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Leaving a lasting legacy

David S. Layton

Foundation

A Quarterly Publication Winter 2009 from The Layton Companies **NUTS AND BOLTS CLIENT PROFILE** SUBCONTRACTOR PROFI Geneva Rock <u>Products</u> Layton in the News **WAXIE Sanitary Supply**



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Leaving a lasting legacy

Layton founder's ideas continue to guide the company

wish to take personal privilege and depart from my traditional message format, which usually deals with our relationships with our featured client profile.



David S. Layton

However, with the recent passing of my father, Alan W. Layton, I wish to pay tribute to him and the values upon which he established Layton Construction. While Dad's presence will be missed, his example will stand for generations to come, serving as a constant reminder of the founding values of this organization.

Dad attended the University of Utah where he studied civil engineering. In 1941, he was commissioned as an officer in the United States Army. He married my mother Mona, and left to serve as a field artillery instructor. Thereafter he was assigned as Battery Commander of the 770th Field Artillery Battalion in Europe. He led his men through the chaos of the Battle of the Bulge in 1944-45 and was seriously wounded, receiving the Purple Heart for his valor. He returned home to his family to recover and begin his career. After a stint with the Bureau of Reclamation as a construction contract administrator, Dad decided to start a construction company. In February of 1953, Layton Construction was founded.

With two employees and an office in our home's basement, Dad taught all of his children the value of hard work by including us in the company operations. My sisters answered phones, paid bills and wrote payroll, and my brothers and I learned construction at the handle of a broom or shovel.

The company grew steadily through the years by taking on retail, commercial, religious and educational projects. Dad was also active in professional



associations including the Associated General Contractors as a state officer and national director. Dad retired in the early 1980s, continuing in active service with his church and community organizations including the Boy Scouts of America.

Dad left the management of Layton Construction to my brother Alan and me. Alan now serves as Chairman of the Board of Directors. As the companies have grown, we are grateful for the leadership and work of our many professionals who contribute to our collective success.

Dad continued to take great interest in the company. I've enjoyed keeping him informed of projects and progress, and I will cherish my memories of his travels with me to job sites in recent years.

Following his retirement, he penned a letter to us, which we now call Dad's "Twelve Timeless Values." We still reflect upon them and work diligently to uphold these values. They are:

- Building honorable and sound financial relationships with clients
- Building quality structures while building strong customer relationships
- Timely compensation to subcontractors and suppliers
- Building healthy relationships with skilled subcontractors and suppliers
- · Maintaining solid contractual relationships
- · Maintaining a sound financial base
- Being involved with employees and their personal well-being
- Emphasizing safety and cleanliness as worksite imperatives
- Foreseeing circumstances and acting, instead of being forced to react
- Cultivating good relationships with architects, engineers and other industry
- Keeping an inventory of well-maintained tools and equipment
- Viewing every project as separate, unique and vital to the continued success of our company and our client

Now, we go forward, remembering Dad's legacy of honesty, thrift, integrity, quality and hard work. The values he instilled are exemplified in the relationships highlighted in this issue of Foundation. Not only have we recently built two beautiful facilities with WAXIE Sanitary Supply, but also an excellent partnership. We also thank Geneva Rock Products for a four-decades long relationship we've shared with them.

To our valued clients, subcontractors and suppliers, we hope you'll continue to see us emulate these important values taught to us by Alan W. Layton in our relationships with you.

First Wyoming public design-build project completed by Layton

Design-build construction of the Pinedale, Wyo., Elementary School, a \$23 million, 82,000-square-foot facility, was started in July and dry-in was completed in less than five months. This project, which was awarded to Layton and Sandstrom Associates Architecture, is the first public design-build project in the state of Wyoming.

Excellent communication and collaboration during design resulted in an unmatched pace of quality construction.

Stein Eriksen Lodge Spa expansion done in time for ski season

Layton's Interior Construction Specialists (ICS) completed a 25,000-foot expansion to the



spa space of Stein Eriksen Lodge at Deer Valley, Utah. After receiving the building permit on July 22, ICS implemented a com-

pressed schedule to complete the project for the 2009-2010 ski season.

Construction included locker rooms, 16 treatment rooms with fireplaces, couples treatment and relaxation rooms, exercise facilities, pool dressing rooms, restrooms, and a guest services area for food service at the pool deck. The facility was completed Dec. 4. Let it snow!



