



THE SUNDT EXPERIENCE

CONTENTS:

Dave Crawford Will Be Sundt's Next CEO	2
Todd West Steers Novato Office Toward New Opportunities	4
Creativity and Communication Ensure Success on Heavy Civil Project	5
Sundt Embraces Co-Location As the Future of Design-Build	6
Fire Station Project Helps Revitalize Downtown Tucson	7
ASU Project Wins Green Building Council's Platinum Certification	8

FALL 2007

NEW CALIFORNIA SCHOOL COMPLETED USING LEASE-LEASEBACK DELIVERY METHOD



River Bend Elementary School

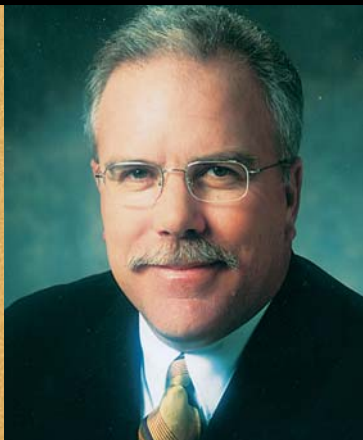
Sundt utilized the Lease-Leaseback delivery method on a recently completed elementary school project near Sacramento, Calif., with outstanding results. The Yuba City Unified School District's new 85,000-square-foot River Bend Elementary School was substantially complete on July 31, well within budget and in plenty of time for the beginning of the 2007/2008 school year.

continued on page 3



HOSPITALITY EXPERT LEADS SUNDT'S NEW RENO OFFICE

Tim Krump



In July, Sundt opened a new office in Reno, Nev. that will focus primarily on serving the hospitality marketplace in Northern Nevada and Northern California. Tim Krump, a well-known local construction industry executive with many years of hospitality project experience, is leading the Reno team as Senior Project Director.

"In the hospitality industry's select service niche, which caters to young, upwardly mobile business travelers, several new hotel brands are being developed," Krump

continued on page 2

HOSPITALITY EXPERT LEADS SUNDT'S NEW RENO OFFICE

explained. "They offer features that are in demand by 'Generation X' travelers, such as check-in kiosks, Internet service, modern décor, expanded gym facilities, and more evening bar/lounge areas."

Another area experiencing significant growth, he said, is the luxury market. High-end hotels and resorts are focusing on creating a stronger destination experience for the increasing number of Americans who are choosing domestic over international travel. This includes creating ownership opportunities for individuals who want to return to a particular place year after year.

"About 70 to 80 percent of the units in newly built or future high-end hotels and resorts are likely to be owned by individuals," Krump noted. "They use them a few weeks a year and allow the hotel to rent and operate them the rest of the time. Owning a room provides a sense of place beyond being a hotel guest, but without the expense and commitment of owning a second home."

The Reno office is currently working on preconstruction for the Fairmont Hotel in Monterey, Calif., a Ritz Carlton in Mammoth Lakes, Calif., and a property with a new luxury brand, called One, also in Mammoth Lakes.

DAVE CRAWFORD WILL BE SUNDT'S NEXT CEO

At Sundt's annual Leadership Academy in August, company Chairman and Chief Executive Officer Doug Pruitt announced that Dave Crawford will succeed him as CEO. Crawford, currently the President and Chief Operating Officer, "has demonstrated his abilities as a leader during his 39-year tenure at Sundt," Pruitt said. "Our succession planning process clearly identified him as the person to succeed me. During the next several years, Dave will further hone his skills so he's ready for the challenges of leading this great company."

When Crawford becomes CEO, Pruitt plans to continue to serve as the Chairman of the Board of Directors.

New hotel brands cater to young business travelers offering such features as check-in kiosks, Internet service, modern décor, expanded gym facilities, and more bar/lounge areas.



David S. Crawford



NEW CALIFORNIA SCHOOL COMPLETED USING LEASE-LEASEBACK DELIVERY METHOD

continued from page 1

River Bend Elementary School, near Sacramento, was designed by Nacht & Lewis Architects.

