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Bill Heine, President

CONSTRUCTION MANAGER AT RISK TEXAS SCHOOLS K - 12

Recognizing a need to speed up the completion of public schools and reduce budget overruns, the Texas Legislature has over the past several years authorized many alternative processes for school districts to use in contracting for school construction. The variety of contracting methods includes "design/build" and "construction manager-at-risk (CM at Risk)." Although these methods are new to the school districts, they have been used by private industry for years. The new laws permit school districts greater flexibility in how they build their schools, and also ensures that the public receives the maximum value for their tax dollars. Today many of the school districts in central Texas are using CM at Risk as their preferred method.

The process starts with a request for proposals. The CM at Risk is then normally selected based on its qualifications. The owner and the CM at Risk agree to a fee and the cost to manage and direct the work (general conditions). The CM at Risk then works with the architect to develop drawings which will minimize the final construction cost. After the drawings are completed, all of the work is competitively bid to subcontractors, with the bids opened in the owner's presence. The work is normally awarded to the subcontractor with the lowest bid. Unlike the "construction manager agent", the CM at Risk is the company that builds the project, holds the subcontracts and is responsible for guaranteeing the work, its cost and completion date.

Construction Manager at Risk allows the Owner to enjoy comfort factors whereby their frustration and anxiety, if not eliminated, will be greatly reduced. The CM at Risk process also allows the owner to select the most qualified company to deliver their school when it is needed and at the best price. By prescribing that the CM at Risk competitively bid to subcontractors all of the work except the general conditions and fee, the owner is assured that they are getting the lowest possible price. In selecting a construction manager that is skilled, experienced, and works well with architects and engineers, the owner gains a valuable team member whose efforts and expertise can reduce construction cost and speed up construction.

LEANDER INDEPENDENT SCHOOL DISTRICT



Construction of L.I.S.D.'s \$17 million Running Brushy Middle School and the Transportation & Support Services Center was completed this summer. The

middle school, a CM at Risk project, was started in April of 1999. The \$5.5 million Transportation & Support Services Center, a bid project built to service L.I.S.D.'s fleet of 140 buses and 15 schools, was started in January 2000. American Constructors' on-site team for these two projects included Gabe Navejas, Linda Sellers, and En-in Arredondo. Also completed this summer were two 2-story classroom wings at L.I.S.D.'s Cedar Park High School. Additional ongoing work at CPHS includes additions to the existing fine arts area and a new 900-seat Performing Arts Facility. Project Manager, Dan Horan, is being assisted by Robert Nuckolls, Gary Hall, and Justin Huling. At Brushy Creek Road, construction is under way on L.I.S.D.'s 10th elementary school. The new elementary school will be identical to elementary schools 8 and 9, completed by American in 1998 and 1999.



RUNNING BRUSHY MIDDLE SCHOOL

SUMMER INTERNSHIP



INTERN/MENTOR CLASS 2000

American's Texas Summer 2000 Intern Program was the largest to date. Five students from Texas Tech, University of Texas, Southwest Texas State, and Purdue participated in the 8-10 week program. Each intern was assigned a mentor and went to work on one of 13 Austin area projects. Training included laying out buildings,

reviewing shop drawings and working as part of our construction crews. One intern said "Throughout this internship I learned one extremely valuable thing - the plans may be printed in black and white, but when it comes time to build, then there are many shades of gray that come into the picture."

The summer concluded with a celebration at Canyon Cafe where the interns and mentors were recognized for their summer accomplishments. As one intern said, "my mentor has been very helpful to me this summer in preparing me for both the construction industry and life itself."

The company plans to continue its intern program next summer and looks forward to seeing those of the 2000 class participating in the summer 2001 program.

"...WHATEVER IT TAKES"

Taking a cue from the Round Rock ISD motto, American is doing "Whatever It Takes" to construct four major projects for the RRISDCommunity in anticipation of the 2001 -2002 school year. Over 400,000 sf of state-of-the-art facilities are being fast-tracked by American and their lead teams of subcontractors and suppliers. These projects include elementary schools #25 and #26, middle school #8, and a 2-story classroom wing addition to Stony Point High School. While each project has its unique challenges, Team Partnering and total commitment to provide quality, safety and on-time completion will ensure success.

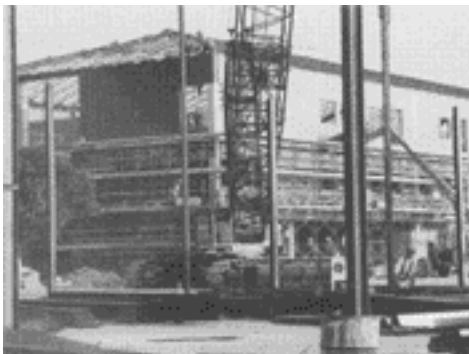
EARLY COMPLETION

Lake Travis I.S.D.'s newest middle school, Hudson Bend, was completed this June, one month ahead of schedule! The 120,000 sf facility is Lake Travis' second middle school and is designed to accommodate 800 fifth grade to seventh grade students. Designed by Fields & Associates, the school includes 50 classrooms, computer and science labs, an administration area, two gyms, a cafeteria, kitchen and associated locker rooms. Craig Eilers, American's on-site project manager, attributes the project's success to a focused team effort all with the common goal of building a great school ready for use this summer. Over 20,000 man-days of work by 55 subcontracting companies went into creating Lake Travis' newest school.



HUDSON BEND MIDDLE SCHOOL

9TH GRADE CENTER



WESTLAKE 9TH GRADE CENTER

Construction of Eanes Westlake 9th Grade Center was underway in November of 1999. Squeezing the center onto nine acres in the middle of the existing high school campus, presents many unique issues such as student safety, traffic control, parking, and material staging. These challenges have been overcome through close communications and extensive planning among EISD staff, subcontractors, design team and ACI. The 140,000 sf, \$18 million facility, consists of a 3-story classroom building, full kitchen and cafeteria, competition gym, and performing arts area with a black box theatre. The project will be completed for the 2001 school year.

CALIFORNIA

Construction is well underway in downtown Los Angeles and in Santa Rosa, California.

Hope Village Apartments, the first of two multi-unit residential projects, is located two blocks from the Staples Center, the site of the recent Democratic National Convention. This affordable family housing project, being built for 1010 Hope Development, is an Italian Country Architecture style apartment building with 66 units over two levels of parking. Art Topete is on site directing construction activities.



HOPE VILLAGE APARTMENTS

North of San Francisco, in Santa Rosa, a 189- unit senior housing project called Vista Sonoma is being built for Hamilton Larkin. Supervising construction is Robert Martineau.

Construction has just begun on a 300-student residence hall at Chapman University. This project is almost identical to a residence hall that the company built for Chapman University nearly 10 years ago. Directing fee project is Superintendent Jack Simensen.

All three projects are managed by American Constructors California office located in Huntington Beach, California.