

TxDOT DFW Connector Project

Volume A. Executive Summary



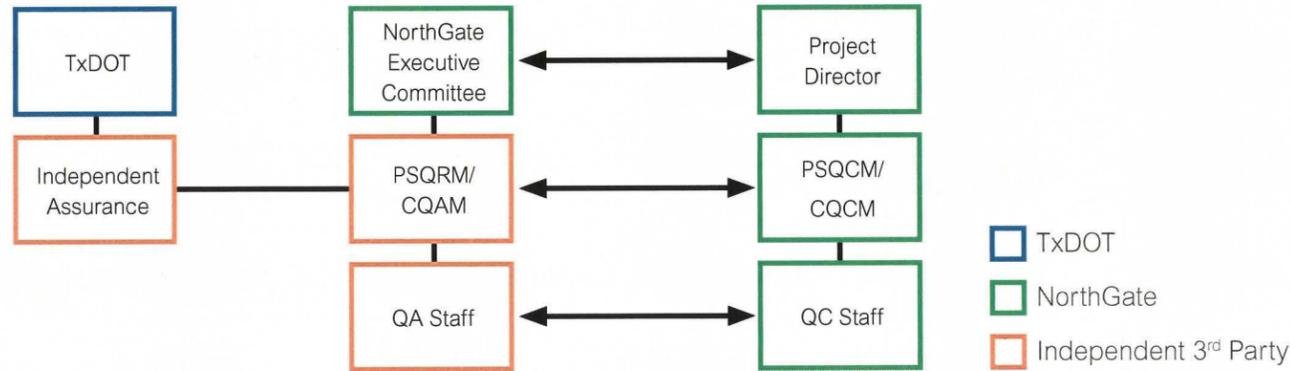
Maintenance Plan

NorthGate's approach to maintenance begins with high-quality design and construction, thereby minimizing capital maintenance during the term of the Capital Maintenance Agreement (CMA). We will provide long-term durability throughout the design life expectancy of each Project element. The Maintained Elements required by the CMA are included in the Maintenance Management Plan's inspection and reporting program. This plan provides preventative maintenance activities to minimize unplanned capital maintenance expenditures, and we are prepared to respond if Project elements need rehabilitation or to support TxDOT during emergencies.

(g) Quality Management Program (QMP) Summary

NorthGate's principal participants, Kiewit and Zachry, have well-developed and proven design-build Quality Management Plans, trained personnel, established processes and a history of successful quality performance. We have combined the best of both programs to develop the NorthGate QMP, which fully documents our quality management processes. This plan is ready to implement at Notice to Proceed 1 (NTP1). It underscores our commitment to quality and quality improvement for all elements of the work. The QMP integrates quality management activities for design, construction and maintenance. The QMP documents and verifies that the Project meets and exceeds the contract requirements and establishes functional independence for review (shown below). Our QMP meets the requirements of the International Organization of Standards (ISO) 9001:2000 for quality management systems. Although not required by the RFP, NorthGate will achieve ISO 9001 certification within 12 months of NTP1.

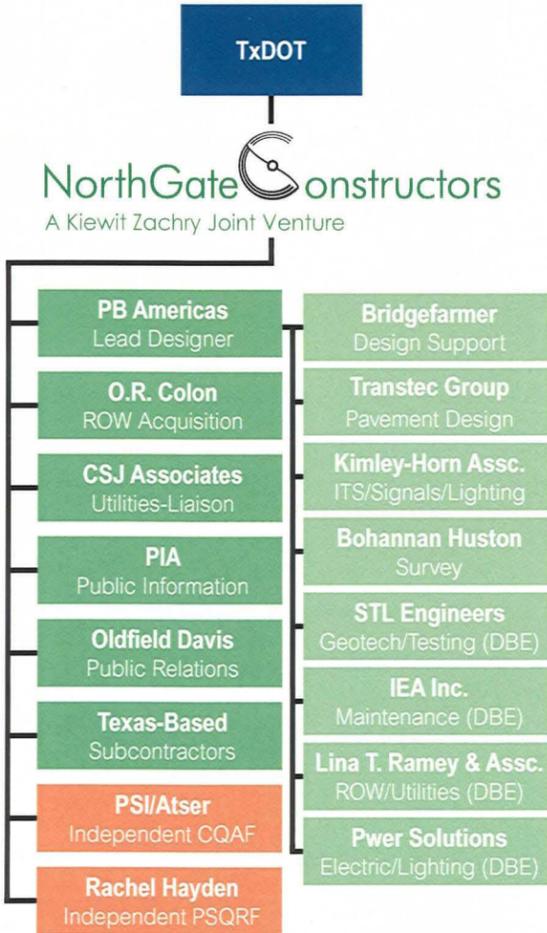
Quality Control and Quality Acceptance Reporting



