Estimating Process

Whether you are working with Avilla Construction Co. in the Design/Build capacity, or you have supplied your own set of plans, the estimating process is critical to a smooth construction project. At Avilla Construction Co. our overriding focus is on providing the best value for the budget.

In any project, the decisions made at the earliest stages of design and planning are the ones that directly affect project cost. Because of this, early on we will try to always keep you informed of all of your options and how each option affects the final project cost. Often we can find less expensive alternatives that stay true to the design and the integrity of the structure. Our team approach to estimating your project starts early on and continues until you receive the final proposal. With our firm bid system, every project is on budget.....every time.

Avilla Construction Co. utilizes custom software developed for estimating and our database of construction cost information has been customized to meet the needs of our industry. The software enables us to prepare estimates during the critical preconstruction process when time is a premium.

Scheduling

The project schedule is a comprehensive analysis of all activities for both the programming and construction phases of a project. The master schedule must inter relate all work, both on-site and off-site. Milestones, once established, can then be updated and monitored as needed. Constant monitoring of critical activities during the process of the work will provide the opportunity to identify and resolve any problems that may affect the schedule. Job progress is monitored via weekly owner's meetings. On the more immediate horizon, our superintendent will maintain 3 week look-ahead schedule measured in days and hours.

Our project schedule factors the following:

- · All architecture
- · All engineering
- Subcontractor selection
- · Entitlement process
- · All hard construction activities in detail
- · Delivery durations for materials and equipment
- · All city inspections
- · Final building punch list and clean-up
- · Owner acceptance

We understand the importance of good value. Our subcontractor base and resources extend far beyond the Reno/Sparks Area where competition and lower price structures are present factors, but quality and service are not compromised.

Our criteria for selecting appropriate subcontractors will include the following factors:

- · Competitive pricing with emphasis on value
- · A thorough and complete scope of work
- A proven ability to undertake and accomplish their specific scope of work
- Possess adequate and competent manpower, management and supervision
- · Financial stability
- · Compliance with insurance and bonding requirements
- · Ability to meet the project schedule
- · A record of safety, and written and approved safety program

Subcontract Selection Process/Competitive Bid Pricing

ACC brings many years of local subcontractor relationships to the projects. Avilla Construction Co. will place the project out for competitive bidding to qualified subcontractors. The project will be broken down into multiple subcontractor bid packages for all components of the entire project. The bid package list shall be provided to the architect for review. The owner and architect may request pricing from any preferred subcontractors for consideration. Once a bid package is awarded, subcontractors would route their submittals and shop drawings through our office for compliance review before being forwarded to the architect for approval. Our review speeds up the appropriate subcontractors cannot be overstated since it is the subcontractors who will produce the work. The capabilities and experience of the subcontractors will play a large role in the final quality and timeliness of the work.

Cost Forecasting and Control

Fiscal control is essential in order to insure that the desired project goals are achieved. We employ customized cost control procedures that allow accurate and timely cost management. Upon completion of a budget and schedule, we will provide to you a detailed breakdown of anticipated monthly billings for this project. The billing forecast will be broken down into divisions and cost codes corresponding to your project budget.

Project Meetings

The following meetings will take place as the project progresses:

<u>Subcontractor Schedule Meetings</u> Held weekly from the time construction commences. Acc project superintendent will run this meeting

<u>Toolbox Safety Meetings</u> Held weekly from the time construction commences. These meetings are conducted by the on-site foreman for each subcontractor. Attendance by all subcontract employees on the job is mandatory. Weekly meeting minutes will be provided to our Project Superintendent. Printed copies of these meeting minutes are maintained at the site office. Our company safety director will visit the site every two weeks to conduct safety inspections and verify compliance to our published safety program.

Owner's Review and Control Meeting Held weekly from the time construction commences. Attendees to this meeting are the Project Manager and Project Superintendent for Avilla Construction Co., and your designated Representative. The project architect and design consultants are encouraged to attend. At this meeting the following information is provided and reviewed:

- Current contract status
- · Architecture and engineering status of submittals and RFI's
- · Procurement status
- · Current budget and cost control
- · Anticipated change orders
- · Current status of the progress schedule
- Review of the three week look-ahead schedule these meetings help to ensure any issues or concerns are addressed in a timely manner.

Project Completion Procedures and Manuals

As a condition of final payment, all subcontractors are required to provide us copies of operations and maintenance manuals for all materials and equipment within your new facility. We will bind all these manuals together, include a table of contents, and present them to your operations/maintenance personnel for their use in managing your facility. Also required are product warranties as well as warranties from all subcontractors that their work will be free of defects for a period of one year. This one year warranty period commences on the date of substantial completion of your project. During this time period any corrective measures which need to be made due to defective products or workmanship will be replaced at no additional charge to you. Certain products carry warranty periods past one year, in which case the extended warranty for those items would apply.