

## Kittrell Quarry Expansion

*Gregg Bowler, Chief Financial Officer*



In the spring of 2015, Carolina Sunrock completed our 5-year Strategic Plan. During the planning process, our Chairman Bryan Pfohl reviewed our overall quarry production capacity and determined that it was necessary to significantly expand the production capacity of the Kittrell Quarry.

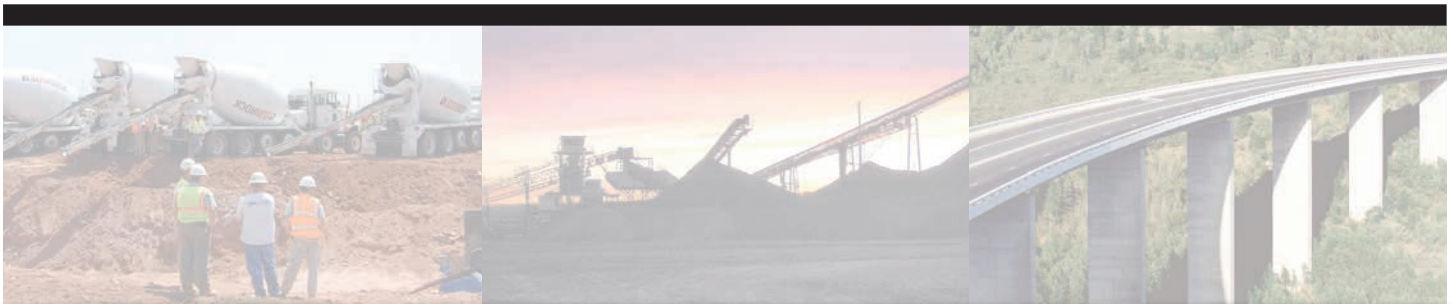
In addition to the increase of production capacity, the goal of the expansion was to improve efficiencies, product offerings, and inventory storage capacity. Sunrock's months of planning, designing, and construction has led to a brand new plant that will rival our Butner Quarry when the project is completed in August of this year.

The Kittrell project team worked hand and hand with Mr. Pfohl to carry out his vision for the project based on his intimate knowledge of quarry operations and had to overcome the challenging landscape of the quarry, which includes a creek running through the middle of the site. In order to implement Mr. Pfohl's vision, meet the

projects specific objectives as well as overcome the site issues, the team determined the primary plant needed to be substantially upgraded and relocated. In addition, a significant amount of conveyors had to be constructed and installed, and the back half of the production plant had to be entirely reconfigured and enhanced.

With the location of the primary crusher finalized, the project team determined that a 50' concrete wall was necessary to properly reinforce the area surrounding the new primary crusher. Instead of building a traditional structure out of concrete and rebar, our team took a different approach. Working with one of Sunrock's key business partners, Citadel Contractors, we installed a block wall utilizing the Redi-Rock block system. This system is utilized extensively by Citadel's parent company in Halifax, Canada for the construction of retaining walls, block walls and decorative concrete products. With this system, each concrete block of the structure is formed utilizing our own granite and basalt material. This

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system coupled with the use of our own materials provides a stable structure with a look that is unique and distinctive.

During the construction of the primary crusher and supporting structures, the team began tackling a complex conveyor system. The conveyor system when completed will move the aggregate material approximately 1.4 miles from the primary crusher, to the surge pile, through the secondary crushers, then to the final processing in the finishing plant before finally landing in the finished goods inventory area. Sunrock's decision to utilize this vast conveyor system was based on our strategy to embrace automation by reducing the need for excessive haul trucks and wheel loaders, which will also significantly improve traffic flow.