Commitment

The NorthGate team has compressed the construction schedule, developed a community-sensitive Traffic Management Plan, and delivered innovation and added value throughout our proposal. With skilled people, strong design-build credentials, innovative solutions and decades of local transportation experience, NorthGate reaffirms its commitment to work with TxDOT in bringing much-needed transportation relief to the Dallas-Fort Worth Metroplex. This team has a comprehensive understanding of the Project's technical elements. We have worked with TxDOT and Stakeholders at all levels on a myriad of solutions — We know the Project. We're ready to partner with TxDOT to make the DFW Connector a model of design-build construction.

As managing partner of NorthGate, Kiewit brings lessons learned, hands-on processes, innovative approaches, and management and construction experience gained through multi-billion-dollar highway construction programs including the I-25 T-REX project in Denver and the I-15 Corridor Reconstruction in Salt City. **As an integrated joint venture partner, Zachry brings** its unparalleled record of Texas highway construction experience. The combined strength of these two construction companies, coupled with a long-standing presence in the corridor and the State, will ensure that TxDOT and the public receive the highest level of attention and commitment.



A Texas Team

NorthGate Constructors (NorthGate) is an integrated joint venture of Kiewit Texas Construction L.P. (Kiewit Texas) as the managing partner and Zachry Construction Corp. (Zachry) as partner. Kiewit Texas and Zachry are giants of the Texas construction industry and two of the state's most respected and financially sound highway and heavy civil contractors. A key differentiator for NorthGate is the experienced people and hands-on processes we use to deliver technical solutions and innovation applied directly to the DFW Connector Project.

We travel the corridor every day, and are intimately familiar with the Project's needs and challenges. With a dedicated pool of more than 2,300 Texas-based employees (supplemented by a host of specialty firms, nearly 200 professional engineers and technical support staff), NorthGate is "ready to roll."

Public Information and Communications

The key components for achieving success in the community are communication and proactive information sharing. Communication is paramount to meeting TxDOT's goal of "Cooperation and coordination with Stakeholders." Our co-located Project office with TxDOT will provide adequate space for regular meetings among internal team members, public agencies, communities and elected officials. This allows us to update these groups on the Project's status and upcoming construction and maintenance activities.

NorthGate Connections, our team's integrated Public Information and Communications Program, will provide protocols and procedures for coordination, collaboration, commitment and cooperation. Our approach reinforces NorthGate's commitment to minimize inconvenience to the community, motorists and the public. The NorthGate Connections program uses interactive communication to:

- Connect local community and Stakeholder input with design and construction
- Partner with TxDOT to effectively communicate Project information with "one voice"
- Provide accurate and timely information using multiple communication tools

Environmental Management

Our Environmental Management Plan establishes site controls during pre-operation planning that includes a series of environmental checklists prior to starting construction. This ensures that all work begins in compliance. We also have a plan to inspect, maintain and document those controls throughout the Project's duration. These controls verify that the Project is meeting NorthGate's and TxDOT's environmental commitments. A consistent approach to environmental management results in positive working relationships with regulatory staff and inspectors. The Environmental Compliance Manager (ECM) is responsible for understanding and ensuring these commitments are adhered to and that proper mitigation measures are implemented. The ECM will enforce a "zero violation" program and is the liaison between commitments made in the National Environmental Policy Act (NEPA) document, permits and any Memoranda of Understanding/Agreement by TxDOT, and compliance with those commitments.