MountainWest Capital Network's Utah 100 program recognizes UTAH'S FASTEST GROWING COMPANIES. The Layton Companies was identified as this year's fourth fastest Top Revenue Growth Company. Layton has been a perennial winner, being recognized by the Utah 100 program for 13 years.



Tenaya Lodge renovation will add beauty to Yosemite

Delaware North Companies, a global leader in hospitality and food service, has contracted with Layton Construction to add space and renovate the Tenaya Lodge near the entrance to Yosemite National Park in California. Layton will build a two-level, 20,000-square-foot meeting facility and luxurious spa. The meeting space will accommodate events, conferences and weddings. The spa includes steam rooms, treatment rooms and a sauna. Layton is also constructing an ice skating rink as another guest amenity. Among its many locations, Delaware North has operations at the Kennedy Space Center, the Queen Mary in California and Niagara Falls.

Idaho Falls Hospital expansion completed ahead of schedule

Layton Construction completed an expansion and renovation to Mountain View Hospital in Idaho Falls, Idaho, in fewer than 12 months.

Construction included two new operating rooms, a tripling of the size of the central sterilization facility, 16 patient rooms, an expanded nursery and other support areas.

The vertical expansion of the patient rooms and nursery sits atop existing operating rooms. The ORs continued without interruption, while construction progressed overhead. Layton's crews were asked to accelerate the schedule and complete patient rooms six weeks early. Induced labor? Delivered as requested.

Layton opens office in Nashville

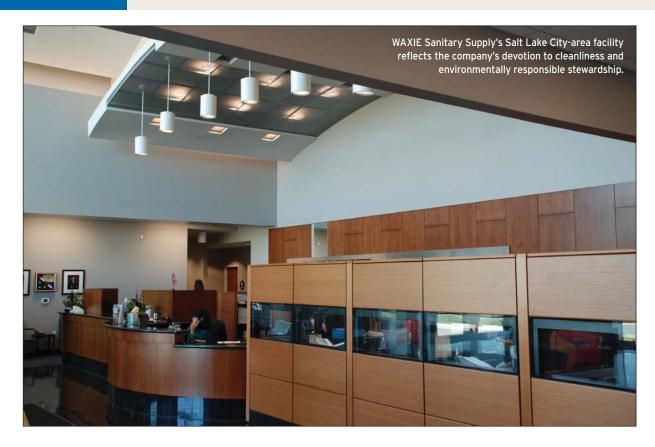
Layton Construction settled into a new office in Nashville. The expansion eastward is expected to increase its presence in the health care industry. Nashville is the headquarters for many health care organizations with hospitals located across the country. Layton's team is now positioned to more effectively serve existing customers and build new relationships.

Company president named a 'Titan'

David Layton, representing The Layton Companies, was named recipient of a Titan Award presented by the Sandy Area Chamber of Commerce to five Utah business leaders who "have set themselves apart ... for the way they have lifted and served those around them."

Sunrise Avionics building reaches new heights in Arizona

Layton's Interior Specialists of Arizona completed 15,000 square feet of manufacturing and office space for Sunrise Avionics of Gilbert, Ariz., which provides aircraft servicing and maintenance to major airlines. The nine-week construction schedule was complicated by complex electrical engineering needs for specialized power equipment used by Sunrise.



Shared values, great solutions

Layton joined WAXIE Sanitary Supply on a pair of efficient distribution centers

he last time WAXIE Sanitary Supply built a building in the Salt Lake City area, Layton Construction dropped its bid because the timing that other companies promised was unrealistic to Layton.

In the end, the building was completed on the timeframe Layton had originally suggested, which earned credibility points with WAXIE's vice president of operations, Harry Babb.

"When Layton walked away (from the previous bid), it showed a lot of integrity," Babb says. "For us now, Layton is absolutely credible when talking about timeframe."

Layton's clients recognize this as the "predictable outcomes"

the Layton team talks about. For WAXIE Sanitary Supply, this approach matched their mantra — treat the customer fairly.

SHARED APPROACH, SIMILAR RESULTS

WAXIE Sanitary Supply has built its 65-year-old company on the difference quality customer service makes to the end-user — a philosophy Layton has recognized for years.