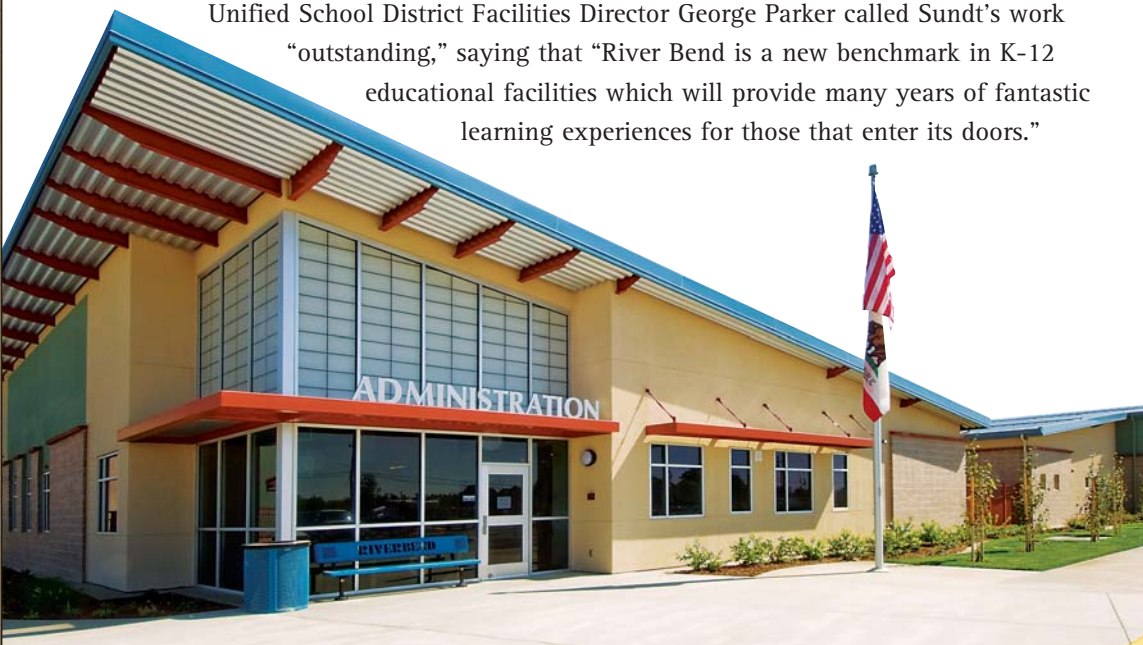
The Lease-Leaseback method is growing in popularity in California because it enables efficient, timely delivery of public projects – particularly schools. Under this type of contract, the client leases the land to the contractor before construction begins and then reacquires ownership once the project is complete and the lease is terminated.

In just 15 months, our project team was able to turn the 21-acre site into a state-of-the-art school campus that includes an administration building, library, gymnasium/multipurpose building, kindergarten building, and three remote restroom buildings. Included in our contract was the installation of 39 modular buildings on concrete slabs to accommodate future growth.

Northern California District’s Business Development Manager Teri Jones says the Lease-Leaseback method was extremely successful on the River Bend project for both Sundt and the client. “By using this type of delivery method, we were able to thoroughly evaluate all the bids prior to selecting the lowest responsible bidder, which led to greater control of cost and schedule,” she noted. “It’s a much more efficient approach than the traditional Design-Bid-Build.”

Thanks to the flexibility of Lease-Leaseback, we were able to accommodate the owner’s last-minute request to complete a portion of the school ten weeks early so it could be used for summer school. The project team met the accelerated deadline by shifting focus from the entire project to those specific areas that would be in use early, while continuing to forge ahead on the project overall.

In an email message sent to Project Managers Kevin Mosher and Kristy Weiland, Yuba City Unified School District Facilities Director George Parker called Sundt’s work “outstanding,” saying that “River Bend is a new benchmark in K-12 educational facilities which will provide many years of fantastic learning experiences for those that enter its doors.”



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Todd West

TODD WEST STEERS NOVATO OFFICE TOWARD NEW OPPORTUNITIES

After nearly 30 years with Sundt, Todd West recently became manager of the company's Heavy Civil Division, California District, which is based in Novato. Since joining Sundt as a laborer in 1978, Todd has acquired a thorough knowledge of Northern California's heavy civil market and displays a unique talent for responding to and predicting market trends. He is looking forward to building on the District's many years of successful performance and cultivating its long-term growth and success.

What is Sundt's biggest strength in California's Heavy Civil market?

"Although Sundt is a regular competitive player in traditional underground utility markets, we tend to be even more effective in obtaining work that is not necessarily on the 'beaten path.' These types of projects include underground facilities in more difficult subsurface conditions and/or locations – projects that require innovative thinking.

"For example, we spent years in the long-line telecommunications market where we were constantly pressed to meet demanding completion schedules. Our operations personnel responded by making non-conventional equipment modifications to increase productivity in critical trenching, laying, and backfilling operations. In several cases, we acquired equipment used in other industries, such as agriculture, that was better suited to the conditions we faced. These innovative ideas increased productivity and ensured successful outcomes for our clients. Now, we use some of these ideas and equipment pieces in our larger underground utility work."

Where do you see the Division heading over the next few years?

"We expect to enjoy a rather robust pipeline market in California and Nevada for the next three to four years. These projects represent a number of water supply expansion programs in the West.

"Over the next several years we will see the emergence of alternative energy construction opportunities. California has mandated an increase in the amount of energy that comes from renewable sources, and other states have similar initiatives being developed. Sundt is already working to solidify relationships in this market that should provide several years of growth opportunities for us."



The Pechanga Utility Corridor Project includes the installation of 50,000 linear feet of PVC Pipelines, plus 16,000 linear feet of concrete-encased electrical duct bank systems.

CREATIVITY AND COMMUNICATION ENSURE SUCCESS ON HEAVY CIVIL PROJECT

When a recent utility installation project in Temecula, Calif. presented an unusual challenge, Sundt's project team got creative. They added a special liaison to the project team to ensure good communication between Sundt, the owner and the architect.

