



SCG *West*
Program, Project &
Construction Management

SCG*West* | Overview

Table of Contents

- I. **SCG***West* | Overview
- II. Scope of Services

I. SCG*West*

- + Service Overview
 - + Service Differentiators
 - + FAQ
-

Helping Our Clients Build Their Dreams

Service Overview | Program, Project & Construction Management

From tenant improvements to a ground up build-to-suit, the construction of your facility represents a significant investment in your company's future. Without the proper oversight, your business risks the pitfalls of costly delays, budget overruns, time consuming change orders, and a final product that falls short of your expectations.

SCGWest was created to become your partner and ensure the process proceeds with your best interests in mind, on time and on budget. Our team has decades of experience managing the design, permit and construction of all types of projects. We put our experience to work for our clients to help structure an overall master plan and execute that plan from start to finish.

Our Process

Managing a project through the planning, design and construction process is the ultimate juggling act. **SCGWest** has the expert knowledge and experience required to manage dozens of consultants, contractors and vendors – ranging from architects and engineers to general contractors and specialty vendors – under the tightest of time constraints and budgets.

Our intimate knowledge of the design and construction process allows us to effectively evaluate budgets, schedules and change orders to capitalize on large potential cost savings. In addition, we are able to use our decades of experience to identify potential pit falls, suggest alternate methods or materials, and use our collective bargaining power to save our clients' money.

Having managed hundreds of projects, including core, shell and tenant improvement projects, there is no project too complex for our team to handle. **SCGWest** has first-hand experience managing a wide variety of business use project types, including biotech labs, schools, law firms, assisted living facilities, parking structures, manufacturing facilities, restaurants, museums, mixed-use, affordable housing multi-family condos, high-rise residential buildings, gymnasiums, pools, and high-end tenant improvements.

In addition to managing hundreds of projects, **SCGWest** provides a variety of services to assist clients through the transaction phase of a project, including in-depth evaluations of potential site locations. **SCGWest** is involved in establishing and negotiating LOI's, as well as final lease terms and conditions relate to the tenant improvement allowance and the schedules and processes for both the design and construction of the final improvements. The **SCGWest** team then manages the execution of the tenant improvement phase by selecting appropriate team members for each project to keep the project under budget and on schedule, eliminating risk by meeting move-in deadlines and budget specifications for our clients.

Why Work with **SCGWest**?

We Are Your Exclusive Representative.

While there are numerous alternatives for the oversight of your project, **SCGWest** participates with only your best interests in mind. Alternative providers such as the landlord, property manager, architect or contractor may face issues along the way that conflict with your best interests.

Get the Most Out of Your Budget.

Whether the source of funds for the construction and improvements is a landlord, a lender, or your own capital, it is critical that you maximize the value of each dollar. Without **SCGWest** looking out for your best interests, it is almost certain that preventable and costly problems will be incurred throughout the process that will impact your budget, timeline and final product quality/value relationship.

Unmatched Industry Experience.

SCGWest's core team members have been together for years assisting business owners and companies throughout the southwestern region of the United States. Our construction project management team has decades of collective experience, and our senior staff members have been principal participants in over \$1 billion of construction projects.

What Is the Cost?

Compensation can be creatively structured to meet the needs of each client. A percentage of the hard cost of construction or fixed fee per square foot is the industry standard, but compensation can be based on a monthly retainer, or other arrangement.

Regardless of the compensation, **SCGWest** guarantees our services. **From tenant improvements to a ground up build-to-suit**, the construction of your facility represents a significant investment in your company's future. Without proper oversight, your business risks the pitfalls of costly delays, budget overruns, time-consuming change orders, and a final product that falls short of your expectations.

Why Choose SCGWest?

Service Differentiators

From tenant improvements to a ground up build-to-suit, the construction of your facility represents a significant investment in your company's future. Without the proper oversight, your business risks the pitfalls of costly delays, budget overruns, time consuming change orders, and a final product that falls short of your expectations.

SCGWest was created to act as your partner and ensure the process proceeds with your best interests in mind, on time and on budget. Our team has decades of experience managing the design, permitting and construction of all types of projects. We put our experience to work for our clients to structure an overall master plan and execute that plan from start to finish.

Your Exclusive Representative

While there are numerous alternatives for the oversight of your project, SCGWest participates with only your best interest in mind. Alternative providers such as the landlord, architect or contractor may encounter issues throughout the process that conflict with your best interests.

Pre-Lease/Purchase Assistance

As a support service for our brokerage clientele, SCGWest provides in-depth evaluations of potential site

locations, and establishes and negotiates LOI's and final lease terms and conditions as they relate to the tenant improvement allowance, schedules, and processes for design and construction of the final improvements.

