EXECUTIVE SUMMARY

a) NorthGate Constructors' Proposal Organization and Contents

NorthGate Constructors (NorthGate) has assembled its response to TxDOT's Request for Proposals, Addendum #7 BAFO for the DFW Connector Project in a concise manner addressing changes reflected as required for technical solutions, management organization, quality control and pricing for Configurations 1 and 2. Our Configuration 3 technical proposal and organization as submitted July 15, 2008 remain valid, although we have updated Configuration 3 pricing to reflect the changes in market conditions and associated commodity values. We have included BAFO Proposal information regarding the following items consistent with Exhibit E of the ITP:

Revised Proposal For BAFO

Volume 1: Technical Proposal

Proposal Component	Title
B	Proposer Information, Certification & Documents
Form BAFO A (including a statement from Proposer's Authorized Representative that no changes have occurred requiring updated incumbency certificates, evidence of authorization and other certificates, documents and forms from the Proposal submitted July 15, 2008 and are accurate and valid as of January 12, 2009.) Form B-1 for Guarantors	
C	Project Development Plan (BAFO)
Component C addresses the revisions to the Technical Solutions, Project Management Plan and our commitment to ISO 9001:2008 certified Quality Management Plan. Configuration 1, Configuration 2 and; if required Configuration 3 are addressed concurrently within each section of the Project Development Plan (BAFO): C.1 Technical Solutions C.1.1 Design and Construction Plan C.1.1.1 Construction Staging, Sequencing and Traffic Management C.1.1.3 Bridges and Surface Structures C.1.1.9 Drainage Design Approach C.1.1.10 Roadway C.1.1.12 Intelligent Transportation Systems C.1.1.14 Signing, delineation, Pavement Markings, Signalization and Lighting C.1.3 Preliminary Project Baseline Schedule C.2 Project Management Plan C.2.1 General Project Management Plan C.3 Quality Management Plan	

Proposal Component	Title
D	Appendices
D.1 Project Organizational Charts for Configuration 1 and Configuration 2 D.2 Roll Drawings for Configuration 1 and Configuration 2 D.2.1 Construction Staging and Sequencing D.2.2 Preliminary Bridge Plans D.2.3 Preliminary Wall Plans D.2.4 Not Used D.2.5 Preliminary Drainage Plans D.2.6 Roadway Schematic Plans D.2.7 Preliminary ITS Plans D.2.8 Preliminary Signing Plans D.2.9 Preliminary Electrical / Illumination Plans D.3 Preliminary Baseline Schedule for Configuration 1 and Configuration 2 D.3.1 Preliminary Baseline Schedule D.3.2 Preliminary Maintenance Schedule	
E	Proposal Security
Form BAFO K-1.a provides an executed rider to the proposal bond evidencing that the original proposal bond has been executed to accommodate the BAFO timeframe up to 270 days from January 12, 2009.	
F	Escrow Agreement
Form BAFO L-1 Amendment No. 1 to Escrow Agreement	

Revised Financial Proposal For BAFO

Proposal Component
BAFO Guarantor Letter(s)
Material Changes certification letter(s)
BAFO Development Price for Configuration 1, 2, and 3
Forms BAFO N-1a, BAFO N-1b, BAFO N-1c Forms BAFO N-1.1a, BAFO N-1.1b, BAFO N-1.1c Forms BAFO N-1.2a, BAFO N-1.2b, BAFO N-1.2c
BAFO Cash Flow Adjustment Table/Maximum Payment Curve
Forms BAFO N-2.a, BAFO N-2.b,. BAFO N-2.c
BAFO Maintenance Price for Configuration 1, 2, and 3
Forms BAFO O.a, BAFO O.b, BAFO O.c

b) Summary of Changes Contained in This Proposal From July 15, 2008 Proposal Submission

NorthGate Constructors (NorthGate) has assembled a dedicated team of design, construction, right-of-way, utility, communication and professional services personnel drawn from two highly respected, Texas-based companies with more than 25 years of experience in the DFW area: Kiewit Texas Construction L.P. and Zachry Construction Corporation, combined with local and regional specialty consultants to meet the dynamic challenges of the DFW Connector Project.

NorthGate is committing nationally recognized key management and staff experienced on design-build projects and experienced on highly-travelled urban corridor reconstruction such as the "High Five," I-15 and I-25 T-REX project. These managers understand the ramp-up and construction pace required to meet the aggressive schedule commitments and to exceed TxDOT and Stakeholder expectations for communication, mobility and access.