Design Management

NorthGate's design management organization is structured to deliver the design on time, incorporate lessons learned from previous projects, and to provide the best value to TxDOT with the least public impact. The design is led by Parsons Brinckerhoff (PB). PB is ISO 9001-certified and brings nationally recognized leadership in transportation design and delivery. PB is using a host of specialty subconsultants with expert knowledge and understanding in key Project disciplines. The entire design team is familiar with TxDOT's standards and specifications and is 100% committed to work closely with Stakeholders and complete the design as prescribed in our schedule. Additionally, PB has enlisted the services of a number of Texas-based design firms to strengthen its implementation of efficient design solutions.

Mentoring and Job Training

The DFW Connector Project provides significant participation opportunities for local Disadvantaged Business Enterprises (DBEs) and firms listed in the Texas Unified Certification Program. In addition to our commitment to workforce diversity and our active apprenticeship program, NorthGate has implemented an aggressive Mentoring and Job Training Plan to maximize DBE involvement and exceed the DBE goal.



We Understand the Challenges

Over the past year, we have expended more than 60,000 hours preparing our technical proposal. This is a complex urban reconstruction project with an engaged local community and vested Stakeholders. Unlike a rural greenfield roadway project, the design and construction challenges associated with this work demand close attention to Stakeholder concerns when developing technical solutions. Our solutions include:

- The "NorthGate Connections" Program to connect, coordinate, communicate and cooperate with Stakeholders.
- Innovative sequencing to ensure mobility, business access and safe work zones to expedite delivery of this important roadway.
- Incorporating approved Alternative Technical Concepts (ATCs) bringing more than \$30 million in savings and tangible benefits.
- More than 70 added-value solutions providing an additional \$200 million in benefits to TxDOT and Stakeholders.

People with Proven Design-Build Experience

Large urban transportation projects have been described as performing open-heart surgery on a city — the region's economic vitality is contingent upon ahead-of-schedule, on-budget delivery with the highest attention to safety and quality. NorthGate is augmenting its North Texas-based management team with a group of seasoned design-build managers who have successfully led some of the nation's largest and most complex urban highway reconstruction projects — the award-winning I-15 Corridor Reconstruction in Salt Lake City and the I-25 T-REX project in Denver. In fact, our design-build team brings more than 150 years of experience from this design-build work. TxDOT and North Texas will benefit from the detailed processes for effectively integrating design and construction developed from this combined experience. The NorthGate management team will deliver the Project with "No Surprises" using proven programs for maintenance of traffic, public relations and environmental management.

We Exceed Project Goals

For any major project to be a success, it must start with the right plan. Our plan for exceeding Project goals focuses on effective solutions that provide added Project benefits. Our Project Development Plan delivers:

- A true public-private partnership committed to exceeding expectations
- Innovative and high-quality design-build solutions with a well-defined capital maintenance program
- An "open door" policy for Stakeholder coordination
- An uncompromising commitment to public and workforce safety
- Continued mobility with minimum construction impacts
- Early completion of frontage roads, mainlanes and managed lanes
- More opportunities for Disadvantaged and Small Businesses

(a) Organization and Contents of Proposal

Our proposal is indexed as prescribed in the Instructions to Proposers, Exhibit E - Summary and Order of Proposal Contents.

Technical Proposal

- A. Executive Summary
- B. Proposer Information, Certifications and Documents
- C. Project Development Plan
- D. Appendices
- E. Proposal Security (Proposal Bond)
- F. Escrow Agreement

Financial Proposal

- A. Updated Financial Information
- B. Price Information

(b) Summary of Changes to Proposer's Qualifications Submittal (QS)

Advancement of Programs and Solutions

NorthGate significantly advanced the Conceptual Project Development Plan originally submitted with its QS. This proposal contains a number of innovative solutions and approaches for project management, technical requirements, schematic development, scheduling and pricing. Specific advances to our technical solutions include:

- Developed a detailed, efficient traffic phasing and sequencing plan
- Compressed the Project duration
- Developed a construction plan to minimize impacts while maintaining mobility
- Created "Smart Start" to improve Project delivery

Detailed "Smart Start" Schedule

Our experience in successfully delivering over \$7 billion of design-build contracts has shown the importance of quickly building Project momentum. TxDOT and area Stakeholders have devoted a tremendous effort to prepare for this important Project; now it's time for the design-build industry to step up and deliver. NorthGate has prepared a detailed, step-by-step "Smart Start" schedule for office mobilization, design startup, utility negotiations, right-of-way acquisition packages, Project Management Plan submittals and early construction startup activities. The "Smart Start" approach enables us to perform development and planning activities for an accelerated launch of dedicated construction resources. This allows us to "hit the ground running" with an aggressive construction schedule.