The last and most complex phase was the secondary and finishing plants. This area was completely torn apart and relocated with older equipment reconditioned and new equipment purchased. The upgrades of the older equipment along with the new equipment will allow the quarry to improve product volume, versatility, and quality. In addition, the

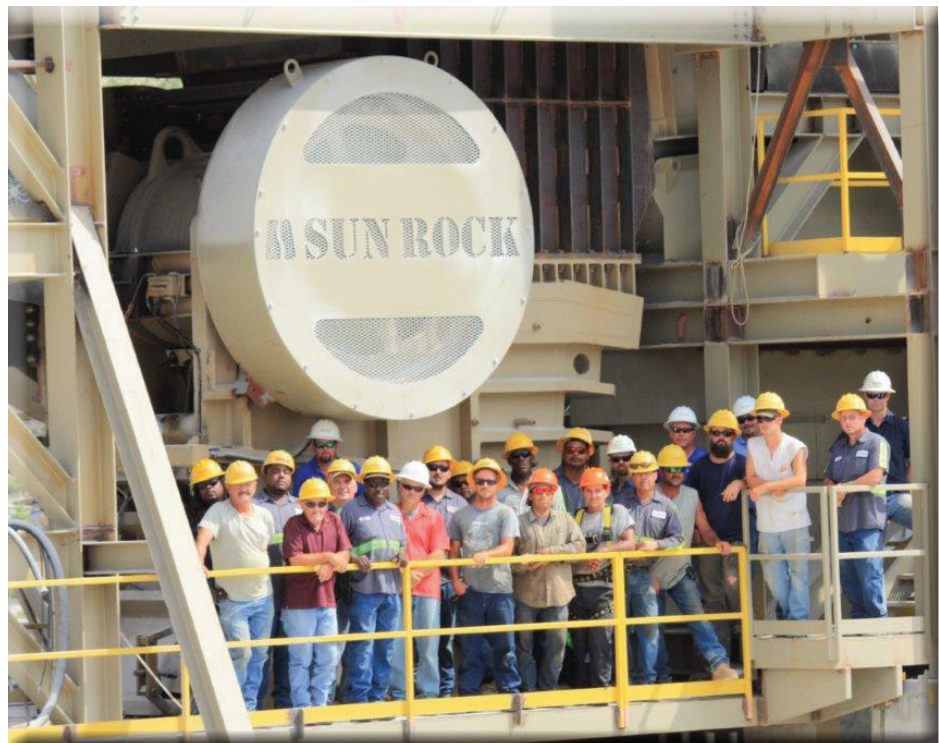
relocation of this production phase has allowed Sunrock to expand the finished goods area creating larger stockpiles, which will allow for improved over the road traffic flow.

As this project comes to completion, we owe a special thanks to the Kittrell project team led by Colin McAvoy who was supported by Jay Campbell, Alex Andriichuk, Terry White, Ryan Emo and all of our team members of the Kittrell Quarry. This team worked tirelessly over the past 10 months to design, configure and build this state of the art plant. Their dedication, ingenuity, and unique problem solving ability allowed this project to come to life in a short amount of time.

It is important to recognize that this project would not have been possible without the Pfohl family commitment to invest in Sunrock and this region. This is one of the most significant capital investment the company has made in the past 30 years and this Quarry will enable Sunrock to service a larger area in the northern part of the Research Triangle and is forecasted to lead to over 50 jobs in the region.

## Contributor List:

Nick Beach  
Gregg Bowler  
Eddie Ellis  
Jason Jude  
Sherry Lloyd  
Blake Montgomery  
Chris Petrone  
Cullen Ports  
Elisabeth Pfohl Sasser





## Supplying Apartment Complex Expansion

*Blake Montgomery, Market Manager*



The Villages of Lake Boone Apartments project includes a complete demolition of 140,000 square foot of existing apartment buildings, as well as additions. Four buildings will be constructed to contribute to a combined square footage of 268,000. Carolina Sunrock is supplying concrete and stone to Swinerton Builders out of Atlanta, Georgia for this project. Specifically, Carolina Sunrock has shipped roughly 2,200 cubic yards of concrete from our RDU Plant and provided over 1,350 tons of clean stone from our Butner Quarry for this project.

With Carolina Sunrock's extreme interest in growing relationships with customers, we will work hard to secure more work in the future with Swinerton Builders. We look forward to growing this relationship to help both companies succeed in this very competitive Triangle area construction market.



## Sunrock Works on House Amidst Custom Home Market Surge

*Chris Petrone, Market Manager*



**C**roasdaile Farm is a planned residential community in Durham, NC that features custom built homes. ECF1, a foundation company, is responsible for pouring the wall foundation and footers for one of the custom homes. The foundation wall will take roughly 120 yards of concrete and 80 yards for the footers. The custom foundation is for a 10,000 square foot home. Our Durham Muirhead Distribution Facility supplied the concrete and our Butner Quarry supplied the aggregate for this project.

