

Standardized (Replicable) Projects: Standardized projects are considered repeatable. These projects are typically managed as a program of similar, repeated, scopes of work (**Figure 1 - Standardized Projects - Process Map**).

- The fundamental expectation for these projects is a high level of confidence on successful project execution, including predictability of cost, schedule, and safe outcomes.
- It is the intention that standard project documents are re-purposed throughout the program, and that a program execution plan is developed for managing the multiple individual projects from a business context.
- It is common for a standardized project to have undertaken a full project work process (small-cap or large-cap) prior to being considered standardized.

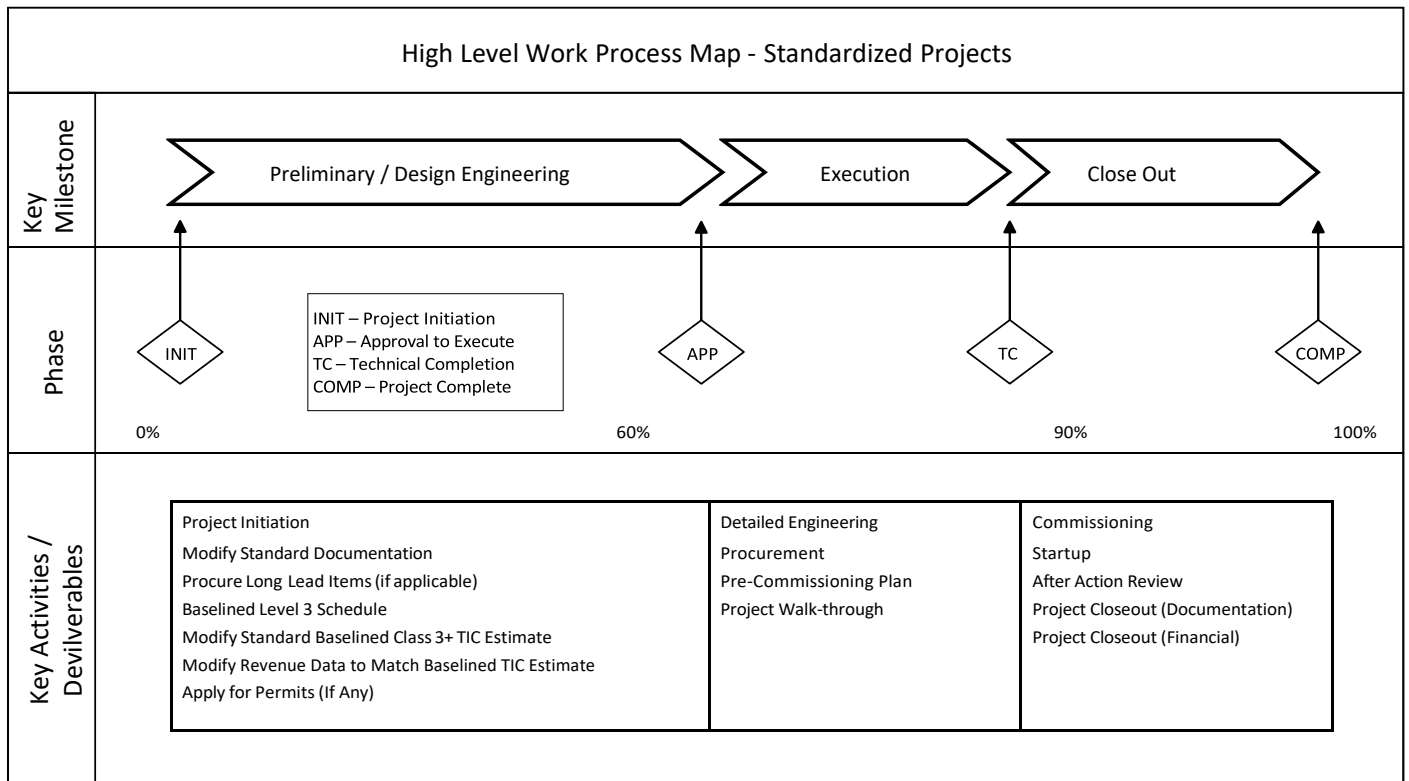


Figure 1 - Standardized Projects - Process Map

Small-Cap Projects: Small-cap projects are projects unique in scope, but not significantly complex (**Figure 2 - Small Cap Projects - Process Map**).

