

Community Development Block Grant
Participating Parties Agreement

This Participating Parties Agreement (hereinafter referred to as "Agreement"), is made this 11th day of June, 2001, by and between **BOARD OF COUNTY COMMISSIONERS OF NASSAU COUNTY, FLORIDA**, a political subdivision of the State of Florida, (hereinafter referred to as "County"), and **COMPASS GROUP, INC.**, a Florida corporation, (hereinafter referred to as "Compass").

WITNESSETH

WHEREAS, the County is applying for Small Cities Community Development Block Grant ("CDBG") funds from the State of Florida Department of Community Affairs ("DCA"); and

WHEREAS, Compass will develop Gateway to Amelia complex within the corporate limits of Nassau County; and

WHEREAS, upon completion of this complex, it will create 60 new employment positions of which 33 will be low and moderate income jobs; and

WHEREAS, the County is desirous of promoting such employment for low to moderate income persons and recognizes that construction of this complex is desirable to the County; and

WHEREAS, there are no water or sewer facilities available to the proposed site; and

WHEREAS, the County is committed to providing water and sewer funding through CDBG funds; and

WHEREAS, the proposed infrastructure improvements include approximately 6,000 LF of water main, approximately 2,500 LF of sewer; and

WHEREAS, there are certain street improvements and associated drainage in conjunction with the development of Gateway to Amelia; and

WHEREAS, the County is committed to providing street improvements for the development of Gateway to Amelia; and

WHEREAS, the proposed infrastructure improvements will include 2,290 LF of street improvements and the associated drainage; and

WHEREAS, it is critical to the construction of the complex that the proposed infrastructure improvements be installed;

WHEREAS, the County intends to use CDBG funds to provide construction of the above-referenced infrastructure improvements; and

WHEREAS, DCA has imposed certain conditions and circumstances which are set forth herein for the receipt and use of CDBG funds; and

WHEREAS, it is necessary that there be certain agreements and understandings between the County and Compass with respect to Compass' duties and responsibilities; and

NOW THEREFORE, in consideration of the mutual promises, covenants, and representations given between the parties, one to the other, and other good and valuable consideration as herein provided, the parties and each of them agree as follows:

Obligations of the County

The County shall construct the infrastructure improvements described herein, including offsite roadway improvements, caused by said development, and associated drainage, approximately 6,000 LF of water main, approximately 2,500 LF of sewer using CDBG funds, and thereby provide central water and sewer services to the Compass site.

Obligations of Compass

- (1) Compass shall develop the Gateway to Amelia to provide facilities for two restaurants and a hotel to create and satisfactorily document the creation of at least 60 full-time equivalent permanent net new jobs, of which 33 full-time equivalent permanent net new jobs are to be made available to members of low or moderate income families as specified in the Application. If more than 60 full-time equivalent permanent net new jobs are created and/or retained, fifty-one percent (51%) of all permanent net new jobs on an aggregate basis shall be made available to members of low and moderate income families. These jobs shall be created and or retained no later than the termination date of this Agreement, as it may be amended. Documentation shall be the Florida Small Cities CDBG Program Household Income Survey Form for each job created and/or retained. The requirement for documentation of the creation and or retention of these jobs shall survive the term of this Agreement.
- (2) Failure of Compass to construct facilities to create or cause to be created and/or retained or to satisfactorily document the creation and/or retention of the agreed upon number of jobs to be made available to members of low or moderate income families, or to expend or satisfactorily document the expenditure of the full amount of equity dollars agreed upon in the Application, shall be an act of default under the Compass Participating Party Agreement.
- (3) Except as may be otherwise required or limited by law, Compass shall provide or cause to be provided such training to members of families of low and moderate income as may equip them with the skills required for them to obtain and retain the jobs to be created and/or retained.
- (4) Compass shall expend, prior to or during the term of this Agreement, a minimum of

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\$1,500,000 (One Million Five Hundred Thousand Dollars), on building construction, capital equipment, and fixtures for private leverage, and furnish documentation of its expenditures as claimed for leverage points in the Application, the Program Budget and Scope of Work, and the Work Plans. The County shall require that each Participating Party certify to the total project costs expended during the term of the grant as reflected on Form CDBG-E-3 of the Application. This documentation shall be provided to the County in a Participating Party Agreement form and content satisfactory to the Department that allows accurate ready comparison between expenditures and related activities as defined on Form CDBG-E-3. This documentation shall be provided to the County as expenditures occur.

