Date June 24, 2010

Holder Construction Company
4222 E. Thomas Rd., Suite 230
Phoenix, AZ 85018

Attention: Craig Albelda & Jennifer Brewer

We in Purchasing look forward to working with you on GC ______, (Project Name)____ 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, which will be emailed to Jennifer Brewer to assist you in meeting these GC 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 the forms on CD for your Subcontractors. If you have questions, contact Pamela Thompson Lefkowitz at 480-965-3665 or at pamela.thompson-lefkowitz@asu.edu.

Sincerely,

(Buyer Signature)
Doug Boyer
Purchasing Construction Manager
Purchasing and Business Services
PO Box 875212
Tempe, AZ 85287-5212
Following are the requirements for the Supplemental requirements for major capital projects. The requirements below apply to ASU’s $2,000,000 plus Projects. The General Contractor (GC) will submit ASU Supplemental Requirement forms to Owner with each pay application.

The requirements for the GC and each Subcontractor are:

A. The Owner, the GC, 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] or is a Handicapped Veteran Owned Business Enterprise (HV).

B. The GC and each Major and Minor Subcontractor must comply with all state and Federal laws; and employees need to be legal Arizona residents. The GC and subcontractors will include in its monthly statement of certification affirmation that they are in compliance. The GC 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 GC 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 GC 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 GC 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 GC and each Major Subcontractor are required to contribute an amount equal to one percent (1%) of the GC'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 Bid Price for the Project as a separate line item. The GC and major sub contractors 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 GC’s and each Major Subcontractor's payroll amounts. If
Major Subcontractors do not have a designated registered apprenticeship program, the GC will impound the amount in Item E and will make payment to the State of Arizona registered apprenticeship program(s) selected by the GC and the Major Subcontractors. The GC and/or Major sub-contractors will make payment directly to the chosen apprenticeship programs.

Any failure by the GC, or a Subcontractor to comply with the contract requirements will be a material breach of the GC 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 GC Construction Contract Documents to the contrary notwithstanding, compliance in full by the GC and each Subcontractor and the requirements are conditions precedent of (A) each progress payment under the GC Construction Contract Documents, and (B) Final Completion and Final Payment under the GC Construction Contract Documents.

The Supplemental Requirements provision is one of provisions that the GC 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.