

WANZEKWORKS

Fall 2007

A Biannual Wanzek Newsletter



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It's About People

Wanzek Construction builds things, but our business isn't about the things we build. Rather, it's about people – the people who do the work, the people we work for, and the people who use or benefit from what we create. That's why relationships are so important to our company.

They say in business it's not what you know but who you know. We believe it's both. Before they'll work with you, people want to know what you know and what you're capable of doing. Second, they want to know what kind of person (or company) you are so they can judge how much trust to place in your ability to do the job well.

We recently spent several days visiting projects in Iowa, Minnesota, Oklahoma, South Dakota and Washington. The most outstanding thing about the trip was meeting with the people who work for Wanzek and our customers. Talk about being proud! We thought we couldn't be more satisfied with them and the significant work they do. Then, our customers told us how pleased they are about their decisions to work with Wanzek, and we were even more delighted.

Today, our people-based business philosophy is more evident than ever. This issue of Wanzek Works features several stories that never would have been told without relationships between professionals, between companies and between people.

Relationships are the key to our success, and that starts with our staff. Without our people, developing lasting quality relationships based on integrity just would not be possible.

So, it's about what you know and who you know. At Wanzek, we want to get to know you and start a history together.

Best Regards,





Wanzek Builds On American Crystal Sugar Relationship

Add more than 15 years, hundreds of projects and thousands of man hours together, and the sum is one. That's priority number 1, Wanzek's rank on American Crystal Sugar's list of contractors, according to Wanzek Vice President Rush Waite.

"We're their top contractor, their go-to people when they need something fast," said Waite. "We understand their needs and what it means to them to have the project done on time. They wouldn't ask us back if we didn't have their plants ready to slice beets when the trucks started rolling in each year."

Waite says the strong relationship between the two companies has resulted from their complementary growth and development over the years. He would know. Waite has been with Wanzek for 15 years, and the American Crystal work predates his joining the company.

It's all bid work, so it always comes down to competition with other construction firms. Even so, says Al Zola, engineering superintendent at American Crystal's East Grand Forks, Minn. plant, Wanzek has been a reliable partner.

"Wanzek has done a lot of work for us over the years," said Zola. "The company's people do good work, they're good on site, they take care of us well and we appreciate the effort that they put in."

Wanzek generally has people in American Crystal plants year-round. For the company's "inner campaign," when the plants are shut down, Wanzek has major projects underway in at least three plants and sometimes in all five.



American Crystal Projects, Ongoing or Underway

Drayton, N.D.

- Pulp Dryer Internals Project
- Expansion Phase 1
- Rock Catcher Installation
- Miscellaneous Capital Projects

Hillsboro, N.D.

- Maintenance Contract
- Affination Centrifugal Project
- Main Factory Roof Project
- Miscellaneous Capital Projects

East Grand Forks, Minn.

- Maintenance Project

Wanzek Selected to Build Casselton Ethanol Plant

Wanzek has been selected to construct a 100-MMGY ethanol plant in Casselton, N.D., for the Tharaldson Ethanol Group. Wanzek broke ground for the project on May 1, and construction is expected to be complete by January 2009.

The plant will consume approximately 36 million bushels of corn to produce the ethanol and 300,000 tons of dried distiller's grains annually.

Jim Heyer, owner of Heyer Engineering, Fargo, is the owner's representative for the project. His first recommendation to Tharaldson Ethanol Group was to negotiate a construction contract with Wanzek.

"I've known Jon and Leo in the construction business for more than 20 years and I have a lot of confidence in what they can do," Heyer said. "In this region, Wanzek is the only company that really has the right experience in heavy industrial work such as ethanol plant construction, so they were the obvious choice."

This is Wanzek's largest ethanol project both in terms of the plant's capacity and project cost. To date, the company's crews have been working on 50 and 60 MMGY plants.

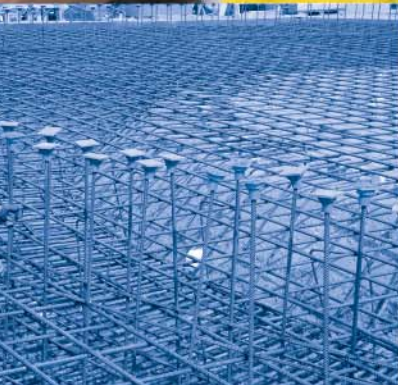
"We look at this project as a springboard to future growth of our company," said Mike Pederson, senior project manager. "In addition to spurring our growth for this year, it will help us move into an expanded role in the ethanol industry."

Wanzek is the general contractor on the project and will self-perform site work, concrete, foundations, millwright and equipment installation, steel erection, process piping, steam dryer assembly and crane services. Valley Engineering, Fargo, is doing the balance-of-plant design, and Vogelbusch USA Inc., Houston, is providing the process technology.