The desire to better serve their customers led WAXIE to build two new distribution centers — one in Mesa, Ariz., and one in Salt Lake City — to better serve its clients that are spread throughout the western United States, from Alaska to New Mexico.

"These buildings were completed to better serve the customer," Babb says. "Besides making it easier to distribute our products, the buildings are available to customers and other organizations for training sessions and meetings."

For example, WAXIE offers training to janitorial professionals. It's WAXIE Sanitary Supply's way of making sure its clients have predictable outcomes in their jobs.

"The whole WAXIE organization is great," says Brett Partridge, executive vice president of corporate construction for Layton. "They're a strong company that makes bold statements to their clients. They're aggressive in being able to best serve their clients. That's evidenced by the fact that they're expanding operations in a difficult financial time for our country."

It's just one of the ways Layton and WAXIE are alike.

The Details ... times two

SALT LAKE CITY START DATE

October 2008 COMPLETION DATE

July 2009

SQUARE FOOTAGE 87,000

ARCHITECT

BPA Architecture Planning

Interiors, San Diego

SPACE HIGHLIGHTS Warehouse space (70,000), Office space (14,000) Warehouse clear

height (30 feet), Dock doors (10)

MESA (ARIZ.) START DATE January 2009

COMPLETION DATE October 2009

SQUARE FOOTAGE

101,000

ARCHITECT

BPA Architecture Planning Interiors, San Diego

SPACE HIGHLIGHTS

Warehouse (82,000), Office

(15,000), Warehouse clear height (34 feet), Dock doors (14)



EFFICIENCY QUOTIENT

WAXIE Sanitary Supply built the buildings to be more efficient - energy efficient and employee efficient.

Both the Salt Lake City and Mesa buildings have been submitted and are pending "LEED Silver," an important goal of the WAXIE company.

"We've been selling green products and talking about LEED for a long time," Babb says. "But we've never had a LEED-certified building. These buildings allow us to walk the walk, and they give us more traction and credibility to the business community."

TWO ARE BETTER THAN ONE

Knowing WAXIE was building new buildings in Mesa and Salt Lake City at close to the same time, Babb wanted to find one company to work with in both Utah and Arizona.

Layton did one better — Babb not only worked with one company, he worked with one core group from Layton that worked on both jobs.

"Doing both buildings made things go a lot more smoothly," says Drew Fleming, a senior project manager at Layton and the project manager for both new buildings.



For Babb, making decisions came easier because Layton's people got to know him so well.

"After a while, they got to know what I would and wouldn't like and would just fix things before I saw it and just call and tell me they did it," Babb says. "The process is always stressful and involves a lot of money, but Layton made it easy to get done what we needed to do."

The Mesa job was about 60 to 90 days behind the Utah building, which meant Layton took lessons learned on the Utah project and made adjustments in Arizona.

"Doing the two buildings at the same time also let us take advantage of economies of scale, meaning we could buy materials in higher quantities for less per unit," Babb says.

THE BEST IS YET TO COME

The near future plans for WAXIE may include new buildings, and the future looks bright for the Layton-WAXIE relationship to continue.

"Layton came with a standard communication process I liked," Babb says. "I knew what to expect. A lot of things were done through email, which meant we had e-mail trails and nothing was lost because of communications issues. Layton has given us no reason not to use them for any future projects."

Wonderful Warehouse

One of the backbones to the success of WAXIE Sanitary Supply is its efficient warehouse. Here are five of the highlights.

- State-of-the-art technology assists in tracking inventory.
- Well-designed pallet racking puts more frequently ordered materials in easier-to-access areas.
- Electronic guide wires in the floor and narrow-aisle vehicle technology allow for more accurate driving between shelving units, bringing increased safety to workers and inventory.
- WAXIE officials believe there is room to meet growth needs for as many as 25 years.
- During the Utah building's open house which featured a speech by Utah governor Gary Herbert – the warehouse was dressed up to become a venue for the dinner party.

The

The vocational room in both buildings is equipped with state-of-the-art video conferencing equipment, training materials and seating for larger groups. WAXIE uses the room to train employees and clients as well as donating its use to local charities and industry organizations.