NorthGate Summary Schedule



Geotechnical and Earthwork Plan

NorthGate advanced the TxDOT-supplied information, refined the geometry and performed additional geotechnical borings. As a result of this due diligence, we eliminated the need to merge more than 100,000 truckloads of material with the traveling public.

Utilities

To reduce risk we have developed a detailed utility mitigation plan for more than 1,000 potential utility conflicts. We have initiated discussions with utility owners, undertaken significant utility investigations and developed design solutions that consider relocation requirements while promoting compatibility with utilities that can remain in place.

Drainage Design

Our drainage design team analyzed the Project watersheds to correctly size drainage facilities and to accommodate expansion of the highway system. We have incorporated drainage design criteria from TxDOT, DFW Airport and the City of Grapevine; and followed the FEMA and Corps of Engineers guidelines to develop an upgraded drainage design solution.

Roadway

Our roadway design incorporates additional geotechnical data to develop structural roadway sections that are built to last. We have refined the roadway geometry to improve constructability, reduce construction-related impacts, and maintain mobility.

Intelligent Transportation Systems (ITS)

ITS enables the roadway network to communicate with motorists. Our plan combines existing ITS components with additional features and benefits to deliver updated technology. This system will interface with NorthGate's Traffic Management Center two months prior to construction.

Signing, Delineation, Pavement Markings, Signalization and Lighting

Our signing, delineation, pavement markings, signalization and lighting design complies with FHWA, TxDOT and local requirements. We have considered DFW airspace limitations for overhead signs, developed processes to coordinate signal timing with local jurisdictions, and completed a photometrics study for the corridor's luminaries plan.

(f) Project Management Plan Summary

The Project Management Plan establishes the management, control, communication and coordination processes to monitor design and construction activities and overall Project status. All NorthGate team members, and TxDOT, will have access to our Project web-based collaboration tool.

Management Team

The management team, key design personnel and TxDOT will be co-located in the Grapevine Project office. Our key team members reside in the area; this Project will be built for Texans by Texans. Our senior-level managers bring large design-build transportation project experience, resulting in innovative solutions, expedited delivery and sensitivity to community issues.

Risk Management

The highest shared risk on this Project is right-of-way (ROW) acquisition. Our plan to mitigate this risk includes preliminary parcel investigation including appropriate ROW schedule considerations to account for parcel types with eminent domain precedence. The NorthGate ROW team has the resources, experience and local knowledge to meet the aggressive Project schedule by leveraging time savings inherent in the design-build process.

Schedule Innovation

- "Smart Start" schedule enables efficient Project startup
- Detailed design schedule starts and finishes construction on time
- Level V Critical Path Project Schedule contains 2,400 activities
- Frontage road delivered early
- Managed lanes delivered early
- Early Project completion: June 2013 – Full roadway

Deputy Project Directors, key project managers for public relations, environmental compliance and right-of-way will also report directly to Keith.

The Deputy Project Director – Design/Administration will oversee design-build coordination, scheduling, contract administration and project engineering . The coordination among these groups during the early stages of design is instrumental in meeting early design deliverables that include environmental compliance and Stakeholder input for aesthetics and other requirements.

The Deputy Project Director – Construction will be responsible for construction, safety, quality, labor, equipment, materials, costs and schedule. Reporting to the Deputy Project Director – Construction are co-construction managers for roadway and structures. These managers will coordinate resources and be accountable for safety, quality, labor, equipment, materials, costs and schedule.

The Quality Management Team will report directly to TxDOT, and the EC, to ensure that this important Project function receives ongoing and continuous support from the highest level and provides an independent assessment of NorthGate's performance.

(e) Technical Solutions

Our Approach Sets Us Apart

The success of this Project depends on the design-build team's ability to deliver innovative traffic control plans and construction sequencing solutions through the "funnel."