The custom home market has grown at a rapid pace. In the past two years, the demand for larger custom homes has come back strong in the Triangle market. Many of these custom homes are designed with basements and large foundations. ECF1 has grown and primarily focuses largely on this custom home market. Carolina Sunrock has supplied concrete to ECF1 for several of these large projects and appreciates the relationship that has formed with ECF1 over the last five years.

## Clean Water is Key

*Cullen Ports, Market Manager*

**D**urham is home to over 250,000 people who live, work, and play in the "City of Medicine". The city's development continues to grow with the strengthening economy and influx of people moving into the community. The population increase puts a heightened demand on all public utilities, with a large emphasis on water. The city owns and operates two water treatment plants. The Williams Water Treatment Plant, constructed in 1917, and the Brown Water Treatment Plant, constructed in 1979, both provide clean drinking water for Durham residents. In 2016, the city of Durham approved a budget and plan for an expansion and upgrade of these facilities.

Crowder Construction Company, located in Apex, is the contractor building and upgrading both water treatment plants. Crowder is well versed in water treatment plant work and has plenty of resources to handle such a large and demanding job. Carolina Sunrock is providing 30,000 yards of concrete and 40,000 tons of stone for this project.

Crowder is improving a much-needed facility for the City of Durham, so the residents can enjoy increased capacities of clean drinking water for years to come.





## Sunrock Expands Stewart Farm Road

*Nick Beach, Estimator-Project Manager*

In May 2017, Carolina Sunrock's Contracting Division completed the Vance County Stewart Farm Road project for Division 5 of the NC Department of Transportation. The project consisted of widening and resurfacing approximately five miles of Stewart Farm Road and construction of a large aluminum structural plate box culvert just east of the City of Henderson.

Over 13,500 tons of asphalt were placed to widen and resurface Stewart Farm Road. Widening the road by 2' on both sides required extensive grading of ditch lines and modifications to storm drainage elements in many locations to accommodate the wider road. Over 30 reinforced concrete pipe (RCP) cross drains and driveway pipes were replaced or extended, totaling 478 linear feet (LF) removed and 604 LF of RCP installed. The project also included removal of a weight-restricted, structurally deficient bridge followed by a replacement with a large aluminum structural plate box culvert with headwalls and wingwalls. The bridge was very old and was constructed using creosote treated timber piles and decking on a metal frame. The barrel of the new box culvert measures 34'-11" wide, 10'-4" tall, and 54' long and is one of the largest of its kind in production. The service life of the culvert is estimated to be 75 to 100 years and will require less inspection and maintenance than a bridge. Time and cost savings in construction as well as maintenance have resulted in aluminum structural plate box culverts becoming the Department of Transportation's preferred option for bridge replacement.



Demolition of the old bridge and construction of the new box culvert required part of Stewart Farm Road to be shut down and traffic detoured for 90 days. Two large pumps were used to pump Weaver Creek around the work area and impervious dikes were constructed upstream and downstream using large sand bags and poly sheeting. After isolating the work area, the old bridge was removed, the streambed and abutments were excavated, and the box culvert was constructed by assembling more than 140 individual plates, 350 reinforcing ribs, and 6,500 ¾" bolts. The culvert was backfilled and underlain by roughly 2,000 tons of #57 stone. Approximately 550 tons of riprap were used to armor the stream banks upstream and downstream. The

success of the project can be attributed to the knowledge, coordination, and genuine hard work of Superintendent Robert "Lurch" Mann, Foreman Reed Logan, and other Sunrock employees, subcontractors, and suppliers involved throughout the duration of the job.







# CAROLINA SUNROCK S

On June 1, 2017, Carolina Sunrock received eight safety awards at the North Carolina Department of Labor Safety Awards Banquet, which was held at Vance Granville Community College South Campus in Creedmoor. The Safety Awards Program provides recognition for employers that have achieved and maintained a good safety record. To qualify for the award, each operation must have had an incidence rate at least 50 percent below its particular industry's average.

*Carolina Sunrock takes great pride in our safety record. The above awards are a reflection that our "Do the Right Thing" safety process is dedicated to creating and maintaining a safe working environment.*

Cherie Berry, N.C. Commissioner of Labor,  
presented the Safety Awards.