(5) Compass shall construct or cause to be constructed one or more buildings which shall accommodate at a minimum the complex described in the Application (two restaurants/one hotel). The buildings, equipment, furniture, and fixtures shall remain titled in the name of Compass or its affiliate under common control until such time as all requirements in paragraph 4 of this Agreement have been satisfied.

(6) If requested by the County, Compass shall provide to the County or its agents such reasonable information concerning the project as the County may reasonably require.

(7) Compass shall begin construction and furnish to the County evidence of Compass commencement of construction on the complex within a time frame to be negotiated between Compass and the County;

(8) Compass shall connect to CDBG funded water lines and sewer lines within thirty (30) days of the acceptance of the water lines and sewer lines for the purpose of ownership and maintenance by the appropriate utility.

(9) Compass shall permit the State of Florida Department of Community Affairs (or its agents) to furnish or cause to be furnished to the County the total number of persons employed by the complex on the date of the execution of the Participating Party Agreement by name, job title, date hired, race ethnicity, gender and handicapped status. However, nothing herein shall be construed as requiring Compass to violate any laws or lawful hiring practices.

(10) Compass shall, at its own expense, maintain builder's risk and fire and casualty insurance with respect to the material used and to be used on the complex, and, upon completion, with respect to the buildings and contents in the greater of its full replacement cost or \$1,500,000.

INDEMNIFICATION

Compass agrees to hold harmless the County for any damages or project delays, unless unreasonably caused by arbitrariness or capriciousness, for interruptions incurred by Compass which are related to the construction of the infrastructure described herein and the provision of water and sewer services and hereby waives all claims against the County relating to such damages, interruptions or delays, except as may be caused by arbitrariness or capriciousness.

TERM OF AGREEMENT

The term of this agreement shall be from the effective date hereof and shall continue until all performance and obligations have been completed and fully complied with as required hereunder.

EXTENSION OF AWARD AGREEMENT

Any extension of the Award Agreement pursuant to Fla. Admin. Code Rule 9B-43.014 shall act as an extension of the Compass Participating Party Agreement. Failure of the County to notify Compass of such an extension shall not invalidate this provision.

EFFECTIVE LAW

This agreement shall be construed under the laws of the State of Florida, and performance is agreed to be in Nassau County, Florida.

SEVERABILITY

The provisions of this agreement are severable. If any part of this agreement is declared invalid or unconstitutional, such declaration shall not affect the party which remains.

NOTICES

All notices to be given hereunder shall be given by certified mail, return receipt requested, addressed to the respective parties at the following address, or to such other address or addresses as may from time to time be designated in a notice given for that purpose:

COMPASS GROUP, INC.:	1890 S. 14 th St. Building 100, Suite #102 Amelia Island, FL 32034
COUNTY:	Ted Selby Nassau County P.O. Box 456 Fernandina Beach, FL 32035-0456

BINDING EFFECT

This agreement shall bind the heirs, successors and assigns of the parties hereto.

NO WAIVER

The waiver of any breach of the provision of this agreement by Compass or the County shall not constitute waiver or waiver of any subsequent breach by Compass or the County either of the same or of another provision of this agreement.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first above written.

WITNESSES:

Joyce T. Bradley
Print Name: Joyce T. Bradley
Joni J. Branan
Print Name: Joni J. Branan

COMPASS GROUP, INC.
By: Ron V. Flick
Print Name and Title: Ron V. Flick, PRESIDENT

State of Florida
County of Nassau

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, personally appeared Ron Flick, who is personally known to me, who is the PRESIDENT of Compass Group, Inc., a Florida Corporation, who acknowledged that he executed the same freely and voluntarily under authority duly vested in him by said corporation and that the seal affixed thereto is the true corporate seal of said corporation.

