEFF EATON** is president of NorthMarq Real Estate Services; **KEVIN FARRELL** will continue as executive managing director of NorthMarq Corporate Solutions.

"This strategic realignment will provide significant growth and market opportunities for NorthMarq," said Eaton. "We are focused on providing superior service to our clients while expanding our presence in the marketplace."

**FRANK DUTKE** is president of United Properties, which has offices in the Twin Cities and Denver.

The more than 500 current United Properties leasing signs that have been a staple on the Twin Cities real estate landscape since the late 1980's will begin changing over the next 60 days. To commemorate the completion of the reorganization, the first NorthMarq leasing sign will be placed at Olympic Place, located at 7825 Washington Ave S, Bloomington, Minn.

**UNITED PROPERTIES**, a nationally-recognized real estate investment and development company, announced the signing of a long-term development agreement with **GRANITE CITY FOOD & BREWERY LTD.** (Nasdaq: GCFB) a modern American upscale casual restaurant chain. United Properties will act as the developer for 22 new restaurants and have the first option to develop anything above this minimum amount through 2012. United Properties will own all buildings and assume all risks of ownership of the real estate.

United Properties offers development expertise in office, industrial, retail, medical, residential and mixed-use projects and currently has 17 projects totaling almost 3 million sq. ft. under development in

Minneapolis, Milwaukee and Denver.

"We think we can be an excellent resource to support the growth goals of Granite City," said **JOHN BREITINGER**, United Properties vice president of retail development. "With our financial resources, development and site selection expertise, access to additional capital and our construction experience, we can partner with Granite City as they identify geographic targets."

Granite City CEO and President **STEVE WAGENHEIM** commented, "our development agreement with United Properties enables Granite City to properly plan and manage our long-term real estate needs and a balanced development cycle. We are pleased to have a company such as United Properties realize the national potential of the Granite City concept. We look forward to the relationship and the benefits this brings to our Company."

**NORTHMARQ CORPORATE SOLUTIONS** has been selected by Genmar Holdings, Inc., one of the world's largest manufacturers of recreational boats, to lead the disposition of office and manufacturing properties in Florida and Oregon.

A diverse team of experts from NorthMarq and **UNITED PROPERTIES** will work together to develop a disposition strategy for two large properties: a 15-building, 40-acre site in Sarasota, Fla., and a 5-building, 26 acre site in Culver, Ore. Strategic disposition of these properties will help Genmar in its ongoing efforts to streamline its business and maximize its real estate portfolio.

"One of the key elements will be to work with the municipalities and experts in the area to understand the comprehensive plan for future development of each site and what type of space and facilities are most in demand by prospective users," said Ryan Tibbits, senior solutions advisor, NorthMarq Corporate Solutions.

NorthMarq Corporate Solutions will help Genmar maximize the disposition value of the properties by identifying the best alternatives for future use and designing a marketing plan to attract potential users, including institutional buyers, developers who would reposition the facilities for another use, or corporations that would operate business from these locations.

"This engagement comes at the perfect time to capitalize on some of the benefits of the reorganization of United Properties and NorthMarq Corporate Solutions," Tibbits said. "It is exciting to have the breadth and depth of resources available to assist clients on projects like this on both coasts of the United States."

Twin Cities-based commercial real estate developer and investor **UNITED PROPERTIES** announced it has received preliminary approval from the City of Inver Grove Heights to develop Inverwood Business Park located at Hwy. 55 and Barnes Ave. in Inver Grove Heights, Minn. Groundbreaking is scheduled for late 2008 or early 2009.

When fully developed, the total project will include 470,672 sq. ft. of office space in five buildings. The remainder of 2008 will be spent receiving final approvals and grading the site in preparation for the groundbreaking. The United Properties development team of Bill Katter and Eric Simmer will oversee the development project. **NORTHMARQ REAL ESTATE SERVICES** will lease the space.

United Properties offers development expertise in office, industrial,

retail, medical, residential and mixed-use projects and currently has 17 projects totaling almost 3 million sq. ft. under development in Minneapolis, Milwaukee and Denver.

"We look forward to starting the development process on this property and bringing a first-rate business park to the southeast metro," said **BILL KATTER**, vice president of investments and development, United Properties. "Investment and development projects continue to fill our new business pipeline and we remain optimistic in our new and existing market growth opportunities."



Kraus-Anderson Communications Group, a division of **KRAUS-ANDERSON COMPANIES, INC.** (KA), has promoted **MARY KAEDING** to vice president. Kaeding has served as KA's creative director

and will continue to serve in that position. She generates and guides creative communications concepts, projects and event elements for Kraus-Anderson and its outside clients.

Kaeding joined Kraus-Anderson Communications Group in 1984 as a communications assistant and writer. She authored a 167-page book, *Building on a Century, the Kraus-Anderson Story*, a company history published in 2001.