Budget

It goes without saying that the construction of your new facility involves a significant investment. Whether the source of funds is the landlord, lender, or your own resources, it is critical that you maximize the value of each dollar. While it may not be possible to avoid all issues, SCGWest looks out for your best interests every step of the way to ensure that preventable and costly problems do not arise, which could impact your budget and final product.

Knowledge

Our intimate knowledge of the design and construction process allows us to effectively evaluate budgets, schedules and change orders for potential cost saving strategies. In addition, we are able to use our vast experience to identify potential pitfalls, suggest alternate methods or materials, and leverage our industry relationships and collective bargaining ability to save our clients' money.

Time is Money

Managing a project is the ultimate juggling act. The design and construction process involves the

oversight of up to twenty different consultants, contractors and vendors – ranging from architects and engineers to general contractors and specialty vendors – under the tightest of time constraints. We help to select appropriate team members for each project and closely manage the project to keep it on schedule, eliminating the risks typically associated with this process by meeting move-in deadlines and budget specifications for our clients.

Depth and Diversity of Experience

Having managed hundreds of projects, including core/shell and tenant improvement projects, there is no job too complex for our team to handle. SCGWest has firsthand experience managing nearly every type of use possible, including labs, schools, parking structures, manufacturing facilities, restaurants, museums, mixed-use, affordable housing, multi-family condos, high-rise residential buildings and high-end tenant improvements.

Unmatched Industry Experience

SCGWest has been assisting business owners and companies for over 20 years. Additionally, our construction project management team has extensive experience, and our senior staff members have been principal participants in more than \$1 Billion of construction projects.

Frequently Asked Questions

SCGWest | Program, Project & Construction Management

What services do you provide?

SCGWest provides project management services for all phases of a construction project, including entitlements, lease negotiations and work letter review, site/building due diligence, scheduling, budgeting, design, construction and occupancy.

When should I hire a construction manager?

The earlier that we are brought into the process, the more value we can bring to the table. Regardless of how far along a project is, we can always deliver valuable advice and leadership. With a high quality project management team on board, potential problems can be identified and averted, such as work scope definition, budget allocation, building material selection and work schedule coordination.

What is your fee structure?

Our fees vary from project to project depending on the size and duration of the project and the scope of services to be provided. We find it is best to meet with a prospective client and obtain a clear understanding of the project parameters and

desired services before proposing a fee structure. This allows us to tailor our services to meet the specific needs of each client and provide tremendous added value to our clients within their budget.

Does your firm employ architects, engineers or general contractors?

SCGWest does not employ any architects, engineers or general contractors. We feel our clients' needs are best served by helping select the best consultants and general contractors for each client's specific needs and the unique characteristics of their projects. By approaching each project in this manner, we are able to obtain "best of class" services for our clients at competitive rates.

Will you hold the contracts for the architect, engineers and general contractor?

Yes, SCGWest performs as a "CM at Risk" and will hold the contracts with the architect, engineers and general contractor. We will help to review and negotiate the terms and conditions of each of these contracts for our clients and make final recommendations for their approval. Final contracts will be approved and

by either the client or the owner of the property, depending on the specifics of the transaction or project.

What is a work letter?

The section in a commercial real estate lease that addresses design and construction of initial improvements is typically called the work letter. This section of the lease should address:

- Tenant improvement allowance (TI or TIA), and the methodology and requirements for fund disbursements
- Process and protocol for tenant submittals and landlord approvals
- Process and protocol for change orders, landlord or tenant project delays and/or cost overruns
- Definition of building standard improvements
- Landlord warranties
- Responsible parties for landlord and tenant, and the appointed project/ construction Manager
- Other relevant project details

It is important to have a qualified project manager review this important section of the lease. Failure to clarify each item and clearly understand the intent can cause significant issues once the lease is signed.

II. **Scope of Services**

Program, Project & Construction Scope of Services

Building Selection and Negotiations

- Provide a cursory inspection of the proposed building/buildings to attempt to identify ADA issues, building systems concerns, and general condition of the space and systems.
- Review the LOI and lease work letter to compose comments for incorporation into the lease documents. Comments will be in regard to schedule, TI allowance, definition of core/shell vs. TI costs, TI construction process and other concerns.

Preliminary Budget Preparation and Monitoring

- Prepare a preliminary budget outlining all of the anticipated project costs including design and engineering fees, permit fees, project management fees and construction costs. We will also include budget costs, as established with the Client for furniture, fixtures, appliances, AV, voice/data cabling, security and moving costs.
- Monitor this budget throughout the project process and provide updates to the Client and Senior Management on a regular basis.