NorthGate analyzed the geotechnical conditions, master drainage data, utility relocations, mass grading flows, roadway and surfacing alternatives, bridges and wall types, ITS, and the overall roadway network geometry to provide technical solutions that exceed TxDOT's goals and requirements. We have implemented a Life Cycle Cost Analysis for major Project elements to ensure that TxDOT receives the maximum whole-life value for its investment in this transportation asset.

Design and Construction Plan

NorthGate's design and construction plan involves collaboration between the design and construction teams to ensure the final technical solutions meet all design criteria for safety, performance and durability. These solutions optimize construction efficiency while minimizing public impacts. At NorthGate no one works in a vacuum — all concepts and ideas are considered as a team (including TxDOT and Stakeholders) to keep the Project's goals foremost in the decision-making process.

Construction Staging, Sequencing and Traffic Management

Our construction sequencing and Traffic Control Plan (TCP) reduces the "cone zone" construction period to minimize impacts, improve traffic flow and create positive Stakeholder response. Our three-segment / three-phase approach reduces traffic switches, maximizes work areas and expedites the schedule to minimize disruptions. NorthGate will implement a Courtesy Patrol, a Project Traffic Management Center, and a comprehensive public information campaign to communicate our traffic control and sequencing plan.

Bridges and Surface Structures

NorthGate's technical proposal includes construction of 81 new or reconstructed bridges, five widened bridges and more than 100 retaining walls. In developing these solutions, we reduced the total bridge deck quantity, standardized bridge materials for efficiency, and judiciously selected wall types – all schedule and cost improvements that exceed requirements. Final bridge aesthetic treatments will be determined with Stakeholder input to reflect the unique characteristics of the corridor's communities. Examples of potential treatments for Grapevine are provided in our proposal.



(c) Summary of Changes in Proposer's Organization; Key Personnel

The TxDOT-approved changes and modifications to our organization from the accepted QS are presented below.

Strengthened Qualifications

We strengthened the NorthGate team with several Texas-based and national firms, as identified in Changes in Proposer's Organization, to facilitate our commitment to exceeding TxDOT's goals. These changes benefit the Project with improved capabilities, dedicated resources and advanced technical solutions.

Changes in Proposer's Organization

Proposal Firm (RFP)	Modification from QS to Proposal	Project Role	Type of Change or Addition
Zachry Construction Corp.	Major Participant; Equity	Partner, NorthGate Constructors	Corporate reorganization – Emphasis on heavy-highway business
Bridgefarmer & Assoc.	Major Participant; Major non-equity	Structures and roadway design	Non-equity to Major Participant; Major non-equity – Local design support
Kiewit Construction Company	Guarantor	Guarantor	Addition – Exceeds Tangible Net Worth requirement
Zachry Corporation	Guarantor	Guarantor	Addition – Exceeds Tangible Net Worth requirement
Kimley – Horn and Assoc.	Major Participant; Major non-equity	Traffic, ITS, signing and lighting design	Addition – Local design support
CSJ Engineering Assoc.	Non-equity	Utility coordination and relocation	Addition – Local knowledge with utilities
PSI	Non-equity	Independent CQAF	Addition – Experienced Construction Quality Firm
Atser	Non-equity	Independent CQAF	Addition – Experienced Construction Quality Firm
Rachel Hayden and Assoc.	Non-equity	Independent PSQRF	Addition – Experienced Professional Services Quality Review Firm
The Transtec Group, Inc	Non-equity	Pavement designer	Addition – Leading pavement designer for TxDOT roadways
IEA, Inc.	Non-equity	Maintenance and traffic design	Addition – Local design support with traffic engineering
Pwr Solutions	Non-equity	Illumination design	Addition – Local Illumination and TxDOT experience
Kiewit Corporation	Guarantor	Guarantor	Deletion – Supplanted by other Guarantor
DMJM Harris	Non-equity	Design support	Deletion – Conflict with recent acquisition
TCB	Non-equity	Pavement design	Deletion – Conflict with recent acquisition
ICA	Non-equity	Routine maintenance	Deletion – CMA is Capital Maintenance

Changes in Key Personnel

NorthGate has made changes to its Key Personnel for reasons mandated by the RFP or to provide added value. NorthGate is providing TxDOT and the community with the "A-Team."