- Project activities can be streamlined to maximize capital efficiency and flexibility.
- Conditions that qualify for this classification include reduced overall technical complexity, strong relationships with external stakeholders, limited external interfaces (operational or project), non-complex drivers (i.e. commercial, regulatory, environmental, or economic).
- Small-cap projects are low to medium (i.e. equal to or less than 5 MM USD) in Total Installed Cost (TIC).

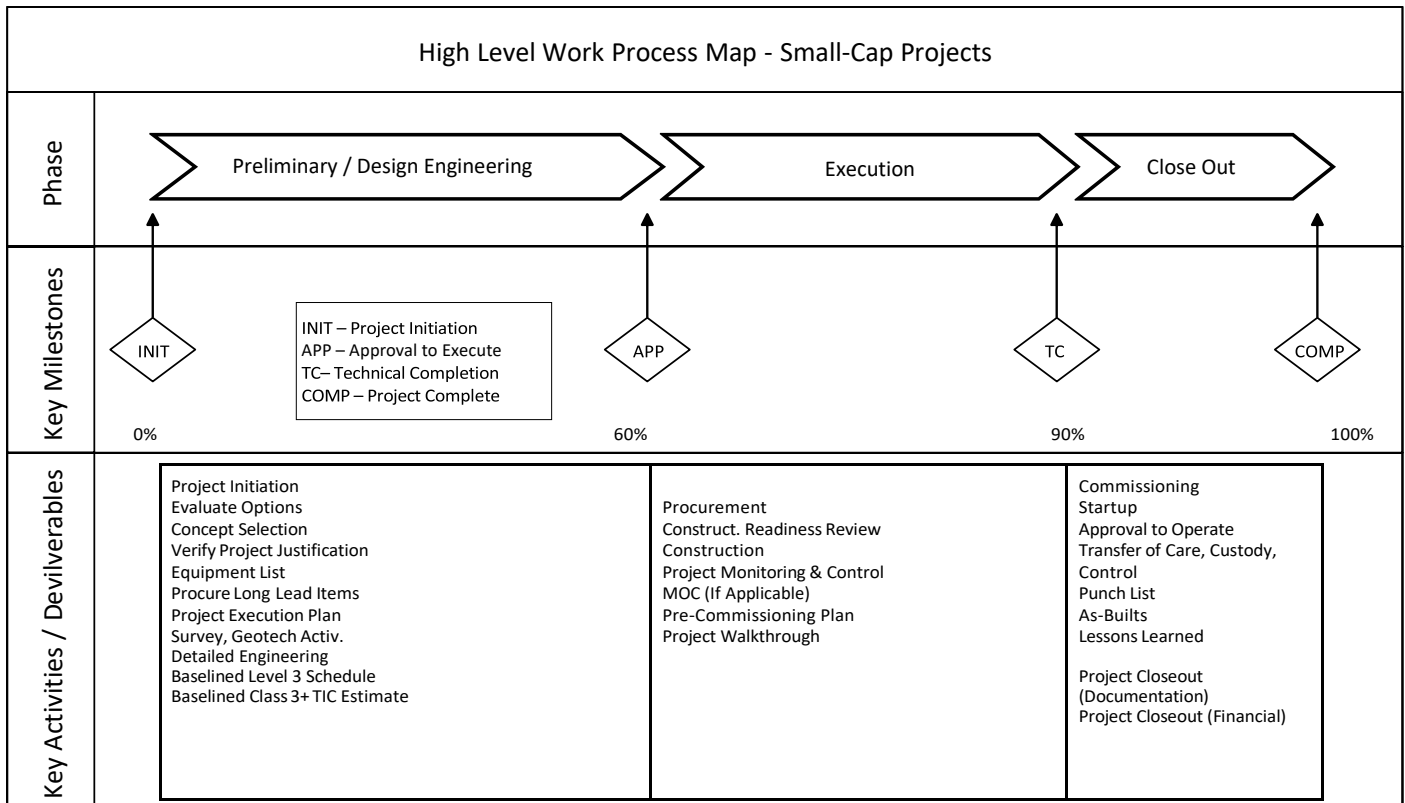


Figure 2 - Small Cap Projects - Process Map

Large-Cap Projects: Large-cap projects are projects unique in scope and complex enough to warrant a more robust project planning lifecycle (**Figure 3 - Large-Cap Projects - Process Map**).

- Generally, they are either complex in technical scope, include non-technical risks (NTRs), or have complex drivers such as public involvement or financial responsibility.
- Large-cap projects are high (i.e. more than 5 MM USD) in Total Installed Cost (TIC).
- By default, most reconstruction and special improvement district projects should fall under this classification.

