



Date

Name

Firm

Address

City, State, Zip

We in Purchasing look forward to working with you on _____ capital project. ASU is committed to providing business opportunities for diversity businesses, to ensure that adequate health coverage is offered to workers and their families, to providing work for Arizona residents, and to support apprenticeship programs. Accordingly, you must provide us with information to document your results in achieving these goals with each pay application.

Attached are a set of forms and a CD containing the forms to assist you in meeting these CMAR Supplemental information provisions of your contract with ASU. We need you to update both the certificate and the spreadsheet each time you submit a pay application. Any Subcontractors you hire need to complete the certificate and possibly the spreadsheet if they have subs working for them. If you choose, we will provide you with additional CDs for your Subcontractors. If you have questions, contact Pamela Thompson Lefkowitz at 480-965-3665 or at pamela.thompson-lefkowitz@asu.edu. If you need additional CDs, contact the project manager with whom you are working.

Sincerely,

Doug Boyer
Purchasing Construction Manager
Purchasing and Business Services
PO Box 875212
Tempe, AZ 85287-5212

Here are the requirements as listed in **6.1 of the Exhibit A, Operating Manual, Supplemental requirements major capital projects.**

The requirements below apply to **ASU's** research infrastructure Projects. The **CMAR** will submit to **Owner** a proposed plan to accomplish the following requirements as they apply to **CMAR** and **Subcontractors**. Each proposed plan must describe specifically how the requirements will be accomplished and also contain (i) procedures for tracking activities and performance in meeting the requirements, (ii) procedures for interim written reports and an end of Project final written report to **Owner** on activities and performance in meeting the requirements and on problems in meeting the requirements, (iii) procedures for corrective action or adjustment in planned activities in cases of problems in meeting the requirements, (iv) a list of State of Arizona registered apprenticeship program(s) that the **CMAR** recommends be the recipient(s) of the funds to be donated to apprenticeship programs under **Item E** below, and (v) the **CMAR's** recommended interpretation of the following subjects, as applicable:

- (i) The meaning of "so long as this would result in services that are comparable in quality and would not result in a material increase in costs of the Project."
- (ii) The meaning of "to the extent persons with the necessary and appropriate skills are reasonably available".
- (iii) Any other interpretations of the requirements.

The proposed plan of the selected **CMAR** (including the proposed interpretations of **items (i) through (iii)** immediately above) will be subject to modification at the request of and to approval by **Owner**. The final plan ("**Final Plan**") will be as mutually agreed to by **Owner** and **CMAR**, as applicable, and will be one of the contract documents.

The requirements for the CMAR and each Subcontractor are:

- A. The **Owner**, the **CMAR**, and each **Subcontractor** shall include small businesses and disadvantaged business enterprises in the design, engineering and construction of the Project so long as this would result in services that are comparable in quality and would not result in a material increase in costs of the Project. *A Disadvantaged business is a business that meets either the Arizona or Federal Small Business definition or is a Woman-Owned Business Enterprise [WBE] or is a Minority-Owned Business Enterprise [MBE], or is a Disadvantaged/Disabled-owned Business Enterprise [DBE].*
- B. The **CMAR** and each **Major and Minor Subcontractor** must comply with all state and Federal laws; and employees need to be legal Arizona residents. The **CMAR** and subcontractors will include in its monthly statement of certification affirmation that they are in compliance. The **CMAR** and each **Major and Minor Subcontractor** are required to use workers who are legal US and Arizona residents to do the Construction Work to the extent persons with the necessary and appropriate skills are reasonably available.

The requirements for the CMAR and each Major Subcontractor are:

"**Major Subcontractor**" means the **Subcontractors** that, due to the nature of the construction work, comprise a critical or essential element of the construction such that the amount of the contract is equal to or greater than 10% or \$200,000 of the construction budget, whichever is greater. Examples, include, but are not limited to such trades as steel, concrete, plumbing, HVAC, and electrical, excavation/site work, or any other subcontractor trade that is a major subcontractor due to the nature of the construction work in an particular Project.

- C. **Health Insurance:** The **CMAR** and each **Major Subcontractor** is required to provide health insurance for their respective full-time employees and to make health insurance coverage

available to dependents and to employees who are not full-time, but are assigned to the project.

Apprenticeship Requirements:

- D. The **CMAR** and each **Major Subcontractor** shall provide a ratio of not less than ten percent (10%) apprentices to journeymen in performing the Construction Work on the Project. The apprentices will be from State of Arizona registered apprenticeship programs.
- E. **Apprenticeship:** The **CMAR** and each **Major Subcontractor** are required to contribute an amount equal to one percent (1%) of the **CMAR's** or **Major Subcontractor's** gross payroll for Construction Work in the Project to fund training for Arizona residents in State of Arizona registered apprenticeship programs. The continuation of a prior practice of funding such apprenticeship programs will be counted against this requirement to the extent of the continuing funding.

The amount in **Item E** will be included in the Guaranteed Maximum Price for the Project as a separate line item. The **CMAR** will indicate, on item #8 of the monthly certification page, the amount to be contributed to a registered apprenticeship program for that month. **Owner** will have the right to audit the **CMAR's** and each **Major Subcontractor's** payroll amounts. If Major Subcontractors do not have a designated registered apprenticeship program, the **CMAR** will impound the amount in **Item E** and will make payment to the State of Arizona registered apprenticeship program(s) selected by the **CMAR** and the **Major Subcontractors**.

Any failure by **CMAR**, or a **Subcontractor** to comply with the requirements in **Section 6.1** or the applicable Final Plan will be a material breach of the CMAR Design Phase Services Contract Documents or the CMAR Construction Contract Documents, as applicable, and the **Owner** will have all rights and remedies upon occurrence of a material breach (including, without limitation, termination).

Anything in the CMAR Construction Contract Documents to the contrary notwithstanding, compliance in full by the **CMAR** and each Subcontractor with the CMAR's Final Plan and the requirements in this **Section 6.1** are conditions precedent of (A) each progress payment under the CMAR Construction Contract Documents, and (B) Final Completion and Final Payment under the CMAR Construction Contract Documents.

This **Section 6.1** is one of provisions that the **CMAR** is obligated to include in its contracts with **Subcontractors**, respectively, and that **Subcontractors** at each level are required to include in their contracts with **Subcontractors** of the next level.