# SAFETY AWARDS

Jason Jude, Manager Safety & Health

## The following Sunrock Operations received awards:

Butner Quarry - **1st Year Gold**

Butner Concrete Plant - **1st Year Gold**

Durham Muirhead Distribution Center (MDC) - **1st Year Silver**

Corporate Office - **3rd Consecutive Year Gold**

Woodsdale Quarry- **6th Consecutive Year Gold**

Butner Operations & Development Center - **4th Consecutive Year Gold**

Interhaul - **4th Consecutive Year Gold**

Kittrell Quarry - **7th Consecutive Year Gold**





## Sunrock Training: Developing Integrated Managers

*Elisabeth Pfohl Sasser, Executive Vice President*

**E**arly this year the first group of managers went through a new Managerial Effectiveness in-house training workshop at Sunrock. The content, which was developed by Elisabeth Sasser for a class that she taught at Duke University, presents managers with an integrative approach to dealing with daily challenges they face working to meet organizational goals. The content of the program is divided into three areas: understanding competing business needs, learning mindfulness skills, and improving EQ (or emotional quotient) skills.

We started by looking at the **Competing Needs** that are present in every business and our own priorities among them. Instead of seeing this competition as a problem, we viewed it as an opportunity to become more effective individually and as a team. We answered questions, such as --- How do we deliver the best service and be sure we're fully utilizing our equipment? How do we make a superior product and make money doing it? How do we accept occasional failure and hold ourselves to a high standard? How do we address performance that doesn't meet expectations and keep people motivated? Managers are more efficient when they learn to balance, rather than bounce, between what at first glance seem like opposing demands.



more awareness, we see possible solutions we didn't know were there. This is a critical skill for our fast paced and demanding industries. What's great is that anyone can begin experiencing the benefits of mindfulness by dedicating as little as 3-5 minutes per day to practicing.

The final component of this training is improving **Emotional Intelligence** ("EQ") Skills. EQ has gotten a lot of press over the years and managers who have high EQ are consistently in demand because they deliver results and build empowered, cohesive teams. But what if the "people stuff" isn't your strength? The good news is you can develop it. With a handful of core behavioral skills and a willingness to practice, anyone can increase their ability to ask clearly and not aggressively for what they want, learn to manage their own challenging emotions and provide direct and compassionate leadership.

To date, four groups totaling about 30 people and process managers on the Sunrock team have completed the first phase of the training. With the four ramp up sessions under their belt they've been applying new skills and tools in their daily activities. Each group will continue to meet approximately once a month over the next six months to continue developing their skills.

Elisabeth loves hearing about the successes our team members are having putting this material to use each day. We're building stronger relationships. We're reducing stress. We're increasing effectiveness. All of this helps us meet our mission of being the preferred supplier, employer, and neighbor. What's better than that?



Next, we explore the practice of **Mindfulness**. Mindfulness is something anyone can do! Essentially it is brain training. Practicing mindfulness means learning to focus your attention where you want it, rather than letting your thoughts run wild. Practicing mindfulness provides a broader understanding of any situation. With

**Additional groups will start once we're through the busy season. Stay tuned!**



## Sharon Palmer Retires

*Sherry Lloyd, Manager Executive Office*



**A**fter eight years at Carolina Sunrock, Sharon Palmer has decided it is time to retire. Sharon, our Corporate Receptionist, is a key member of the Sunrock team. She has served as the face and voice of Sunrock while overseeing the corporate office reception

area. Sharon has worked with every member of our team in some capacity regarding phones, tickets, mail or supplies. She has added so much laughter and smiles to our daily work life with her quirky, fun-loving personality. Sharon always has a joke or funny story to tell, song to sing or dance to share.

On Friday, June 9<sup>th</sup>, we honored Sharon with a retirement luncheon at the corporate office. We surprised her with a pizza lunch, retirement cake, and a farewell video from some of her Sunrock family. Sharon's last day was June 16<sup>th</sup>. She plans to spend this next chapter of her life enjoying her children and grandchildren (and of course the new grand puppies), traveling, reading, and going to the movies and Broadway shows. We wish her the best in this next chapter of her life and thank her for her years of service.