During the course of creating unique and memorable events for KA and its clients, including Cabela's nationwide retail expansion, Kaeding has explored the culinary, scenic, historical, cultural and quirky distinctions of cities and regions in 20 states.

"I enjoy the best of both worlds," said Kaeding. "I have the privilege of working in a boutique agency environment, but with the stability and backing of a large, established parent company in Kraus-Anderson."

Kaeding earned her B.A., *Summa cum Laude*, in Journalism and Theatre from the University of Minnesota. For over 20 years, she has volunteered at Theatre in the Round Players (TRP) as a prop designer. She also serves on TRP's marketing committee and tech advisory board, and writes the theater's newsletter, *Next!*

Kaeding is married to Stu Naber. They live in Golden Valley, Minn.



**AMERICAN ENGINEERING TESTING, INC.**, a leading consulting firm, has opened its newest office in Hudson, Wisconsin. Located at 575 Schommer Drive, Suite C, Hudson, WI 54016

(phone (715) 377-4666 or fax (715) 377-4667), the office will provide full-service, environmental, geotechnical and materials engineering services to eastern MN and western WI.

**CHAD UNDERWOOD, P.E., P.G.**, will be providing the technical leadership for the Hudson office. Chad, a senior geotechnical engineer with AET, is a licensed professional engineer and geologist in Wisconsin and Minnesota. With his bachelor's degree in geology from the University of Wisconsin-Eau Claire, and a master's degree in civil engineering (geotechnical) from the University of Wisconsin-Madison, Chad is uniquely qualified to serve this area.

AET is an employee-owned corporation, providing professional services to public and private sector clients since 1971. AET's 300 engineers, geologists, scientists and certified technicians assist owners, developers, municipalities, consultants and contractors with their design, construction and restoration projects.

AET office/laboratories are located in the following cities: Florida: Bonita Springs, Palatka - Minnesota: Chanhassen, Crosby, Duluth, International Falls, Mankato, Marshall, Rochester, Rogers, Saint Paul - Wisconsin: Eau Claire, Hudson, Menomonie, Schofield - South Dakota: Beresford, Pierre, Rapid City.

**MARQUETTE REAL ESTATE HOLDINGS** announced today its acquisition of general contracting firm RJM Construction. RJM Construction will join the Marquette Real Estate Holdings portfolio, which includes **UNITED PROPERTIES** and **NORTHMARQ REAL ESTATE SERVICES**. In conjunction with the acquisition, United Properties Construction Services will be integrated into RJM beginning immediately.

Under the merged entity, RJM will provide general contracting, tenant improvement

and construction management services to its commercial, health care and community/sport center clients. The acquisition and integration brings the company's total number of employees to more than 100 people, with more than \$140 million in construction volume.

"The financial strength and added capabilities of the combined company allows RJM to better serve our clients," said Bob Jossart, president of RJM. "Our diverse expertise and deeper resources will allow us to continue our commitment to customer satisfaction."

RJM will continue to be led by current president Bob Jossart. Bruce Palmer, current senior vice president of United Properties Construction Services, is assisting in the transition and integration of the two businesses.

**KRAUS-ANDERSON CONSTRUCTION COMPANY**, one of the Midwest's oldest and largest commercial general contractors and construction managers, has been awarded a 2008 Governor's Safety Award for excellence in workplace safety and health. The Governor's Safety Awards program is administered by the Minnesota Safety Council. Kraus-Anderson, which won in the category of outstanding achievement for continuing improvement and outstanding record, was recognized at a luncheon at the Minneapolis Convention Center on May 16.

"On average, nearly 300 Minnesota workers are injured or become ill from job-related causes each day," said Carol Bufton, president of the Minnesota Safety Council. "Employers like Kraus-Anderson understand that a commitment to safety contributes to the health of their employees and their bottom line."

Kraus-Anderson has one of the best safety records in the construction industry. KA's safety record ranks among the top five percent in the industry nationwide, a performance that has repeatedly earned the company the Governor's Safety Award.

"Safety is our top priority every day, on every job site," said Al Gerhardt, COO of Kraus-Anderson. "While it is indeed an honor to have received this award over the years, we are ever more vigilant in applying the strict standards that maintain safe working environments."

Since 1934, the annual Governor's Safety

Minneapolis Aquatennial & The Harrington Foundation present



*Inspiring Higher Education*

## 2008 SUMMER SOUNDS

MONDAY, JULY 21

6 – 10 pm | Calhoun Beach Club

Buffet by D'Amico | Entertainment | Silent Auction

***Scholarships for Students in Need***

\$40 in advance / \$50 at the door

Make check payable to: The Harrington Foundation

For ticket information, please call (952) 928-7477

Summer Sounds Raffle – TWO \$500 VISA Giftcards – *Purchase tickets today!*

Awards have spotlighted Minnesota employers with above average safety records. Participants submit injury information which is compared with state and national data, as well as the entrant's past performance. Ongoing safety programs and activities are also considered.