The \$15 million Pechanga Utility Corridor Project involved water, sewer and electrical infrastructure construction to support a new golf course and existing casino operations for the Pechanga Band of Luiseño Indians. Challenges arose for Sundt when the designers of the golf course made changes to the course's contours as construction was underway, which meant crews had to alter their pipeline locations and conduit structures. Luckily, Sundt's creative response made this much easier.

"Designating a communications liaison was the key to making this a successful project," said Operations Manager Robert Fedrick. "We were able to stay in close communication with the owner and the architect and respond immediately to changes, which ensured a very successful outcome."

The project included the installation of 50,000 linear feet of PVC pipelines and appurtenances for reclaimed water, potable water, and sanitary sewer service systems, as well as bridge attachment crossings, water storage tanks, tank site access road construction, mass excavation and embankments. Crews also installed 16,000 linear feet of concrete-encased electrical duct bank systems for high voltage power and communications.



SUNDT EMBRACES CO-LOCATION AS THE FUTURE OF DESIGN-BUILD

At right: The Walter Cronkite School of Journalism, under construction in downtown Phoenix.

Collaboration, creativity, and cooperation. Those three words embody the spirit of co-location, a unique approach to teamwork that Sundt is using on all major design-build projects. The idea is to encourage constant communication between the contractor and the architect by housing them together in the same office space throughout a project's design and construction phases.



“We believe the future of the design-build delivery method is a team that becomes more and more integrated,” said Project Director Terry Abair. “Co-location solves some of the more challenging aspects of design-build because it encourages collaboration rather than the traditional back-and-forth style of communication that occurs when designers and contractors work separately.”

Abair cited one of Sundt's recent projects as an example of how co-location can be used successfully. “We have achieved great results on the Walter Cronkite School of Journalism project for the City of Phoenix and Arizona State University in downtown Phoenix,” he said. “Instead of designing and then value-engineering the project to make the budget work, we focused on keeping the design on budget each and every day. Being in constant communication allowed the team to achieve six separate fast-track design document package submittals on budget and on schedule.”

The 223,000-square-foot, six-story structure will provide ASU's Walter Cronkite School of Journalism with substantially improved and expanded facilities that are more in line with the growing enrollment and program offerings. The building will be fully equipped with cutting-edge amenities including newsrooms, computer labs, TV studios, 12 classrooms, offices and an auditorium. KAET-TV's portion of the building will be 76,000 square feet, and will include TV studios, production and audio control rooms, a transmission center, offices and conference rooms. The building will also contain general classroom space and room on the ground floor for retail tenants.

“The final benefits to the Cronkite project are still being measured,” Abair continued. “We designed the project to the budget and achieved all of the permit submittals on schedule. That is a first in my 34-year career.”

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*Artist's rendering of Tucson's
Fire Central*

FIRE STATION PROJECT HELPS REVITALIZE DOWNTOWN TUCSON

Sundt will play a role in the revitalization of downtown Tucson when it breaks ground this fall on Fire Central, a sophisticated new fire station in the city's center. As part of the \$28 million project, Sundt is also constructing a pedestrian greenway that will link several nearby streets with walking and bicycle paths, and a barrio memorial focusing on the history of Tucson's original downtown neighborhoods. Fire Central and the greenway are both key components in the City of Tucson's downtown revitalization plan.

"Downtown revitalization continues to be a trend particularly in the West and Southwest," said Project Director Jim Drago. "In order to be successful, these projects require a contractor, like Sundt, that knows how to blend new ideas and timeless values."

When complete in the spring of 2009, the 62,000-square-foot Fire Central will feature a 16-bed dormitory, five-stall apparatus bay, and consolidated administrative offices for Tucson Fire Department. Storage areas and a temporary evidence room will also be included in the two-story structure, along with a 132-space underground parking garage.

A special feature of Fire Central will be a firefighter memorial and museum, which will include a bell tower to house the original fire department "five-mile bell." This treasured artifact, cast in the 1800s, was used to call in volunteers to fight a fire because its ring could be heard up to five miles away.

Fire Central will replace Tucson's aging Fire Station No. 1, a facility that was also built by Sundt for the City of Tucson nearly 40 years ago.

ASU PROJECT WINS GREEN BUILDING COUNCIL'S PLATINUM CERTIFICATION

Among the many award-winning projects Sundt has built over the years, the Biodesign Institute at Arizona State University in Tempe, Ariz. stands out as one of the most prestigious. The most recent honor was announced this summer, when Building B received the highest certification given by the U.S. Green Building Council.

“Sundt is very proud to be a part of the team that built the first LEED® (Leadership in Energy and Environmental Design) Platinum Certified building in the state of Arizona,” said Sundt Senior Vice President Eric Hedlund. “We are committed to the sustainability movement, and currently have more than 80 LEED-accredited professionals on our staff.”

The Biodesign Institute facilities were designed by the architectural team of Gould Evans+Lord, Aeck & Sargent. The facility also won the 2006 Lab of the Year award from R&D Magazine.



Building B at the Biodesign Institute at Arizona State University, which recently received Platinum Certification from the U.S. Green Building Council

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Nevada: 22067-AB

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Sundt Construction, Inc., Northern California

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SUNDT