My Commission Expires:

Connie H. Arthur
Notary Public Signature



CONNIE H. ARTHUR
Notary Public, State of Florida
Comm. expires Dec. 19, 2003
Comm. No. CC 896505

COUNTY OF NASSAU

BOARD OF COUNTY COMMISSIONERS
NASSAU COUNTY, FLORIDA

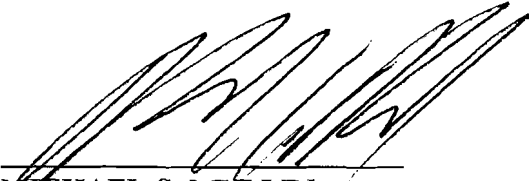
Marianne Marshall
MARIANNE MARSHALL
Its: Chairman

ATTEST:



J. M. "CHIP" OXLEY, JR.
Its: Ex-Officio Clerk


Approved as to form by the
Nassau County Attorney



MICHAEL S. MULLIN

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, personally appeared Marianne Marshall, who is personally known to me and, who is Chairman of the Board of County Commissioners, of Nassau County, a municipal corporation in the State of Florida, who separately acknowledged that he executed the same freely and voluntarily under authority duly vested in them and that the seal affixed thereto is the true seal of Nassau County.

My Commission Expires: 12/19/23



Notary Public Signature

CONNIE H. ARTHUR
Notary Public, State of Florida
My comm. expires Dec. 19, 2003
Comm. No. CC 896505

Amelia Realty, Inc.

June 14, 2001

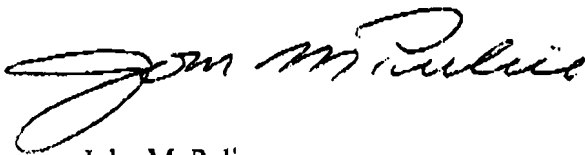
Compass Group, Inc.
Ron Flick
1890 South 14th Street
Fernandina Beach, FL 32034

Dear Mr. Ron Flick,

In reviewing the market analysis that was submitted in Nassau County's Economic Development grant for the Gateway to Amelia project, I agree with all studies and job creation reflections that were based on square footage of buildings to be constructed, the location, the proposed use, and the market demand. Based on building construction, location, and market demand it is not unrealistic to say that the buildings will be leased or sold as soon as construction is complete if not before. Therefore, the sixty jobs to be created should most definitely be created within one year of construction completion.

If you have any questions or need any additional information, please do not hesitate to contact us.

Sincerely,



John M. Pulice
Broker - Manager



4.0 Market Analysis Summary

Compass Group, Inc. marketing strategy will seek to identify a client moving into the region through support in the local Economic Development Committees. For example, interviews with real estate firms disclose the inquiries made by new and current business looking for commercial and industrial space. Many time the requirements are in demand of available space where there is little or none ready for occupation. Our developmental focus is to match our objectives for developments to the demand of commercial office, retail shops and hotel demands. As the Amelia Island, St Johns County and the Southeast Georgia coastal areas become more and more popular for the tourist industry, the demands for commercial developments is on an ever increasing growth pattern in the approach corridors and the tourists areas themselves.

We have joined professional organizations to include the Association of General Contractors, The Design/Build Institute of America, and The Jack Miller Network, just to mention a few. The latter of the two are networking organizations and are selective in their acceptance of membership. The Design/Build Institute of America is the nation's leader with growing the paradigm of Design/Build throughout both the private and public markets. The methods and practices indorsed by these organizations are truly a first class marketing tool. We have recognized the trends as indicated in journals and reports showing the statistical data indicating the Public sector, like that of the Private sector, is constantly seeking methods of outsourcing its requirements to a single source, therefore reducing oversite responsibility. This is an opportunity which will separate us from our competition.