Preliminary Schedule Preparation and Monitoring

- Create a master project schedule outlining all of the critical tasks that are key to the success of the project. Evaluate these items to ensure the time frames are brisk, but attainable and that the project team stays on schedule.
- Monitor this schedule throughout the project process and provide updates to the Client and Senior Management on a regular basis.

Architectural Firm Selection

- Prepare the architect/space planner RFP.
- Review and recap architect/space planner responses.
- Schedule and conduct architect/space planner interviews, if desired.
- Make recommendations to the Client regarding the fee proposal and final selection of the architect/space planner.
- Issue letter of intent to architect/space planner and negotiate contract.

Mechanical, Electrical, Plumbing Engineering Firm Selection

- Prepare associated RFP's.
- Review and recap responses.
- Make recommendations to the Client regarding the fee proposal and final selection.
- Issue letter of intent and negotiate contracts.

Programming and Needs Assessment

- With the assistance of the architect, review the overall programming and needs assessment process with the Client and ensure they have a clear understanding of the process.
- With the assistance of the architect, help establish the Clients team members to be involved with this process.
- Manage the selected architectural firm's activities evaluating the Client's existing facilities and future needs.
- Monitor the architect's data collecting process to make sure it is in accordance with the project goals and schedule.

Space Planning, Design Development and Construction Documents

- Prepare and maintain a master design schedule to ensure deadlines are established and that tenant and landlord approvals are received per the work letter and as scheduled.
- Attend, as needed, space planning and programming meetings to monitor work progress. Review the final space plan, assisted by the architect, with the Client to outline the project specifications, answer any questions regarding preliminary pricing and obtain final approval of the space plan.
- Attend, as needed, design development meetings to provide feedback on costs and constructability of items to help ensure they can be constructed in the allotted time frame and within the established budget.
- Review the final construction documents, helping to confirm they are complete and that the documents are suitable for submission to the general contractor and subcontractors for bidding purposes.
- Review the final plans with the Client to outline the project design, answer any questions regarding details and obtain final approval of plans.

General Contractor Selection

- Prepare the general contractor RFP.
- Review and recap general contractor responses.
- Schedule and conduct general contractor interviews.

- Make recommendations to the Client regarding the fee proposal and final selection of the general contractor.
- Issue the letter of intent to the general contractor and negotiate the business terms of their contract.

Project Pricing

- Review design development documents with the general contractor and request preliminary pricing.
- Review pricing of design development documents with the general contractor and make recommendations for cost saving ideas.
- Review the list of proposed subcontractors and bid packet with the general contractor and direct additions or changes.
- Review final pricing from the general contractor, including review of subcontractor bids. Review all scope sheets to assist in establishing and identifying all allowances and contingencies.
- Work in conjunction with the Architect to estimate all development, impact, and permit fees to incorporate into the overall budget for the project.

Coordination of Client Vendor Activities

- Review with the Client and create a master list of required vendors for the project.
- Help establish a strategy to identify the scope of work for each vendor.
- Assist the Client with the review of proposals and help make final recommendations.
- Assist with integrating each vendor's scope of work into the overall project schedule.

Construction Activities

- Conduct weekly construction meetings on site and document with meeting minutes all activities and action items.
- Conduct job walks at a minimum of once per week to check construction activity against the established schedule and check the quality of the work. Additional job walks will be conducted during key phases of construction or more often on more complicated or larger projects. (Note: All liability regarding safety, accuracy or compliance with the construction documents and building codes is the sole responsibility of the general contractor.)

- Create a weekly status report for larger or complicated projects. These reports will include a brief project schedule and budget overview, identification of critical items that may delay the project or effect the budget and progress photos of work in the field.
- Review all architect and general contractor change order requests for legitimacy, accuracy and competitive price and make recommendations for rejection, revision or approval.
- Coordinate and monitor all tenant requested changes.
- Monitor and control the submittal process to help ensure that information is flowing in a timely fashion and that materials are approved, ordered and received in a timely fashion.
- Monitor and control the RFI and Change Order process to help ensure information is received by the general contractor in a timely fashion and that any changes to the project are monitored and appropriate action taken.
- Attend a walk-thru to inspect the final construction work and assist the architect with creation of a punch list.
- Monitor the completion of the punch list and request project close-out information from the general contractor.
- Review all architect and general contractor invoices for accuracy and forward them to the Client for final approval and payment. Track all invoices on a master invoice tracking sheet.
- Conduct final accounting review with the general contractor to resolve all allowances and conduct an audit of construction costs.

Building Close Out and Maintenance

- Ensure proper hard copies and electronic copies or record documents are prepared and presented at the completion of the project.
- Ensure proper maintenance and warranties are submitted at the completion of the project.
- Help secure vendor contracts for maintenance of the HVAC systems and other building systems as needed.