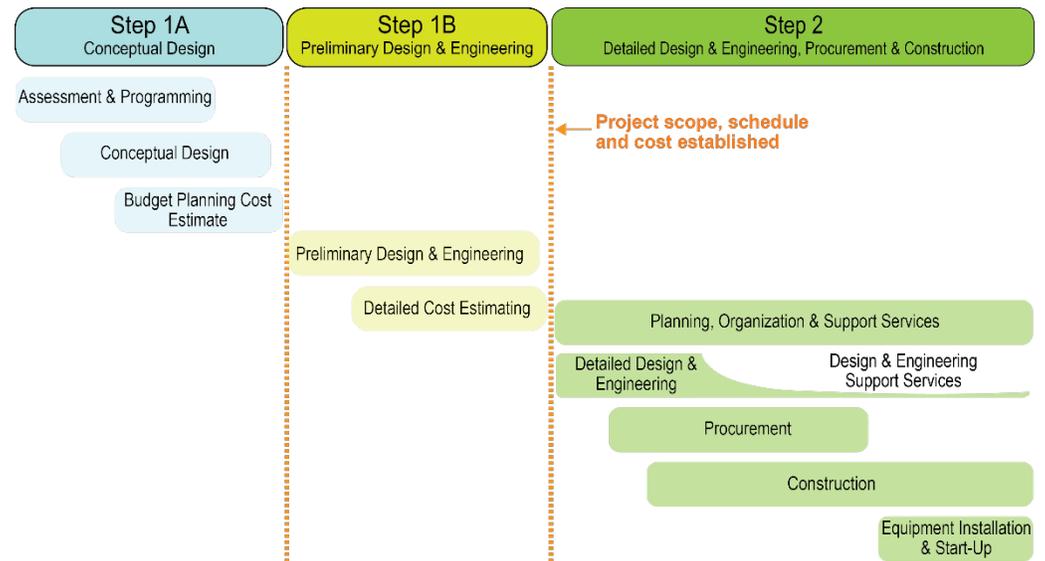


The Austin Company offers multiple approaches in implementing a project. These generally can be classified into either a “design-bid-construct” or “design-build” project approach. In addition, Austin offers *The Austin Method*®, which applies stringent project controls and combines the advantages of “design-bid-construct” and “design-build” approaches into a competitive-bid, cost-effective and accelerated-schedule project implementation.

This document describes how Austin implements projects using *The Austin Method*®.



Step 1 – Preliminary Design and Engineering

Programming and Conceptual Design

Austin works closely with you to review your project needs and assist with establishing the facility’s “Program of Requirements.” This program generally addresses:

- Project Goals and Objectives
- Background Information
- Product and Production Projections
- Future Growth of Space and Personnel
- Workflow and Adjacencies
- Equipment Requirements – Present and Future
- Future Expansion
- Evaluations of Existing Facilities

Following Program confirmation, Austin's professionals develop Conceptual Solutions. The Conceptual Solutions that provide the best alternatives are compared based on factors including cost, advantages and shortcomings, as well as alignment with your long-range facilities plans. This comparison forms the basis for establishing a Master Plan for your operations and facilities.

Preliminary Design and Engineering

Austin develops preliminary design documents consisting of: site plans, floor plans, elevations, equipment general arrangement drawings, and building sections that further define the solution. In addition, Austin defines the building structural, mechanical and electrical systems.

Outline specifications are prepared that describe the project, including the types and quality level of materials; architectural, civil, structural, mechanical, electrical, plumbing and fire protection systems; interior design; and site development.

Using the drawings and outline specifications, Austin develops a detailed cost estimate. Throughout the Preliminary Design and Engineering phase, Austin's fully integrated team of design and construction professionals provide ongoing Value Engineering input. This interaction ensures that the materials and systems chosen are the most cost-effective. It is important to note that the optimum time to exercise Value Engineering or Cost Containment is during the Preliminary Design and Engineering Phase.

Concurrent with the development of the detailed cost estimate, Austin prepares a detailed Project Schedule. This baseline schedule includes defining Milestones and "key activities" during the Engineering, Procurement, Construction and Start-up Phases of the project. Austin ensures that the materials and systems selected are available in the market to meet schedule and that work activities are scheduled in the proper sequence to assure orderly and timely completion of the project.

Austin's designers and constructors regularly interact on issues of constructability, site development, seasonal delivery and installation problems, construction sequencing, overtime premiums, et al. All critical items that may affect the Schedule and Completion Date are identified. Procedures are initiated to closely track these items.

Step 1 Report

Upon completion of the Preliminary Design and Engineering phase, Austin presents the results, complete with a bound report, for review and approval.

Austin's presentation and bound report addresses:

- Site Development and Master Planning
- Services, Utilities and Environmental Resolutions
- Codes and Regulations
- Preliminary Drawings
- Equipment Layouts and Special Requirements
- Outline Specifications
- Project Schedule
- Project Cost

The completed report serves as the decision and control document for all further work on the project as approved and authorized by you.

Austin is then fully prepared to implement and immediately execute Step 2 of *The Austin Method*® as approved and authorized.