Many projects are brought to a halt during the developmental stage as a result of an owner attempting to coordinate all aspects of a development and unless he or she is seasoned at this task, they typically bust budgets or are in long term postponements due to some phase of permitting/financing.

4.1 Market Segmentation

Industrial: We have had several successful venture with the industrial communities throughout the region. When new business are attempting a move it can become very costly to the executives of the corporation and we intend to eliminate that demand. By providing a complete turn-key service, we go to the customer and act as a staff reporting directly to them decision making information with accountable results.

Commercial/Retail: We have selected to maintain a relationship with our land owners and the real estate firm who control the commercial properties throughout the region. The economic development community throughout the region is also the hub of information flow for the constant demand for commercial centers and their investors. We stay in contact with them through the mailings and frequent visits throughout the year.

Hotel: We have already established a success pattern in the hotel market and network with the key franchise (i.e., Hampton, Marriott, Holiday Inn, and others). We have relationships with key personnel in the Hotel owners associations and our services are constantly expanding. The sign on a hotel project and timely delivery are the number one marketing tools in demand from the owners.

Condominiums: While this is a challenging market, we have determined that the our selecting the client is one of the most critical elements of success of the market. We have many more opportunities in this field but decline many due to the fact that there are many long term responsibilities involved in the market. We have competed with the largest condominium builders in Florida and won. We have staff who have been leaders in the field and we will continue to move opportunities in this market. It is our intent to only work with the owner and directly with the buyers of units to avoid contest, therefore resulting with more happy clients in the marketplace.

Renovations: We have not directed a special effort to this market but have been referred based on passed clients. This market requires close supervision and demands more interaction with the client on a daily basis. Therefore, we do not actively chase this market but offer this as a capability as required.

4.2 Target Market Segment Strategy

Compass Group, Inc. has determined that our market for the first few years will be in the 150 mile radius of our office. This has been determined as a condition to ensure that we are responsive on a short time line to be on site to resolve problems with whatever resources are required to meet the expectation of our clients and to minimize problems. The region is a rapidly growing area and has be forecast to continue in the region for the next 5-8 years. Their is a Superbowl coming to Jacksonville, Florida in the year of 2005 and we intend to be a player in the hotel market which will continue to thrive to meet the regional goals for the event.

4.3 Service Business Analysis

In the Jacksonville region, there are approximately 15 contractors who operate in the same market but only three or four of those have the same level or types of services that we offer. There are many firms who come from outside of the Jacksonville region as a result.

Compass Group, Inc. will continue to establish itself as a full service organization who has the capability of doing more for less and with less risks to our clients. Our services have proven performance over the past two years and will continue to improve in order that our market is our best salesman.

4.3.1 Business Participants

Our business participants are both multi-echloned and quite lenthly. For example, in the Developmental Phase of a project we have as many as 15 - 20 points of contact in different engineering, design, municipalities, and governing agencies. In the Design phases of the project the field get very streamlined in process with many of the same participants to gain efficiencies in the process. In otherwords, we use only a couple of different design firms who have a successful history of hotel design when creating such a project. In the construction/build phase we have a process which literally access hundreds of potential suppliers and subcontractors. This is what we do very well in the construction market which keeps us on the cutting edge of budget management of projects. In the end of the budgeting process of the build phase we have normally eliminated most of those variables and will manage approximately 50-75 agents to complete a commercial project such as a hotel. It is less demanding for other types of commercial projects such as a factory or a retail center.

4.3.2 Distributing a Service

Not applicable.

4.3.3 Competition and Buying Patterns

The nature of the market shows that owners are interested in a balance of time, cost and quality. That is exactly what we do best. To maintain a sense of the same priorities as our client, we must operate in an open book fashion, to ensure a sense of trust in our commitment to their priorities and likewise not assume risks unnecessarily with time, cost or quality. We make the assumption that trust is the number one quality that will continue to seperate us from our competition. We must continue to maintain an edge in doing business in the most cost efficient manner. For those types of projects that we recognize that there are many who can complete the work cheaper than Compass Group, we do not spend our resources to win that type of project. This type of project has only one priority, and that is cost. Over 55% of those projects end up with disputes between the parties. The service provider ends up giving in or destroying a relationship. We want customers to choose us because it is a difficult project to do, they are uncertain about the process/requirements, and we will aide them in problem solving until the project is at a successful end.

