

FIXED PRICE / LUMP SUM CONTRACT

Regal Theater – Sonora, CA

The Regal Stadium 10 Theater, formerly Signature Theater, is located at the Crossroads Retail Center on approx. 2 acres of commercially zoned property in Sonora, CA. It was constructed after an extended negotiation with Phil Harris, then Signature's President and CEO. In addition to Mr. Harris' position with Signature, he also owned a significant interest in a general contracting company that was focused on constructing new theaters to support Signature's rapidly expanding presence in markets throughout the west. Due to this unique circumstance, Mr. Harris was confident in his construction company's capabilities as well as the anticipated cost. In order to secure the contract for California Gold Development, the company had to not only sell its own capabilities, but had to be willing to commit to a firm price. California Gold not only accepted these terms, but did so after going head to head against Mr. Harris' firm while still offering the lowest price.



Initially, Signature was concerned in that California Gold had never built a state of the art theater before. The project was delivered both on schedule, and on budget. By the end of the experience, California Gold had provided its client with a comprehensive management report as to how



Signature could improve their designs while lowering the construction costs of future theaters. By listening to their client and not being afraid to ask "why" things were done a certain way, California Gold was able to provide efficiencies to prior methods that were utilized simply because that was how things were done on previous jobs. All told, California Gold saved the project the total cost of its contracting fee and tenant generated change orders combined! California Gold added value to its bottom line through the effective management of the project and its client had their

project expectations exceeded, while maintaining the certainty of the total construction cost through the fixed price contract.