

FOR IMMEDIATE RELEASE

Contact: Larry Kamer
(415) 290-7240

LONGTIME BAY AREA CONSTRUCTION INDUSTRY RIVALS TO COMBINE

SANTA ROSA, CA (June 18, 2010, 12:00 Noon PDT) – Two of the Bay Area’s best-known construction firms - Ghilotti Construction Company (GCC) of Santa Rosa and North Bay Construction (NBC) of Petaluma – said today they have reached agreement to combine their business operations by the end of 2012. The transaction will be in the form of an asset sale, and the new company will bear the Ghilotti Construction Company name.

The deal assures the continuation of two locally owned, locally knowledgeable and successful firms, as well as the Bay Area jobs and investment they represent. Ghilotti has between 220 and 300 employees and North Bay has between 200 and 250 employees, depending on active projects.

Heading the combined company will be: Richard Ghilotti (63), currently president and CEO of Ghilotti Construction; Brian Ongaro (42), GCC’s senior vice president of operations; Ali Yazdi (53), general manager; and Stacy Magill (49), chief financial officer. Steve Geney (52), currently president of North Bay Construction, will join the Ghilotti management team. John Barella (62), North Bay’s founder and CEO, will end his day-to-day involvement in the business and turn his attention to area residential and commercial real estate development projects.

NBC’s most notable current project, the \$48 million widening of U.S. 101 between Cotati and Petaluma, will be assigned to GCC. Other projects under contract by North Bay will be completed by North Bay and its existing dedicated crews and project teams. The company said it will bid no new work under the North Bay name. Effective today, all new projects of both existing companies will be bid as Ghilotti Construction Company.

“We’ve been fierce competitors for almost 35 years,” said Richard Ghilotti, “but John and I have always respected each other’s work, business sense and values. Our people know one another and have the same high standards and pride in their work.”

Added Barella: “When I decided it was time to pursue real estate development on a full-time basis, I wanted to be sure the company we had built would stay together and stay local. I didn’t think it would be fair to our people to make them part of an anonymous out-of-town company with no roots in our community. So I called Dick Ghilotti. Our negotiations were straightforward and I’m very pleased with the result.”

ABOUT THE COMPANIES

Ghilotti Construction was founded in 1914 by James Ghilotti, an Italian immigrant and grandfather of the current CEO. His four sons joined him in 1939. One of them, Dino Ghilotti, was joined in the business by his son Richard in 1968. When Dino passed away in 1990, Ghilotti Construction Company continued on with the addition of Dino’s grandsons, Brian Ongaro and William Ghilotti. The youngest grandson, Dino Ghilotti, is currently attending the University of Miami, and will join the company upon graduation. The

company operates offices in San Rafael, American Canyon, and Livermore, with headquarters at 246 Ghilotti Avenue, Santa Rosa. A complete company profile can be found at www.ghilotti.com.

John and Andrea Barella launched North Bay Construction in 1976 in a dilapidated barn with a backhoe and a dump truck. Over the years, the company has grown significantly and now occupies an eight-acre campus at 431 Payran Street, Petaluma. More information on NBC is available at www.nbcinc.net.

###