



Construction Plus, Inc.

RAISING THE ROOF

WITH COMMITMENT, PROFESSIONALISM AND INTEGRITY

Fall 2001

established 1988

New Building Enhances Vision for Expanded Services



Construction Plus Inc. has not only joined **Community Tectonics** in a new corporate headquarters, we have joined hands in the quest to raise the bar for how the construction industry builds projects in the future. This new building not only serves as HQ for both firms, the construction itself served as a means to an end, as the firms partnered to develop a new and better process to produce complex facilities for their clients. Multiple new processes and procedures evolved during the design and construction of the project, leading the firms to form a Strategic Alliance offering this innovative new level of service to clients on joint projects in the future.

The Alliance shares the vision of superior client focus and service, pioneering the concept of one source of accountability for client's design and building needs. The Alliance will offer this service as an entity whose name is as timeless to history as the concept is new and different to

the 21st Century, **MasterBuilder Inc.** Master Builder is a term which centuries

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***Jim Coykendall
Vice President,
Community Tectonics***

ago described the single entity responsible for building some of the greatest, time

tested structures in the world. This was the way buildings were built before the age of specialization and liability paranoia fragmented the industry. Consider the pyramids as well as some of the most famous cathedrals of Europe and many of the ancient Greek structures that still stand today.

Jim Coykendall, VP of Community Tectonics summed up his perspective about the alliance, “With this approach, we deal with real drawings and real numbers from the beginning, not “guesstimates”. This tight relationship allows things to happen quickly. The early input helps to control costs.”

Don Shell, CEO of Community Tectonics states, “There are so many advantages in quality, cost savings and scheduling when you single-source the entire building process, from concept to completion.”

Construction Plus Inc...Building Trust, One Project At A Time.

Your Vision... Our Commitment



Claiborne County & Sweetwater Schools Break Ground with MasterBuilder Concept

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North Claiborne County High School, Harrogate, TN



“This alliance serves us well. The Architect and the Construction Manager are on the same page from the beginning. They want to accomplish the same things. The right hand knows what the left hand is doing.”

*Troy Poore, Building Coordinator, School Principal, & Co. Commissioner,
Claiborne County Schools*



South Claiborne County High School, Tazewell, TN



“The tight relationship between Construction Plus & Community Tectonics delivers an aesthetically pleasing, practical building at a good price.”

*Dr. Keith Hickey,
Director of Schools
Sweetwater*



Sweetwater Primary, Sweetwater, TN



Your Vision... Our Commitment



Construction Management (CM) is considered by the experts to be the way most construction will be performed in the future. When practiced within the bounds of the “Pure” definition of CM, as we do at Construction Plus Inc., it will consistently produce the best value for your construction dollar. Unfortunately, the process many other firms call CM is, in fact, their modified version of CM.

History shows that these “modified versions” of CM result in missed deadlines and cost overruns. To understand why these modifications produce negative results, one must understand the impact that method and philosophy have on the process, and consequently the results. In the inverse, Construction Plus’ commitment to the “Pure” definition of CM has enabled us to develop, from concept to practice, a process which has been proven to deliver even the most complex project on time and in budget. The following are some **Red Flags** to help you identify the difference between “pure” CM and a “modified version”.

1 Red flag #1: Self Performed Work A CM should approach your project with the intent to manage the construction, not to perform the work with his own forces. CM personnel should be management and supervisory type individuals. Ask any CM candidate if they intend on doing any self performed work. If they anticipate self performing some of the work, ask them how they intend on avoiding a conflict of interest. There are specific rulings from the Tennessee Attorney General’s office which must be followed. Not only is this the law; the approach used in this regard effects the product as well as the cost.

2 Red flag #2: Sales Tax Savings Some CM’s sell the concept for the owner to buy materials in order to save on sales tax. This is a scheme that is not consistent with “Pure” CM. The concept, while sounding good has many pitfalls. First, to be eligible for the tax savings, the owner must INSTALL the materials with their own forces. To accomplish this the CM will place craftsmen on the client’s payroll; so the personnel doing the work actually are the client’s employees. **BEWARE,** along with the privilege of saving sales tax comes the unwelcome risk of taking responsibility for the quality of the work as well as the expense of the labor burden associated with this labor. After the project is well underway, the client will find out they owe several thousands of dollars in worker’s compensation and liability insurance premiums. These premiums are driven by the wages and tasks performed by the employees. The worker’s comp rate alone for construction trades can be as much as 30% of their wages.

3 Red flag #3: Sales Tax Savings, it gets worse! The second fallacy to the sales tax savings approach: if the work performed does not meet the specifications and is unacceptable, the owner has to absorb the cost to have the work removed and reinstalled. This can actually cost the owner up to 5 times the original cost of the scope of work that was rejected. The scheduling problems that result from this scenario cause delays which cost the owner again in the form of extended reimbursable expenses. The actual costs of this concept will, consistently, far exceed any tax savings realized.

4 Red flag #4: Reimbursable Expenses Most owners who have tried the CM process consider this a four letter word, and rightfully so. We are offering a new approach to this problem, at CPI we will fix the cost for the items that are typically defined as reimbursable field expenses. Supervision, for example, is one of the major expenses most CM’s identify as a reimbursable expense. If we tell you we can build your project in 12 months, we are confident in our ability to accomplish that result, confident enough to guarantee your exposure to the associated field expenses required to achieve it.

We would welcome the opportunity to answer all your questions and to provide you with more information about the exciting new ways **Construction Plus Inc.** is using Construction Management, in the purest definition, to deliver superior results for our clients. Call us at 865-693-2200. We are at your service.

Sanford C. Loy,
President

Your Vision... Our Commitment



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Building Your Vision with **Commitment**, **Professionalism** and **Integrity**

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CPI Finishes Strong with Power Systems



Julie & Bruno Pauletto



"This was my first experience developing a commercial building. Choosing a contractor was by far the most important decision I would make...[fit was] recommended I talk with Sandy Loy of Construction Plus. From the beginning, I was impressed with his integrity and dedication to quality. As the construction progressed, I found that everyone at Construction Plus exemplified this attitude. Throughout the process Sandy Loy and Eddie Hyde made themselves available for any question or concern and handled each one with amazing promptness. No phone tag!

The building was completed on time and within budget as promised. I am thrilled with my new facility. I would heartily recommend them for any construction and I will certainly call on them when it is time to expand."

Mrs. Julie Pauletto
Senior Vice President