## Retirement of Bill Jones

*Gregg Bowler, Chief Financial Officer*



**B**ill Jones, our Corporate Controller for over a decade, retired at the end of last year. He was an outstanding member of the Carolina Sunrock family and is a true inspiration for all of us. His contributions were integral to our success and continuity.

We all recognize Bill for his unconditional dedication, grace, and congeniality. He is missed, but we are thrilled for him after a career that lasted more than 40 years in the accounting profession. As all accountants know, that is a long time to look at numbers every day.

Bill is very active in his church and intends to now spend time traveling and "seeing the world" when he is not busy working in the yard and being at the "beck and call" of Ms. Patty (Bill's wife).

We thank Bill for his years of service, calming influence and friendship and wish him nothing but the best in his retirement.

## Sunrock's 8<sup>th</sup> Annual RMC Rodeo

*Eddie Ellis, Assistant Manager Safety & Health*



**O**n April 1, 2017, Carolina Sunrock held its Annual RMC Rodeo at the North Raleigh Facility. This rodeo allows our Concrete Delivery Professionals to display their knowledge and driving skills while operating a mixer truck. The goal of this event is to recognize individuals with exceptional driving abilities who deliver the world's most versatile building product. It is designed to challenge our drivers to be the "best of the best" ready mix concrete drivers. The rodeo competition consisted of a cumulative score derived from a driving challenge course and a visual vehicle inspection.



Sunrock's rodeo featured the following Sunrock drivers: Shannon Tapp-Butner, Artie Wright-Butner, Phillip Frame-RDU, Maurice Holland-RDU, Charles Roberts III-RDU, Joey McNeil-RDU, Kevin Young-N. Raleigh, Bernard Bullock-Butner, Christine Usher-N. Raleigh, and Demetric Daniels-Butner. This year the rodeo was very competitive. Artie Wright claimed first place and Shannon Tapp came in second place. Artie Wright and Phillip Frame represented Carolina Sunrock on May 13, 2017 at the Carolinas Ready Mix Concrete Association (CRMCA) 10<sup>th</sup> Annual Mixer Driver Rodeo in Charlotte, NC. Carolina Sunrock is extremely proud of all who participated in these events.

*We would like to thank all the driver participants, volunteers, and family members who came out and made the 2017 RMC Rodeo a success.*

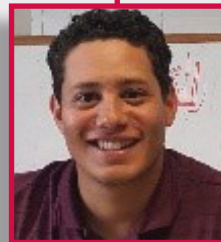


## 2017 Carolina Sunrock Interns



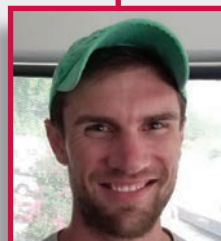
**Daniel Govea Hernandez** recently graduated from J.F. Webb High School and served as President of his school's Future Farmers of America. In the fall, he plans to attend Vance Granville Community College to study Electrical Systems Technology. He is a Quarry Intern at the Butner facility and looks forward to further developing his experience and relationships within Sunrock by returning as an Electrician Apprentice.

**Douglas Romano** is an Engineering Intern this summer. He is participating in Wake Technical Community College's two-year Civil Engineering program. He hopes to attend NC State University to further his study of engineering and eventually contribute to designing and building a whole site. Working at Carolina Sunrock has enabled him to enhance his engineering skills.



**Luke Strobel** is a junior at The University of North Carolina at Chapel Hill, majoring in Management & Society and minoring in Religious Studies. Luke is the Human Resources Intern, assisting the HR team with various onboarding, recruiting, and management tasks at the Operations and Development Center in Butner. He hopes to one day manage the HR department for a large corporation, enabling and equipping people to thrive and grow in their occupations.

**Todd Brown Jr.** is a student at The University of North Carolina at Chapel Hill, double-majoring in Management & Society and Economics. He is currently working as the Asphalt Intern at the RDU facility for the third year in a row. Todd is a four year Naval veteran, performing as a Radioman on the USS Louisville, a Los Angeles-class submarine. He is from Winston-Salem and enjoys playing the guitar and Ultimate Frisbee.



