

**REQUEST FOR QUALIFICATIONS
TO DEVELOP, DESIGN, CONSTRUCT, FINANCE,
OPERATE AND MAINTAIN
THE
NORTH TARRANT EXPRESS
THROUGH A
COMPREHENSIVE DEVELOPMENT AGREEMENT**

TEXAS DEPARTMENT OF TRANSPORTATION

**ADDENDUM # 1
ISSUED February 12, 2007**

**Texas Department of Transportation
125 East 11th Street—Fifth Floor
Austin, Texas 78701**

This document represents Addendum #1 to Request for Qualifications dated as of December 8, 2006, ("**the RFQ**") issued by the Texas Department of Transportation ("**TxDOT**") from Proposers desiring to develop, design, construct, finance, operate and maintain the North Tarrant Express ("**the Project**").

Initially capitalized terms not otherwise defined herein shall have the meanings set forth in the RFQ.

The RFQ is hereby clarified and revised as follows:

1. Part A, Section 2.3.1 of the RFQ is amended and restated as follows:

2.3.1. Concession Opportunity.

TxDOT currently anticipates that it will enter into a CDA providing a concession for Segment 1. TxDOT anticipates that the CDA will: (a) obligate the Developer to (i) develop, design and construct Segment 1, (ii) invest equity and provide financing for such improvements, and (iii) operate and maintain Segment 1 and associated frontage roads and (b) grant the Developer the right to retain toll revenues from users of the tolled portions of Segment 1 for a maximum period to be specified in the RFP, subject to any revenue sharing with or other payments to TxDOT.

2. The last paragraph of Part A, Section 2.5 of the RFQ is amended and restated as follows:

The proposed roadway improvements, as described in Part A, Section 2.2, for all of the Segments will be modeled for air quality conformity through preparation of *Mobility 2030*. The Regional Transportation Council approved the *Mobility 2030* plan on January 11, 2007. The plan has been forwarded to FHWA for review. The FHWA is expected to approve the air quality conformity analysis in Spring 2007.

3. Part A, Section 3.7 of the RFQ is amended and restated as follows:

3.7 Ombudsman

TxDOT has designated an employee who is not involved in this procurement to act as an ombudsman for the purpose of receiving written communications submitted in accordance with this Section 3.7 on a confidential basis. Instead of submitting written communications to TxDOT's designated Project representative

as provided in Part A, Section 3.6 above, a Proposer may submit such confidential communications, and any confidential comments or complaints regarding the procurement, to the ombudsman, where they believe in good faith that confidentiality is essential. A Proposer must submit such confidential communications in a separate document that does not include any information identifying the Proposer. After receiving such confidential communications the ombudsman shall forward only the separate document containing the confidential communication to TxDOT's authorized representative as identified in Part A, Section 3.6 above. The designated ombudsman for this procurement is:

Claire McGuinness, Esq.
Associate General Counsel
Texas Department of Transportation
125 East 11th Street, Fifth Floor
Austin, Texas 78701
E-mail Address: cmcguin@dot.state.tx.us

All other questions and requests for clarification should be submitted to TxDOT's designated Project representative in accordance with Part A, Section 3.6, above.

4. Part B, Volume 2, Section A of the RFQ is amended and restated as follows:

Section A. Financial Statements and Credit Ratings

Financial statements for the Proposer and equity members of Proposer for the three most recent completed fiscal years must be provided to demonstrate financial capability of the Proposer.

Financial Statement information must include:

- i. Opinion Letter (Auditor's Report)
- ii. Balance Sheet
- iii. Income Statement
- iv. Statement of Changes in Cash Flow
- v. Footnotes audited by a certified public accountant in accordance with generally accepted accounting principles (GAAP).

In addition, quarterly unaudited statements for the period since the most recent completed fiscal year for the Proposer and Equity Members of the Proposer are to be provided.

The Financial Statements, whether for the three most recent completed fiscal years or for the period since the most recent completed fiscal year, must meet the following requirements:

- a. **GAAP:** Financial Statements must be prepared in accordance with U.S. Generally Accepted Accounting Principles (U.S. GAAP). If financial statements are prepared in accordance with principles other than U.S. GAAP, a letter must be provided from a certified public accountant discussing the areas of the financial statements that would be affected by a conversion to U.S. GAAP.
- b. **U.S. Dollars:** Financial statements must be provided in U.S. dollars. If financial statements are not available in U.S. dollars, the Proposer must include summaries of the Income Statements and Balance Sheets for the applicable time periods converted to U.S. dollars by a certified public accountant.
- c. **Audited:** With the exception of the unaudited quarterly Financial Statements, Financial Statements must be audited by an independent party qualified to render audit opinions (e.g. a Certified Public Accountant). If audited financials are not available for an equity owner, the QS shall include unaudited financial statements for such member, certified as true, correct and accurate by the chief financial officer or treasurer of the entity.
- d. **English:** Financial Statement information must be prepared in English. If audited financial statements are prepared in a language other than English, translations of all financial statement information must be provided with the original financial statement information.
- e. **Newly Formed Entity:** If the Proposer is a newly formed entity and does not have independent financial statements, financial statements for the equity owners shall be provided (and the Proposer shall expressly state that the Proposer is a newly formed entity and does not have independent financial statements).
- f. **Guarantor Letter of Support:** If Financial Statements of a parent company or affiliate company ("Guarantor") are provided to demonstrate financial capability of the Proposer or equity members of the Proposer, an appropriate letter from the Guarantor must be provided confirming that it will financially support all the obligations of the Proposer or equity member of the Proposer with respect to the Project. Proposers shall note that TxDOT may, in its

discretion based upon the review of the information provided, specify that an acceptable Guarantor is required as a condition of shortlisting.

g. **SEC Filings:** If the team or any other entity for whom financial information is submitted hereby files reports with the Securities and Exchange Commission, then such financial statements shall be provided through a copy of their annual report on Form 10K. For all subsequent quarters, provide a copy of any report filed on Form 10Q or Form 8-K which has been filed since the latest filed 10K.

h. **Confidentiality:** The Proposer shall identify any information which it believes is entitled to confidentiality under Section 223.204 of the Code and the Act, by placing the word "confidential" on each page as described in Part A, Section 6.

i. **Credit Ratings:** Appropriate credit ratings must be supplied for each Proposer, equity member, and Guarantor to the extent such entities have credit ratings. If no credit ratings exist, include a statement specifying that no credit ratings exist for that entity.