Step 2 – Detailed Design and Engineering, Procurement and Construction

Upon approval of the Step 1 Report, Austin integrates all design, procurement and construction activities to assure total control of the project under a single responsibility agreement. The following outlines Austin's approach to the execution of this phase.

Construction Documents

Austin prepares final detailed construction documents and detailed specifications for the following elements of the project:

- Architectural
- Civil
- Structural
- Mechanical/Plumbing
- Process
- Fire Protection
- Electrical
- Interior Design

Procurement Expediting and Subcontracting

As the project requirements dictate, the award of the subcontracts, materials and equipment for the project proceeds simultaneously with the detailed engineering work. Austin's primary objective is to procure the project in the most economical manner and to manage and direct the specialty subcontractors to achieve common goals, including adherence to schedules and quality workmanship. The procurement services that Austin provides include:

- Bidder Prequalification and Bidding – All bidders on the project are prequalified for financial stability, present ability to perform work, technical expertise, past quality of work and/or material and on-time completion of past projects. The prequalified bidders' list is developed by Austin and submitted to you for review. All subcontracts, materials and equipment for the project are bid on a competitive basis.
- Bid Evaluation – As each part of the project is competitively bid, thorough bid review meetings are conducted with the apparent low bidders to assure that the scope and schedule of work is understood by both parties.

Construction

- Supervision – All construction activities are performed under the direction of an experienced Austin Project Construction Manager, who is assigned to the project through the duration of the work. Austin's Construction Manager is supported by unit superintendents, field engineers, project managers, construction managers and a project accountant on an as-required basis. The field staff are responsible for the direction, coordination, scheduling and quality assurance of all subcontractors engaged on the project.
- Quality Assurance/Quality Control – In addition to Austin's construction management team, Austin's architects and engineers make regular field inspections to assure that the construction and workmanship conforms to the construction documents.
- Daily Construction Reports – Daily construction reports are prepared by the field management personnel. These reports summarize the progress, manpower levels and construction activity on a daily basis.
- Start-Up – Austin supervises and coordinates start-up of all electrical, mechanical and equipment systems. Ample time is allowed in the project construction schedule for this often overlooked and underestimated activity.

Project Control Systems

Upon the commencement of the Implementation Phase, Austin prepares control documents and procedures to plan and control the reporting, scheduling and cost control aspects of the project. These documents and activities include:

- Project Construction Schedule – Projects are scheduled using Microsoft Project to generate Critical Path Method (CPM) schedules. The project construction schedule integrates the engineering, purchasing, construction, equipment delivery and start-up activities for the project. This schedule is updated on a monthly basis and more frequently when necessary.
- Construction Control Schedule – A Construction Control Schedule is prepared based on the project construction schedule. This document tracks the progress and status of engineering bid packages, bid package releases, bid due dates, subcontract awards, material and equipment purchases, shop drawings, fabrication, and delivery of materials and equipment for the project.
- Project Status Meetings – Austin's Project Manager schedules and conducts project status meetings through the duration of the project. The objective of these meetings is to ensure clear communication among the Project Team.
 - There are a number of topics reviewed in these meetings, including: detailed engineering, competitive bidding and awards, and construction activities.
 - Austin also meets with your representatives during these meetings to close information gaps, distribute requested information and coordinate Austin's work with your schedules and other requirements.
- Cost Control – Monthly cash flow projections and a recapitulation of the project's financial statement are submitted to you on a monthly basis for review. This cost report provides the Project Team with the necessary information to control the current and projected final costs of the project.
- Monthly Status Reports – Monthly status reports are prepared by Austin and submitted to you. These reports summarize the status of engineering, purchasing, estimating, construction, scheduling, projected cash flow and cost forecasts.
- Quality Assurance/Quality Control – Austin's Quality Assurance (QA) and Quality Control (QC) Program is designed to assure that the Design, Engineering, Equipment, Materials and Labor comply with the intent of the Contract Documents, and that the quality of work meets or exceeds the required standards. Each member of the Project Team, including all Austin personnel, is responsible for implementing the QA/QC Program in the areas of their expertise, consistent with their job description.

Austin has a proven system of controls to assure quality of work. The requirements are reviewed with each subcontractor and supplier prior to the start of work to ensure that all work is performed according to the specified standards of quality.

The QA/QC Program includes the following activities and procedures:

- General Inspection and Testing
- Configuration Control of Construction Documents
- Shipping and Handling of Materials
- In-Plant Inspections
- Calibration of Instruments and Equipment
- In-Progress Inspection and Tests
- Installation Inspection
- Final Inspection and Testing
- Non-Conforming Materials Procedures
- Corrective Action
- Documentation and Record Keeping
- Final Client Acceptance and Approval

Summary

Austin has a long list of satisfied clients that have benefited from **The Austin Method®** and its application of project controls, from preliminary design through detailed design, competitive procurement, accounting, construction and start-up.

Austin is an industry leader in delivering successfully completed projects in the shortest possible time, while maintaining quality and cost controls at the expected levels.

Austin is committed to **Results, not Excuses®!**