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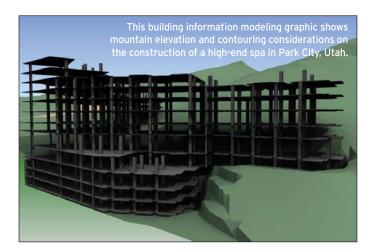
Harry Babb

Vice President of Operations **WAXIE Sanitary Supply**

What's Unique

Completing two buildings at once was something WAXIE Sanitary Supply had never done before. Below are three of the advantages to that process.

- The "new-and-improved" architectural plans for the Arizona building were based upon lessons learned from the construction of the Utah building.
- Materials were *less expensive* per unit because they could be purchased in larger quantities.
- The same core Layton team worked on both, leading to more comfortable communication.



From the ground up

Foundations and 'early construction' are vital to a strong, secure building

An oft-asked question of passersby at a construction site in the early stages of construction is, "When are you going to start building?" Jobsite offices, equipment and tool trailers are staged. The site is active and there are workers moving about, but little progress is evident. Those outside the safety fence cannot see the elements of underground construction — the building's foundation.

Concrete footings and foundations are as unique to each building as are site and soils conditions. Layton's construction of a high-end resort and spa in Park City, Utah, dramatically illustrates the amount of concrete work that is engineered and placed many levels underground.

Before concrete work began, more than 200,000 cubic yards of Park City silver mine tailings and native soils were removed, and it took over eight months before a concrete footing was ever placed.

Three tower cranes, which move construction materials and supplies, rested on footings that collectively required 700 cubic yards of concrete. When the cranes were disassembled, the footings remained buried, out of sight and out of mind, under a bustling new resort.

Over 130 concrete geo-piers, each two to three feet in diameter, dotted the site in the early days of construction. The piers are engineered to depths ranging from 35 to 95 feet. Through rocky, mountainous soil and old silver mine tailings, holes were bored and filled with reinforced concrete.

Concrete and reinforced-steel mat footings were bonded with the piers to create the stable base upon which the resort rests. The footings range in thickness from 4 to 9 feet and collectively contain more than 8,100 cubic yards of concrete, enough to build the foundations for approximately 200 average residential homes.

At the lowest level of this resort structure is a mechanical tunnel that traverses the site. The cast-in-place concrete tunnel is 180 feet in length, 33 feet wide, with a clear height of 11 feet, and contains 850 cubic yards of concrete.

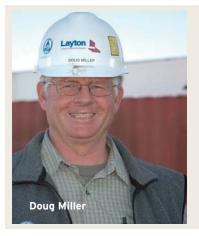
To retain the mountain on the south and east sides of the site, a shoring wall was constructed of vertical cement-grout-filled pilings, held with horizontally placed soil nails (grout-filled anchors) drilled into the mountainside and covered with shotcrete, a sprayed-on cement product. The L-shaped shoring wall is over 200 feet long and ranges from 10 to 30 feet in

height.

With the deep concrete infrastructure complete, Layton's crews were finally in a position to "do something." Levels P3, P2 and P1 include parking on the south side of the structure near the shoring wall, with some exposed guest rooms on the north side. B1 is a basement level that will house the spa, indoor pools, bowling alley, other entertainment areas and back-of-house operations (offices, laundry and employee areas), as well as some north-side exposed guest rooms. All of the building structure at these levels is cast-in-place steel-reinforced concrete.

Level 1 is exposed at the contour of the mountain on the north and east sides. South and west faces are still below grade. Level 2 is exposed in all directions. Concrete crews worked nearly 12 months on this underground infrastructure before reaching full visibility at Level 2. Seven more floors of concrete and steel complete the resort's full height.

Nearly 40 percent of this resort can be considered "below grade." Not in terms of quality, but in the complex, challenging and time-consuming efforts required of Layton's crews to place the underground infrastructure required to support another lasting structure.



EMPLOYEE FOCUS Doug Miller

Doug Miller started his construction career as a residential builder, but when interest rates skyrocketed in the early 1980s, the market sank. He switched to commercial construction and joined the Layton family.

And he's never looked back.

Being treated fairly, feeling a sense of accomplishment and the chance to be involved in memorable projects has kept him coming to work since Feb. 10,

"There's a sense of accomplishment that comes with each new project," Miller says. "Each job brings new challenges, and it's fun to overcome those chal-

The project superintendent began his Layton career

as a "construction specialist" – similar to a foreman - working on footings on the expansion to BYU's Cougar Stadium (now LaVell Edwards Stadium) in 1982.