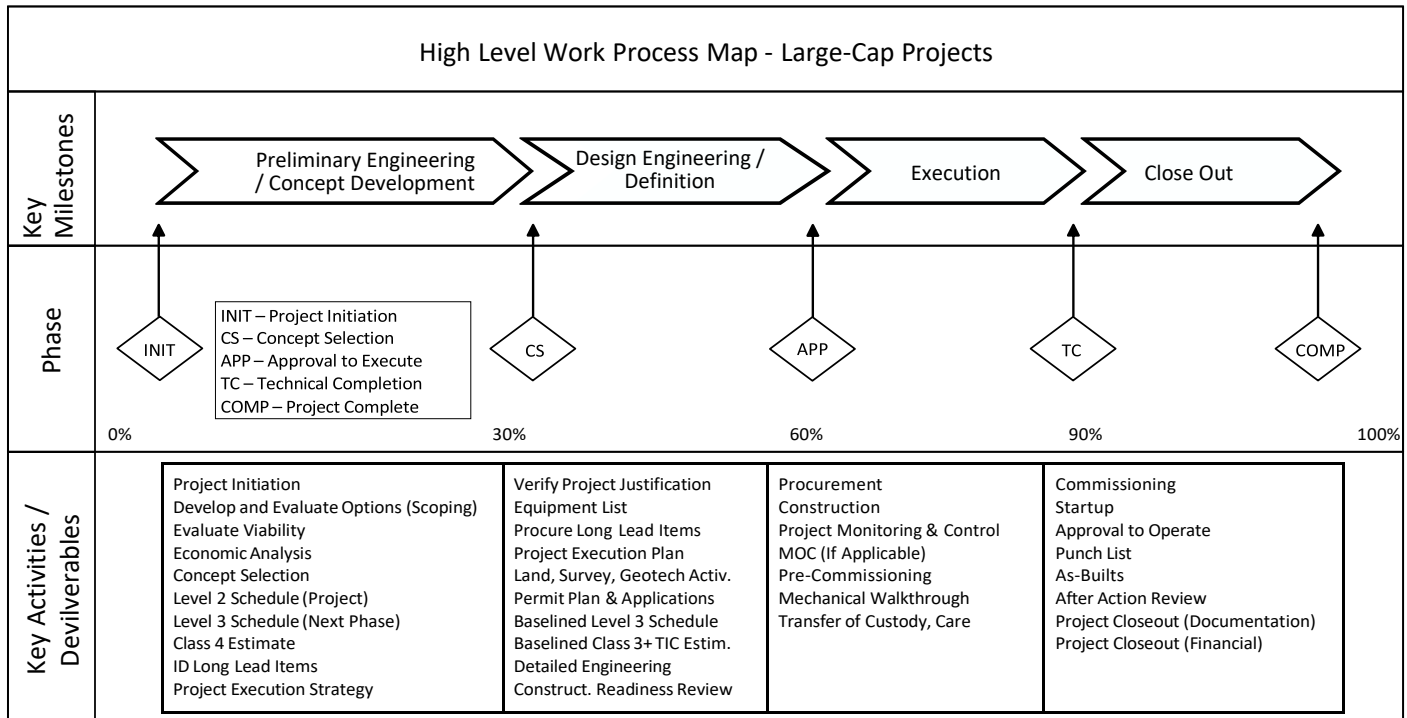


Figure 3 - Large-Cap Projects - Process Map

Estimating

TIC Estimate Accuracy: Total Installed Cost (TIC) estimates shall follow guidance of AACE Pub. 18R-97 (American Association of Cost Engineering) as indicated in the table below.

Estimate Class	Overall Project Maturity	Typical Usage	Typical Methodologies	Expected Accuracy
Class 5	0% to 2%	Concept / Screening	Capacity Factored, Parametric	L: -40% H: +50%
Class 4	1% to 15%	Study / Feasibility	Equipment Factored / Parametric	L: -30% H: +40%
Class 3	10% to 40%	Budget / Authorization	Semi-detailed (blended) unit costs	L: -20% H: +30%
Class 2	30% to 70%	Control / Tender	Detailed unit costs with MTO (bottoms up)	L: -15% H: +20%
Class 1	65% to 100%	Benchmarking / Tender	Detailed unit costs with MTO (bottoms up)	L: -5% H: +15%