Vogelbusch is the premier supplier of process technology engineering packages for the fuel ethanol industry in the nation. Wanzek introduced Heyer and the Tharaldson Ethanol Group to the Vogelbusch technology.

While the Casselton plant is the first for the Tharaldson Ethanol Group, at least one more is in the planning stages. "When we do this one well, there will be one or two more plants to build the same way," Pederson said.





Biomass Projects

Chippewa Valley Ethanol Co.

- Benson, Minn. – site work, concrete, structural steel, millwright and piping for a pilot gasification plant

Biofuels Projects

Abengoa Bioenergy

- Ravenna, Neb. – concrete, millwright for 88 MMGY plant

Archer Daniels Midland

- Marshall, Minn. – maintenance and capital improvements

High Plains Bioenergy LLC

- Guymon, Okla. – balance of plant contractor for 30 MMGY biodiesel plant construction

Poet Energy

- Chancellor, S.D. – expansion of existing ethanol facility
- North Manchester, Ind. – 60 MMGY ethanol facility
- Portland, Ind. – millwright package
- Big Stone City, S.D. – plant expansion
- Lake Crystal, Minn. – capital improvement
- Mitchell, S.D. – millwright project
- Chancellor, S.D. – maintenance and shut-down projects
- Jewel, Iowa – maintenance and shut-down projects
- Gowrie, Iowa – maintenance and shut-down projects

VeraSun Energy

- Aurora, S.D. – maintenance and capital project to add an 8th evaporator to the facility
- Fort Dodge, Iowa – shut-down
- Charles City, Iowa – shut-down



Wind Projects

Clipper Windpower

- Jeffers, Minn. – 50 MW

Edison Mission Energy

- Sterling City, Texas – 149.5 MW

FPL Energy

- Oliver County, N.D. – 49.5 MW

Iberdrola

- Mason City, Iowa – 80 MW

Madison Gas & Electric

- Mason City, Iowa – 30 MW

Mid-American Energy

- Charles City/Century, Iowa – 90 MW

Montana-Dakota Utilities

- Baker, Mont. – 19.5 MW

Renewable Energy Systems (RES)

- Dayton, Wash. – 140 MW



A Heightened Commitment to Wind Development

Wanzek recently acquired two heavy-duty cranes that allow the company to be a balance-of-plant contractor on jobs anywhere in North America. The two crawlers – a 550-ton Demag 2500-1 and a 650-ton Demag 2800-1NT – can handle today's taller towers and heavier turbines.

Rush Waite, vice president, said the rapid evolution of the wind development industry, along with severely limited availability of rental cranes, drove the purchase decision.

"It is next to impossible to rent cranes that can handle today's taller towers and heavier turbines," he said. "Without these cranes, Wanzek couldn't compete. With them, it's hard for others to compete with us."

The acquisition and additional investments in staff, training and auxiliary equipment continue Wanzek's evolution as a wind development constructor. It began in 2001 when the company purchased a 300-ton crane and started completing projects in the region surrounding Fargo.

In 2003, Wanzek landed its first project with FPL Energy, a 41 turbine job near Edgeley, N.D. Since then, Wanzek has been awarded four additional projects with FPL Energy.

"FPL Energy does repeat business with companies like Wanzek because they do good work and they seem to be pretty much on top of everything," said Joe Marchese, FPL Energy's director of wind construction. "We feel we can trust them and that they're going to do right by us."

The Wanzek Wind Energy Division is focused on the future with contracts in place to complete more than 600 MW in 2007. "We're growing by leaps and bounds," said Rob Lee, project manager. "At this pace, we're going to double the number of turbines erected by our company each year."

Wanzek's dedicated wind team, led by Waite, constructs wind projects across North America. To date, the company has completed dozens of jobs in seven states with roles varying from project to project. BOP work remains the company's focus.

"Over the years we've progressed from one- and two-tower projects to become a big player," Waite said. "We've invested a lot of money, time and effort into pursuing wind, and it's a very significant part of what we do now."



Jon Wanzek Takes The Helm

Jon Wanzek, son of founder Leo Wanzek, has been named president of Wanzek Construction, Inc. Jon, previously the executive vice president of the company, succeeds his father, who will continue to serve as chair of the board.

“Jon has proven himself through years of leadership in this company,” said Leo. “I couldn’t be more pleased to be able to pass control of the company to my son. He and many others helped build Wanzek from the ground up into what it is today, and now it’s their turn to define our direction.”



*We'd like to show you the difference
a responsive, direct-hire company
with dedicated crews
and its own equipment can do.
Contact us today.*

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Heavy/Industrial Constructors

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Wanzek Wind Services

- Balance of Plant (BOP)
- Site and Road Preparation
- Foundations
- Tower Erections/Heavy Lift
- Turbine Installation
- Electrical

Wanzek Biofuels Services

- Design Build
- Site Work
- Piping
- Millwright
- Concrete
- Structural Steel
- Equipment/Vessel Placement
- Mechanical Completion