COMPASS GROUP, INC.
**PROFESSIONAL ORGANIZATIONS
AND MEMBERSHIPS**

- **Design-Build Institute of America**
- **American Institute of Architects**
- **Northeast Florida Builder's Association**
- **Association of General Contractors**
- **National Association of Home Builders**
- **Amelia Island*Fernandina Beach*Yulee Chamber of
Commerce**
- **St. Augustine & St. Johns County Chamber of
Commerce**
- **Brunswick * Golden Isles Chamber of Commerce**
- **Better Business Bureau * Northeast Florida**

COMPASS GROUP, INC.

PROJECTS: CURRENT/COMPLETED

PROJECT NAME	OWNER	ARCH/ ENG.	CONTRACT AMT.	COMPLETION DATE	TYPE PROJECT	PERCENT COMPLETE
<i>Amelia Island Plantation Cafeteria</i>	<i>Amelia Island Plantation</i>	<i>Cotner Associates, Inc.</i>	<i>\$300,000</i>	<i>September, 2000</i>	<i>Negotiated Cafeteria</i>	<i>95%</i>
<i>Amelia Island Plantation Shops</i>	<i>Amelia Island Plantation</i>	<i>Cotner Associates, Inc.</i>	<i>\$2.5 Million</i>	<i>April, 2001</i>	<i>Negotiated Commercial Retail</i>	<i>Start of October 1, 2000</i>
<i>Banner Impressions</i>	<i>Stratton Moore</i>	<i>Mittauer & Associates</i>	<i>\$825,851</i>	<i>April, 2000</i>	<i>Design-Build Factory/Office</i>	<i>100%</i>
<i>Bryant Design</i>	<i>Calvin Bryant</i>	<i>Dixon & Associates</i>	<i>\$1,005,000</i>	<i>March, 2000</i>	<i>Design-Build, Commercial Office</i>	<i>100%</i>
<i>Corona Del Mar</i>	<i>Salt Run Development</i>	<i>Les Thomas, Architect</i>	<i>\$3.1 Million</i>	<i>September, 2000</i>	<i>Negotiated Condominium</i>	<i>100%</i>
<i>The Estuaries</i>	<i>Bill Pace</i>	<i>Gray and Byram Architects</i>	<i>\$8.2 Million (2.7 Million- Phase I)</i>	<i>February, 2001</i>	<i>Design-Build Condominium</i>	<i>Start November, 2000</i>
<i>Ezflow</i>	<i>Rapac</i>	<i>Dixon & Associates</i>	<i>\$1.1 Million</i>	<i>June, 2000</i>	<i>Negotiated Factory/Office</i>	<i>100%</i>
<i>First Coast Moving and Storage</i>	<i>Steve and Mary Stubbs</i>	<i>Mittauer & Associates</i>	<i>\$350,000</i>	<i>May, 2000</i>	<i>Construction Management</i>	<i>100%</i>
<i>First Presbyterian Church</i>	<i>First Presbyterian Church</i>	<i>Anthony Jarzyna, Architect</i>	<i>\$180,000</i>	<i>November, 2000</i>	<i>Renovation, Church</i>	<i>25%</i>

