
 <p>The cornerstone of confidence™</p>		<p>March 2003</p>
<p>The following is a series of articles addressing construction projects whose delivery dates are slipping.</p>		<p>Article 5 of 6</p>
<p>PinnacleOne Institute Custom, In-house Training and National Seminar Series</p> <p>Program & Project Management</p> <p>Dispute Avoidance & Resolution</p> <p>Real Property Advisory Services</p> <p>Headquartered in Phoenix, PinnacleOne regional operations are located in Irvine, Los Angeles, Sacramento, and Hartford, CT.</p> <p>To view a specific back-issue of this newsletter, please <Click Here></p>	<div data-bbox="407 402 1444 456" style="border: 1px solid black; padding: 5px;"> <p>WHEN WILL MY PROJECT FINISH?</p> </div> <p>The two emotions which generally drive a person to an attorney are fear or anger. Construction is both expensive and risky. The hint of late delivery can evoke either emotional response. These series of articles address some practical remedies to alleviate or mitigate the damage that late deliveries can bring.</p> <hr/> <p style="text-align: center;">TESTING THE PLAN</p> <p style="text-align: center;"><i>"Never take the advice of someone who hasn't had your kind of trouble"</i> - Virgil -</p> <p>"Will it work?" is the question that must be answered at this stage of the process. People outside the project need to be asked to review the recovery plan. Many human endeavors are better accomplished when planned and led by one individual. Critical review of a recovery plan of this nature can best be accomplished by a team effort. Choose knowledgeable individuals who have the freedom to criticize without rebuke; who should examine the plan and then meet to discuss their impressions of the solutions it presents, and the possibilities of success. It is not necessary to make this either an elaborate or drawn out process. It can be accomplished in as little as one day. And it increases the possibilities of success significantly.</p> <p>There are five things to consider in testing the recovery plan. The following outlines some of the more significant challenges:</p> <p>1) DOES IT ADDRESS THE PROBLEM? – You may have identified the problem or you may have identified the symptom in the previous steps. Testing the plan should</p>	 <p>Peter J. Scavello, P.E., Senior Project Manager with PinnacleOne, is an expert in construction. He is often called upon by public and private owners to determine the project status and recommend solutions to delivery. Scavello has testified as an expert on such matters in numerous venues including the US Federal Court of Claims and has advised both public and private owners on solutions to these problems.</p>

examine both possibilities. For example, if the recovery plan indicates that more drywall personnel will speed things up and solve the problem, does the plan consider what predecessor activities need be completed before the drywall contractor can begin? Or, how the follow-on drywall work will be more carefully integrated into smaller areas to allow the installation of studs almost simultaneously with the drywall work? Questioning of the efficacy of the recommendations in the recovery plan by knowledgeable individuals will enhance the possibility of success.

2) DOES IT OVER-REACH? - Many times the drive to "Fix It" overwhelms the practical aspects of common sense. Durations can be compressed to physical limits – the time it takes for the concrete to reach sufficient strength to build upon it or the time for plaster or paint to dry before starting the next step in the process. The record for building a single family home is now well under 48 hours. Accomplished to set a record, this duration can probably be reduced, if one is willing to expend sufficient resources in capital labor and material. As projects grow more and more complex, and details multiply, the number of tasks which need close supervision can become overwhelming. Focusing upon the practicable is important to determine that the recovery is doable.

3) IS IT WORTH THE COST? I have examined many projects where there was a financial incentive to complete by a specified time. When the project falls behind, focus on obtaining the bonus outweighs common sense. The "Damn the Torpedoes" attitude authorizes every resource to make the date. Overtime for everyone flows beyond human endurance and the productivity/cost ratio approaches zero. Indeed, it may actually take longer if the plan to complete is ill-conceived or not practicable or too expensive to properly fund. The final result of the implementation of an improper recovery plan may be a result no one desires. It may be that that the cost to complete on time greatly exceeds the bonus, or that the liquidated damages are substantially less than the cost to accelerate and finish in a timely manner. Evaluating the cost before proceeding is an essential ingredient in testing the plan.

4) IS IT BEYOND THE CURRENT MANAGEMENT? – When the project is on track and the construction process is occurring at a normal rate, it is relatively easy to manage. The individual who is running a train heading straight down the tracks may not be up to the challenge a difficult recovery plan may present. Evaluating the capabilities and leadership of the on site management is important before committing to an expensive, complex recovery. It may be necessary to bring in a specialist, who has demonstrated

prior successes with this type of construction to drive the recovery effort. Caution – transitioning to a new boss can be tricky!

IS IT DOABLE? – Within practical limits determined by the laws of nature I personally feel every human endeavor is possible. Kennedy set the goal of landing a man on the moon in less than 10 years, and it was accomplished. Virtually unlimited intelligence, management, talent, and resources were poured into the project, and it happened. Carefully consider your resources, both in terms of management talent and capital when you decide to undertake a recovery plan. It can be more courageous to say, "No we can't" than to bet the farm on a disaster.

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