**Nathaniel Ecke** is currently attending UNC Charlotte and majoring in mechanical engineering. He has interned with Carolina Sunrock over several seasons, first working in the shop learning inventory control. Currently, he is sharpening his mechanical skills. He hopes to learn how to effectively maintain fleet vehicles for a large company.

**Joshua Weaver** is working as the Asphalt Intern at the Durham facility, delving into an understanding of how different pieces of machinery work and gaining valuable experience in regards to this interest. Over the course of time that he has spent with Carolina Sunrock, he has gained valuable information in regards to machinery and proper maintenance and care. Joshua will be a senior at Western Carolina University in the fall where he studies mechanical engineering.



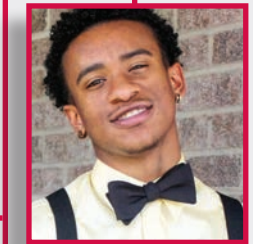
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As a rising sophomore at North Carolina State University, **Chad Hiniker** is working as a Contracting Intern this summer. Chad is majoring in agriculture and environmental technology. He has enjoyed operating equipment and experiencing first-hand the processes of several jobs in the industry. Upon graduation, Chad plans on designing and improving equipment and machinery for agricultural and construction needs. Chad loves spending time outdoors, specifically hunting and fishing.

**Lynwood Tralin Smith** attends The University of North Carolina at Charlotte, pursuing a Bachelors of Science degree in Mechanical Engineering Technology. He works as the Shop Intern, learning about inventory management, warehouse operations, logistics, and other aspects of the business. The thought of being an engineer has always been present in Lynwood's head from his childhood and still to this day. By majoring in Mechanical Engineering Technology, he plans on someday working with a major car company to help render new prototypes for cars not on the market yet.



## **SUNROCK®** **VALUES**

Opportunity for ALL  
Team Members

Do the  
Right Thing

The Market  
is Boss



Excellence through  
Integrity, Execution, Innovation

### **Excellence through Integrity, Execution, Innovation**

- This is the foundation of our shared Sunrock values, and ultimately, our success. To us, excellence means **best in class**.
- At Sunrock we achieve excellence through integrity, execution, and innovation in our work.

### **Do the Right Thing**

- We believe our commitment to excellence is achieved by consistently acting in ways to ensure we do the right thing.

### **The Market is Boss**

- We understand that the market dictates many of our business decisions as well as demand for our products and services.
- Understanding and respecting this principle reinforces our commitment to excellence through integrity, innovation, and execution.

### **Opportunity for ALL Team Members**

- At our core we believe that all team members should have the opportunity to learn, contribute, make a difference, and have a solid future at Sunrock.



## CONTACT INFO TO KNOW

### SUNROCK LOCATIONS

**Corporate Office**

Carolina Sunrock LLC  
200 Horizon Drive, Suite 100  
Raleigh, NC 27615  
919.747.6400

**Operations & Development Center**

PO Box 25  
500 Sunrock Drive  
Butner, NC 27509  
919.575.4502

**Butner Quarry**

100 Sunrock Drive  
Butner, NC 27509  
919.575.6010  
Aggregates.Concrete.Asphalt

**Durham Facility (MDC)**

1503 Camden Avenue  
Durham, NC 27704  
919.688.6881  
Aggregates.Concrete.Asphalt

**Woodsdale Quarry**

5280 Woodsdale Road  
Roxboro, NC 27574  
336.599.4147  
Aggregates.Concrete.Asphalt

**North Raleigh Facility**

5043 Unicon Drive  
Wake Forest, NC 27587  
919.554.0500  
Aggregates.Concrete.Asphalt

**Kittrell Quarry**

214 Sunrock Road  
Kittrell, NC 27544  
252.433.4617  
Aggregates.Concrete.Asphalt

**Raleigh Facility (RDU)**

8620 Barefoot Industrial Drive  
Raleigh, NC 27617  
919.861.1860  
Concrete.Asphalt.Recycling

**Zebulon Facility**

Eastern Wake Facility  
1524 Old US 264  
Zebulon, NC 27597  
919.269.2200  
Concrete

**Contracting Division**

500 Sunrock Drive  
Butner, NC 27509  
919.575.3894  
Heavy Highway Construction  
& Asphalt Paving

### BENEFIT PROVIDERS

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aetna.com

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principal.com

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