Each of NorthGate's Major Participants has provided commitment letters for the specified Key Personnel as noted below:

NorthGate's Committed Manager	Position Required by RFP	Modification from QS	Added Value
Keith Sasich	Project Director	Addition – Increased management commitment	28 years of experience; senior Kiewit Texas manager, including oversight of large design-build projects
Rob Anderson	Deputy Project Director – Design and Administration	Defined role to enhance delivery	16 years of design-build experience valued at more than \$3.3B in contract value
Steve Medina	Deputy Project Director – Construction	Addition – Defined role to enhance delivery	23 years of experience – six years of design-build experience
Tim Nelson	Design-Build Coordination Manager	Addition – Specialized role to enhance delivery	18 years of experience in design-build, fast-track transportation and heavy civil projects
Dale Moeller, P.E.*	Design Manager	Change – Increased management commitment	32 years of design and construction experience including 2 projects with contract values in excess of \$1B
Jay Knez	Construction Manager - Roadway	Addition - Defined role to enhance delivery	25 years of experience; significant Texas paving (TxDOT and DFW airport) and design-build experience
Reg Carson	Construction Manager - Structures	Addition - Defined role to enhance delivery	28 years of experience – oversight management for hundreds of bridges; 13 years of design-build experience
David Williams, P.E.	Professional Services Quality Control Manager (PSQCM)	Addition – Increased management commitment	29 years of highway/bridge engineering management oversight and plan development
Mark Brown, P.E.	Construction Quality Control Manager (CQCM)	Addition – Increased management commitment	36 years of design and construction experience; 10 years overseeing transportation quality management
Tom Ross	Maintenance Manager	Change – Increased management commitment	36 years of construction highway and bridge experience; 15 years on design-build experience
Anthony Crockett	Maintenance QC Manager	Addition – Increased management commitment	15 years of transportation design-build Quality Management – Quality Management Plan development
John Rutkauskas	Environmental Compliance Manager	Change – Management commitment for broader understanding of local regs.	27 years of regulatory compliance within the State of Texas
Steve Evans	Right-of-Way Manager	Right-of-Way Manager	29 years with TxDOT – managed the acquisition of more than 600 parcels on design-build projects in Texas
John Schulte	Utilities Manager	Change – Increased management commitment	25 years of experience with utility adjustments for construction projects, including design-build
Hunter Sydnor	Public Relations Manager	Addition – Increased management commitment	20 years of community relations / business assoc. experience; five years of D-B public information management
Rachel Hayden, P.E.	Independent Professional Services Quality Review Manager (PSQRM)	Addition – Increased management commitment	18 years of QC/QA experience on transportation projects in Texas
Robert Arizola, P.E. / Robert Schenck, P.E.	Independent Construction Quality Acceptance Manager (CQAM)	Addition – Increased management and DBE commitment	20 years experience in Texas / 20 years experience; certified ACI concrete inspector