**KENNETH FRANCOIS**, an assistant project manager with **KRAUS-ANDERSON CONSTRUCTION COMPANY**, has received his LEED accreditation from the U.S. Green Building

Council (USGBC). The Leadership in Energy and Environmental Design (LEED) Green Building Rating System<sup>™</sup> is the nationally accepted benchmark for the design, construction, and operation of high performance green buildings.

LEED professional accreditation distinguishes building professionals with the knowledge and skills to successfully steward the rigorous goals for sustainable design and environmentally sensitive procedures throughout the building process.

Francois received his B.S. in Civil Engineering from the University of Wisconsin, Platteville. He works in the company's Minneapolis Building Group.

Would you like to see your name or your company's name in the **Member To Member** section of ***Construction Views?***

If so, please send all company press releases, announcements and updates to:

**Corinna Hastings**

Executive Director and Editor

***chastings@harringtoncompany.com***

or

4248 Park Glen Road

Minneapolis, MN 55416

# We Can't Thank You Enough!

*We thank the following  
Platinum Sponsors  
(\$1,000 level) for their support:*

**Cobb, Strecker, Dunphy  
& Zimmermann, Inc.**

**Kraus Anderson  
Construction Company**

**Weis Builders**



## MCA Prospectors

*You only need to recruit 5 new members to become a MCA Prospector in 2008!*

### Still Digging

**Three new members: Phillip Baum**

**Two new members: Gary Heppelmann**

**One new member: Nathan Thome**

*Note: Recruiting a Company Membership counts as two (2) new members.*

## MCA

4248 Park Glen Road  
Minneapolis, MN 55416  
(952) 928-4646 • fax (952) 929-1318

### **Corinna Hastings**

Executive Director and Editor



# Construction Views

The Newsletter of The Official Organization of Minnesota's CM Industry

**Sign up now** to advertise in *Construction Views*, the monthly newsletter that puts you in contact with the people most likely to purchase your products and services.

*Construction Views* is distributed monthly to 200 members in the industry, as well as others, throughout the year.

In addition to announcements of upcoming meetings, *Construction Views* will feature a variety of informational and educational articles, as well as member projects.

**The benefits of advertising in *Construction Views* are clear:**

- ◆ It's economical
- ◆ It reaches your target market.
- ◆ It gives you the frequency you need.

Artwork is due on the 20<sup>th</sup> of each month to be included in next month's issue. *All artwork is to be camera ready, of the specified size and in the following formats: Quark, Illustrator, Photoshop, Acrobat PDF. Prepayment is necessary.*

Please return the form below along with ad and payment to:

Corinna Hastings | MCA Headquarters  
 4248 Park Glen Road | Minneapolis, MN 55416  
 Phone: (952) 928-4646 | Fax: (952) 929-1318  
 Email: chastings@harringtoncompany.com

**I would like to place the following space reservation for advertising in *Construction Views*:**

**Ad Size:** \_\_\_\_\_

**Number of times:** \_\_\_\_\_

**Issues for the months of :** \_\_\_\_\_

**COST PER ISSUE**

\$ \_\_\_\_\_

x \_\_\_\_\_ **ISSUES**

**A TOTAL OF \$ \_\_\_\_\_ FOR THIS ORDER**

*We understand our ad needs to be camera-ready and of the specific size.*

**Company** \_\_\_\_\_

**Contact** \_\_\_\_\_

**Address** \_\_\_\_\_

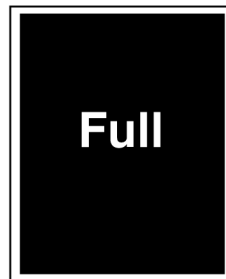
**City** \_\_\_\_\_

**State** \_\_\_\_\_

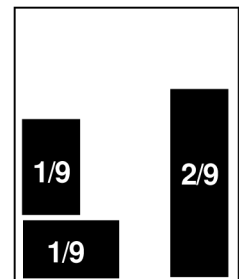
**Phone** \_\_\_\_\_

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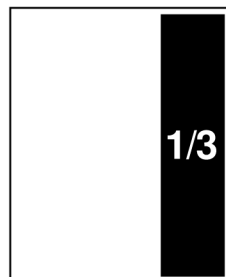
**ADVERTISING PRICING INFORMATION**



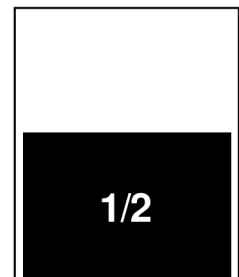
Full Page  
 (7-1/2" w x 9-3/4" h)  
**\$300**



1/9 of a page (2-1/2" w x 3-1/2" h) **\$75** | 2/9 of a page (2-1/2" w x 6-1/2" h) **\$100**



3/9 (1/3) of a page  
 (2-1/2" w x 9-3/4" h)  
**\$125**



1/2 of a page  
 (7-1/2" w x 5" h)  
**\$150**