PROJECT NAME	OWNER	ARCHIT/ENGR.	CONTRACT AMT.	COMPLETION DATE	TYPE PROJECT	PERCENT COMPLETE
<i>Joint Heirs Christian Center</i>	<i>Joint Heirs Church</i>	<i>Mittauer & Associates</i>	<i>\$2 Million</i>	<i>June, 2001</i>	<i>Design-Build Church</i>	<i>Start: Oct. 2000</i>
<i>Lofton Square</i>	<i>Trevell Construction Group</i>	<i>Dixon & Associates</i>	<i>1.0 Million</i>	<i>December, 1999</i>	<i>Design-Build Commercial Retail</i>	<i>100%</i>
<i>Long Point Clubhouse Addition</i>	<i>Amelia Island Plantation</i>	<i>Anthony Jarzyna, Architect</i>	<i>\$60,000</i>	<i>February, 2000</i>	<i>Negotiated Commercial Retail</i>	<i>100%</i>
<i>MLOP II</i>	<i>Case Pomeroy</i>	<i>Compass Group, Inc.</i>	<i>\$54,000</i>	<i>July, 2000</i>	<i>Design-Build Commercial Office</i>	<i>100%</i>
<i>National Computer Services</i>	<i>Richard Hughes</i>	<i>Dixon & Associates</i>	<i>\$650,000</i>	<i>July, 2000</i>	<i>Design-Build Commercial Office</i>	<i>100%</i>
<i>Riverfront Park</i>	<i>City of St. Marys, Georgia</i>	<i>Genests</i>	<i>\$1.0 Million</i>	<i>May, 2001</i>	<i>Negotiated Municipal</i>	<i>15%</i>
<i>S&G Packaging</i>	<i>Springer Controls/Robert Lindberg</i>	<i>Mittauer & Associates</i>	<i>\$210,000</i>	<i>June, 2000</i>	<i>Design-Build Factory/Office</i>	<i>100%</i>
<i>Snap-Rite Manufacturing</i>	<i>Bill Gray, Richard Gray</i>	<i>Mittauer & Associates</i>	<i>\$1.7 Million</i>	<i>February, 2001</i>	<i>Design-Build Factory/Office</i>	<i>Start, Nov, 2000</i>

COMPASS GROUP, INC. REFERENCES

NAME	TYPE OF REFERENCE	POINT OF CONTACT	ADDRESS	PHONE
<i>Cecil W. Powell & Company</i>	<i>Bonding</i>	<i>Robert Theus</i>	<i>219 Newnan St. Jacksonville, FL 32202</i>	<i>904-353-3181</i>
<i>First National Bank of Nassau County</i>	<i>Finance Owner</i>	<i>Mike Sanchez President</i>	<i>1891 S. 14th St. Fernandina Beach, FL 32034</i>	<i>904-321-0400</i>
<i>First Coast Community Bank</i>	<i>Finance</i>	<i>Chip Townsend President</i>	<i>1900 S. 14th Street Fernandina Beach, FL 32034</i>	<i>904-277-4400</i>
<i>SouthTrust Bank Commercial Real Estate Division</i>	<i>Finance</i>	<i>Traci Cole</i>	<i>1301 Riverplace Blvd. Jacksonville, FL 32207</i>	<i>904-798-6394</i>
<i>Small Business Group</i>	<i>Business</i>	<i>Connie Byrd, C.P.A.</i>	<i>1804 University Blvd. Jacksonville, FL 32207</i>	<i>904-731-2221</i>
<i>Salt Run Development The Estuaries, LLC</i>	<i>Owner</i>	<i>William Pace</i>	<i>5455 A1A S. St. Augustine, FL 32084</i>	<i>813-669-1320</i>
<i>Banner Impressions</i>	<i>Owner</i>	<i>Ron Booker</i>	<i>501 Gene Laserre Blvd. Yulee, FL 32097</i>	<i>904-261-2130</i>
<i>National Computer Services</i>	<i>Owner</i>	<i>Charles Hughes</i>	<i>1947 Citrona Drive Fernandina Beach, FL 32034</i>	<i>904-321-0500</i>
<i>Bryant Designs</i>	<i>Owner</i>	<i>Calvin Bryant</i>	<i>8767 Perimeter Park Blvd. Jacksonville, FL 32216</i>	<i>904-223-1921</i>
<i>First Presbyterian Church</i>	<i>Owner/Personal Reference</i>	<i>Rev. Conrad Sharps</i>	<i>19 N. 6th Street Fernandina Beach, FL 32034</i>	<i>904-261-3837</i>

4.3.4 Main Competitors

1. Development:

Strengths: Historically the market depends on major land holding companies in the immediate area to initiate the developmental process. Traditionally the developer is Real Estate firm as a primary function and moves in that forum. We offer a team of the complete spectrum of the development using a team who has responsibility for the total development from cradle to grave. We only operate in the county where we have learned the process from all perspectives of the development. Compass Group, Inc. is an active participant in the Chambers of Commerce and their economic development committees to ensure we have approached the development from within the rank of the area and its people.

