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## Why you should consider locating your business in MN's newest city



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# **Building a bright future** Lakehead Constructors opening new facilities in Aurora, Superior

### By Lee Bloomquist

performs king-size work. It builds taconite, power and

paper plants. It tackles heavy-duty railroad work. And it's a go-to company to handle the toughest industrial

maintenance jobs. So it's no wonder Lakehead is investing at a kingsize level in the future of the northland.

The 103-yearold Superior-based

company is spending nearly \$9 million to build new shop, storage and office facilities in Aurora and Superior.

"We're planting a flag here," Brian Maki, Lakehead Constructors president said while sitting in a conference room at the company's new \$2.4 million facility in Aurora's business park. "We've been working on the Range for decades, and we have a dedicated group of folks up here who have a clear vision of what we want to do."

A grand opening of the Aurora facility at 510 W. 3rd Ave. N. takes place from 11 a.m. to 2 p.m., Thurs., June 6. Construction on a new \$6.5 million facility in Superior is also underway.

On six acres just off Winter Street between the St. Louis River and Amsoil, the facility is scheduled to open on Labor Day – a fitting day for the hundreds of hard-hat union trades people employed for years by Lakehead.

"It goes back to having a very efficient structure," said Maki of the new Superior facility. "It has a great view of the water, it will be very modern, convenient for trucking, and cut delivery times to most projects. What we had bewater plants.

"We've provided maintenance akehead Constructors Inc. services for Minnesota Power since 1955 and for the mines since 1991," said Maki. "We've completed capital projects such as the Mustang (pellet) project at United Taconite, rebuilt pellet furnaces,

completed track replacements, switch installation and derailment clean ups within our railroad division. We're currently work ing on

the project at Northshore Mining where Cleveland-Cliffs will produce DR-grade pellets for its HBI (hot-briquetted iron) facility.'

Lakehead's new Aurora facility replaces a location along Highway 169 in Mountain Iron, which Lakehead had operated for 10 years.

Offices in Aurora are located within a fully remodeled former Minnesota Power and Embarrass Vermillion Federal Credit Union building at the western edge of the city. A large lay-down yard and a new, 8,400 square-foot drive-through shop, complete with wash bay, was constructed just west of the office and laydown yard.

The move was made to get into a newer, larger, more efficient facility, said Maki.

"We wanted to have a more modern place and this was sitting here for quite a few years," he said. "We acquired the building and negotiated with the Aurora Housing & Redevelopment Authority for miscellaneous lots to get land surrounding it."

Fifteen salaried employees, eight superintendents, and from 250 to 500 hourly workers (depending on the level of business activity) will be based out of Aurora, said Maki. "Within the last year we brought ment what we had here," said Randy Mackereth, Lakehead vice president of construction. "Our safety department is also based here." The Minnesota Department of Iron Range Resources & Rehabilitation helped get the project off the ground with a \$350,000 grant for site development, Maki said. Maki, who was born in Aurora and still has a hunting shack in the area, has experienced the economic ups and downs of the East Range. The heaviest blow came in 2001 when LTV Steel Mining Co. in Hoyt Lakes permanently closed, putting 1,400 people out of work. "I think the East Range has had its challenges," he said. "It's been tough. They lost their grocery store and their pharmacy (in Aurora). But I think there are good times

employer earned sick and safe time

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tore had been cobbled together over the years."

The investments are a visible sign of Lakehead's confidence in the in some new people to suppleeconomic future of Northeastern Minnesota and Northwestern Wisconsin

"I am bullish on the region and always will be," said Maki, who is an Iron Range native.

Founded in 1916, Lakehead has for more than a century been a major force in the Northland's mining, power, railroad and paper industries.

The company provides highquality construction, design and building services. Its employees perform general contracting, maintenance, repair, emergency response, engineering, new construction and rebuild work. It also offers vacuum truck services and equipment leasing.

Recently, Lakehead has been doing an increasing amount of municipal work such as on waste

#### Continued from previous page



Photo by Lee Bloomquist

At Lakehead's new shop in Aurora, Ken Gileck, Lakehead Constructors shop foreman, works on a remote control excavator used for rebuilding at mining operations.

coming on the East Range and I think it's going to be brighter than people think.'

PolyMet Mining Co.'s proposed copper-nickel mine, using portions of the former LTV Steel Mining Co. facility, would require two million worker hours of construction, create 360 permanent jobs, more than 600 spin-off jobs, and generate an estimated \$515 million in economic activity annually within St. Louis County.

head relocated to Aurora, said Maki.

"There was a very nice building sitting here on a very nice site," he said. "It doesn't make a lot of difference to our customers on the Range where we are located. We moved up here in 2010 (to Mountain Iron) to be closer to our customers. We just think moving here was the right thing to do."

Aurora Mayor Doug Gregor said Lakehead's presence would However, that's not why Lake- have a positive impact on the

local economy and citizens' outlook.

"I really think it's going to have a hugely beneficial impact on a variety of fronts," said Gregor. "The vehicular traffic will increase along with gasoline sales and sales at our downtown businesses. It's a great new addition that will have a kind of ripple effect in the community about making people feel good about things. They're making a substantial investment that will affect the tax base."

On April 1, Lakehead broke ground on its new facility in Superior and Maki noted a confluence of events that led to new development.

In 2018, Lakehead's current 20acre Superior property, where it's been for about 65 years, served as a staging area for those fighting the Husky Refinery fire.

"We helped them out as a neighbor would," said Maki.

However, the neighborly relationship led to more. As it turned out, Husky was seeking additional property. Lakehead, at the same time, was looking to build a new facility.

"They needed more space, we had decided to build a brand new facility, and we had our property listed," said Maki.

Lakehead's history with the operation goes back to the 1950s, when it helped build the refinery, then known as Lake Superior Refinery. Ownership later changed to Murphy Oil, then Husky.

Husky, on Labor Day, will become the new owner of the current Lakehead site. On the same day, Lakehead moves into its new 28,000 square-foot facility on sixacres.

The new Superior facility will include several amenities such as a barbecue area, bistro-type break room, a TV lounge and comfortable work spaces.

"It's not as big, but it will be more efficient," said Maki.

In 2018, Lakehead Constructors employed more than 1,100 people on various projects, the vast majority of whom are members of 12 different construction unions.



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