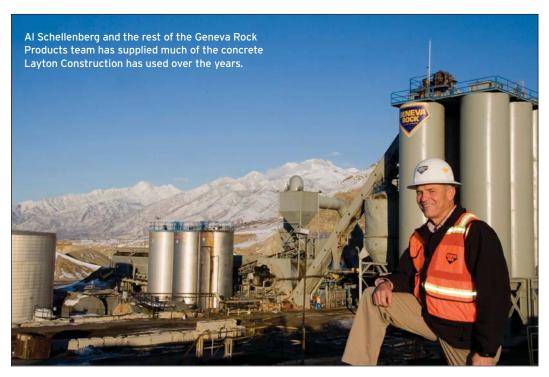
Since then, Miller has worked on a variety of projects including high-end residential properties in Park City, recreation centers (his current project is the Herriman Recreation Center) and three buildings at Independence Square in Murray, Utah.

Miller enjoys working with the quality people at Layton and appreciates the respect management gives to employees and their families.

"It's a family-oriented company," he says. "They've always respected the other obligations we have. That makes a big difference."

'Rock' Solid Partnership

Geneva Rock Products has supported numerous Layton jobs



The relationship between Geneva Rock Products — based in Orem. Utah — and Layton Construction extends beyond gravel pits and concrete pours.

Al Schellenberg, president of Geneva Rock Products, recalls days as an engineering student at BYU where he graduated with Alan S. Layton, former president of the Layton Companies.

However, the professional relationship between Geneva Rock and Layton started before Schellenberg and Alan S. Layton even graduated from college.

W.W. Clyde founded Geneva Rock in 1954, in part to supply concrete materials to Geneva Steel — a steel mill located on the banks of Utah Lake in the Geneva area of Utah County. In 1966, Geneva Rock opened a plant in Salt Lake City. Shortly after that, the company started supplying ready-mix concrete to Layton Construction.

"We haven't done everything Layton's done, but I can think of only a few companies who've had as long or as good of a relationship as we've had with Layton Construction," Schellenberg says. "It's probably unmatched in our area."

With strong relationships in the industry, Geneva Rock began to grow and eventually spread to plants throughout northern and eastern Utah. Geneva Rock supplies rock products, ready-mix concrete and some construction services to clients throughout the state.

However, Geneva's work with Layton hasn't been limited to Utah's boundaries. The company built portable plants in Ely, Nev., to assist Layton's construction of a prison and in Elko, Nev., when Layton was building facilities at a mine.

"We're kind of particular with who we work with," Schellenberg says. "We're proud to work with Layton because their work is a great reflection on us. We deliver quality materials, and it's always good when a contractor reflects what we deliver."

Geneva employs as many as 1,200 seasonally and works hard to take care of customer relationships the company has built over the last 55 years. W.W. Clyde encouraged his employees to always give "a full measure." While the company takes this literally — giving the customer what was ordered and never less — it is also a figurative point to the determination and work ethic employed by team members of

"We stand behind what we do," Schellenberg says. "We constantly test our materials to make sure they meet our rigorous standards. We know that we can offer the best and stand behind it."

Geneva Rock Products

FOUNDED 1954

HEADQUARTERS Orem, Utah

Throughout Utah, from Price to Logan and from Park City to Tooele

TYPE OF WORK

Ready-mix concrete Manufacturer of rock Construction (including asphalt)

HIGH-PROFILE JOBS WITH LAYTON

Rice-Eccles Stadium Expansion at the University of Utah (Salt Lake City)

Cougar Stadium Expansion at BYU (Provo, Utah)

Parking structure at Salt Lake International Airport (Salt Lake City)

Ely State Prison (Ely, Nev.)

LOCAL CONTACT

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> - Al Schellenberg President Geneva Rock Products

In Tribute

FARM BOY | STUDENT | ATHLETE | DECORATED SOLDIER | CHURCH SERVANT | BUILDER | HUSBAND | DAD



Alan W. Layton 1917-2009

"Seek to do the best job, on time. Be dependable, honest and be a people person. You'll be blessed, not only you personally and your immediate family, but the people with whom you labor."

-Alan W. Layton, Founder, Layton Construction

We pay tribute to the teacher, motivator, influencer and man of caring, integrity and hard work who has helped shape our company and our careers.

The Employees of The Layton Companies

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