(d) Summary of Proposed Management, Decision-Making and Operational Structure

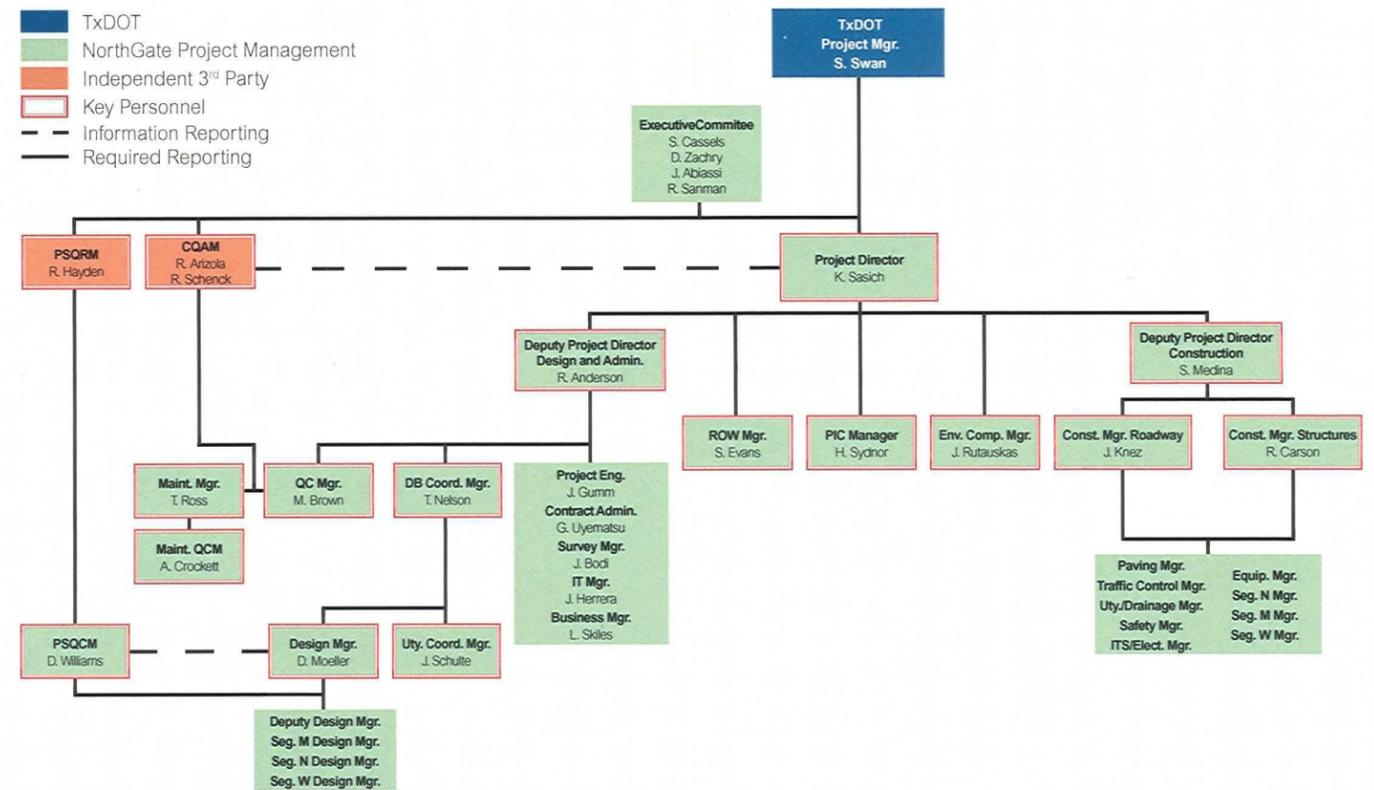
NorthGate's Executive Committee (EC) will be chaired by Scott Cassels, Executive Vice President of Kiewit Corporation and member of the Board of Directors for Peter Kiewit Sons' Inc. David Zachry of Zachry Construction Corp. is also a committed member of the EC. With full access to local and national resources of both Kiewit and Zachry, the EC commits all the required personnel, equipment, material and financial resources to successfully deliver the Project. EC members will participate with TxDOT in the partnering process and will remain current on the Project's status and progress. This executive support group will remain engaged with TxDOT and the Project team to ensure that Project goals are achieved.

As a demonstration of our commitment to this significant Project, we have appointed Keith Sasich as Project Director. Keith serves as President of Kiewit Texas Construction L.P. and has overall management responsibility for Kiewit's operations in Texas, Oklahoma and Louisiana. He is a "hands-on" operations executive in the truest sense, and there are few people at his level more knowledgeable about construction in the Texas transportation market. By direction of Kiewit's CEO, Keith is 100% committed to the Project.

Management and Decision-Making

Our management structure has clear lines of authority and communications. Keith Sasich will be TxDOT's primary point of contact and will be supported by Rob Anderson, Deputy Project Director - Design/Administration and Steve Medina, Deputy Project Director – Construction. A summary of the NorthGate management organization is provided in the organization chart. We have committed this management team for Project delivery.

Key Personnel Organization: Structured for Project Success



Upon award, we will hold an initial partnering session among NorthGate team members and TxDOT. Using processes developed in this session, we will establish key counterparts and lines of communication to address potential challenges. As Project Director, Keith has the authority to make all decisions on behalf of NorthGate. The process for major decision-making among the team includes consultation with and directives from the EC. In addition to the Co-