Weaknesses: We do not have the deep pockets of the major developer but have made stride in coordinating with investors to have access to major assets for developments as required. We depend on the local Real Estate company as a team member in the development. (Note: this can be a strength of weakness)

2. Design

Strengths: We select the appropriate design professionals to meet the project. This allow us to constantly have the most efficient methods and work with the design officials who are leaders in the field. Our competition who uses in house design officials cannot afford to have experts in every type of project design.

Weaknesses: Not having an on staff design professional causes us to constantly adjust process and education process for communicating the project and the completion thereof. We are constantly trying to streamline our process into a check list format to eliminate the risk of error or poor communication in the design process.

3. Construction.

Strengths: Compass Group, Inc. does not intend to compete with the likes of Haskell Company of Jacksonville or the Stellar Group, Inc. in the areas and size of project where they are the leaders. In contrast, we do enjoy the competition with these companies in the hotel and commercial markets where our services are equal or greater. Our construction experts are as capable as any one on their staff and some have worked for them in the past. Our reputation has resulted in those personnel migrating to our ranks. We enjoy the reputation of a trusting relationship as qualified by our clients.

Weaknesses: Despite we have people with years of experience our name is still recognized as new. Many times that can become a benefit if sales are promoted appropriately.

QUALITY ASSURANCE

SCHEDULE ASSURANCE

Compass Group's approach to project scheduling consists of a comprehensive set of scheduling tools which enables the team to manage and control costing, permitting, and construction activities.

Initially the project scheduling begins with Milestones which are prioritized around the owners needs and decision making requirements for land closing, financing, and start dates (i.e., operational use of the project for its intended function). The Master Project schedule follows and documents the critical path for the project. This is the primary tool, which is used to control, monitor and direct the design, procurement and construction of the project. This schedule is updated monthly.

The next level of scheduling is the use of the 5-week look ahead to view the immediate objectives and activities for planning and decision making. This schedule is used by project management to verify to the site manager and all suppliers of services what the exact delivery of services will be. Likewise, subcontractors and suppliers will be able to verify their ability to comply with expectations and show their resource allocation to complete the assigned objectives. Additionally, this schedule is used to resource make-up time in order to get stay on schedule, etc.

The daily schedule is a derivative of the 5 week planning system and is used daily by site management to verify completion of tasks and quality control work on the project.

QUALITY ASSURANCE

Quality assurance comprises planned and systematic actions necessary to provide confidence that the built project will meet or exceed the client's requirements for performance. Compass Group uses two and three tier level of review and inspections to ensure that we provide quality products at low risk to a client. Compass Group and staff continuously seek better and more efficient methods to provide quality control during the plan review process, bidding and construction of every project. As part of our policy and procedures, QC deficiencies must be documented in daily reports and furnished to the violator if not repaired on the spot. We are continuously seeking subcontractors who can police their deficiencies prior to our involvement.

The Quality Assurance on all projects is accomplished through the following functional steps to the process:

- Technical Document Review
- Submittals
- Pre-construction Planning Sessions
- Critical inspection Schedule
- On site inspections
- Independent Testing Services
- Off-Site inspections as required (Storage or fabrication points)
- Monthly inspection for pay requests
- System testing (Mech. And Electrical, etc.)
- Substantial Completion
- Post Construction
- Warranty Program & Review
- Invoice accountability through Divisions 200-1600
- Exact Savings Accountability (month by month)