For this BAFO Proposal, our approach to Project delivery has been modified to provide TxDOT flexibility in its selection of the Project's configuration and associated scope of work. The operational characteristics of NorthGate's programs, policies and commitments to deliver Configuration 1, 2 or 3 remain at the highest standards, as indicated in our July 15, 2008 Proposal. We recognize the factors affecting the Project's scope are fluctuating and are based on decisions beyond TxDOT's control. In collaboration with TxDOT, we will provide a development team to support all disciplines required to maximize the Project's capacity improvements and benefits, using cost-effective technical solutions and applying a flexible and scalable construction management structure. We have committed the same development management team for Configurations 1 and 2 as we did for Configuration 3 in our July 15, 2008 submittal. This provides a highly experienced group of professionals to assist TxDOT in maximizing capacity and mobility improvements at the lowest cost while meeting Project Goals.

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

No changes have been made to the organizational structure or Key Personnel of NorthGate Constructors from the July 15, 2008 Proposal.

d) Summary of the Proposed Management, Decision Making and Operating Structure of Proposer

The proposed management changes in this BAFO Proposal relate to addressing field management efficiency and effectiveness for the lesser scope of Configuration 1 versus the scope of Configurations 2 and 3. Configuration 1 is treated as one segment; therefore, the number of segment management personnel required is reduced. One change to the key management structure in Configuration 1 is the deputy project director - construction is eliminated and the co-construction managers for structures and roadway fill this role, reporting directly to the project director.

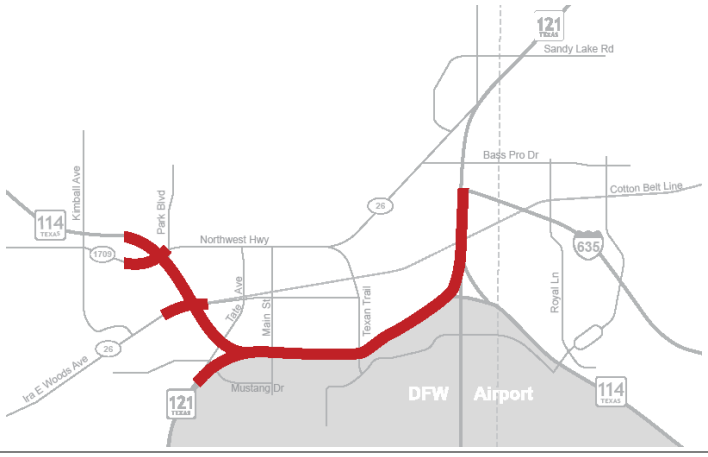
Configuration 2 is divided into two segments based on scope and volume requirements. The deputy project director and his two co-construction managers are NorthGate added value Key Personnel, and are supplied based on the increased scope for Configurations 2 and 3. Configuration 2 has two segment managers, and

Configuration 3 has three segment managers, as indicated in our July 15, 2008 proposal. Other NorthGate Key Personnel, the development organization and our reporting structure remain essentially the same.

This approach provides a flexible and scalable construction management team solution based on the scope of the selected configuration option, or any scope between Configuration 1 and Configuration 3.

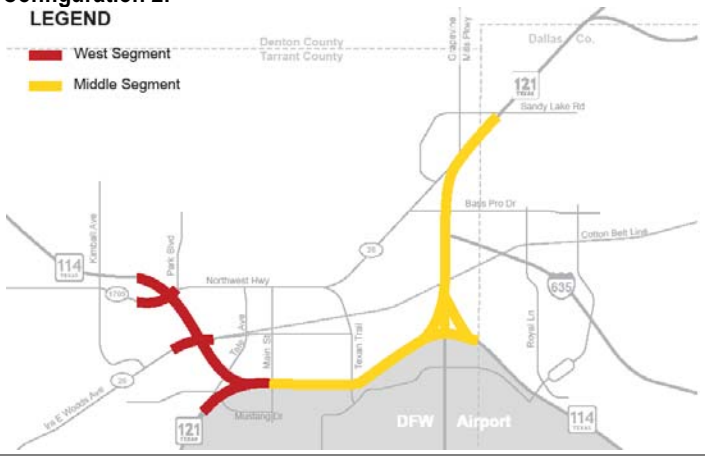
Construction Management Approach

Configuration 1:



For Configuration 1, our approach to organizing, scheduling and managing the Work is based on executing field operations as a single segment.

Configuration 2:



For Configuration 2, our approach to organizing, scheduling and managing the Work is based on executing field operations as a two-segment approach, West and Middle, each with its own dedicated segment manager.

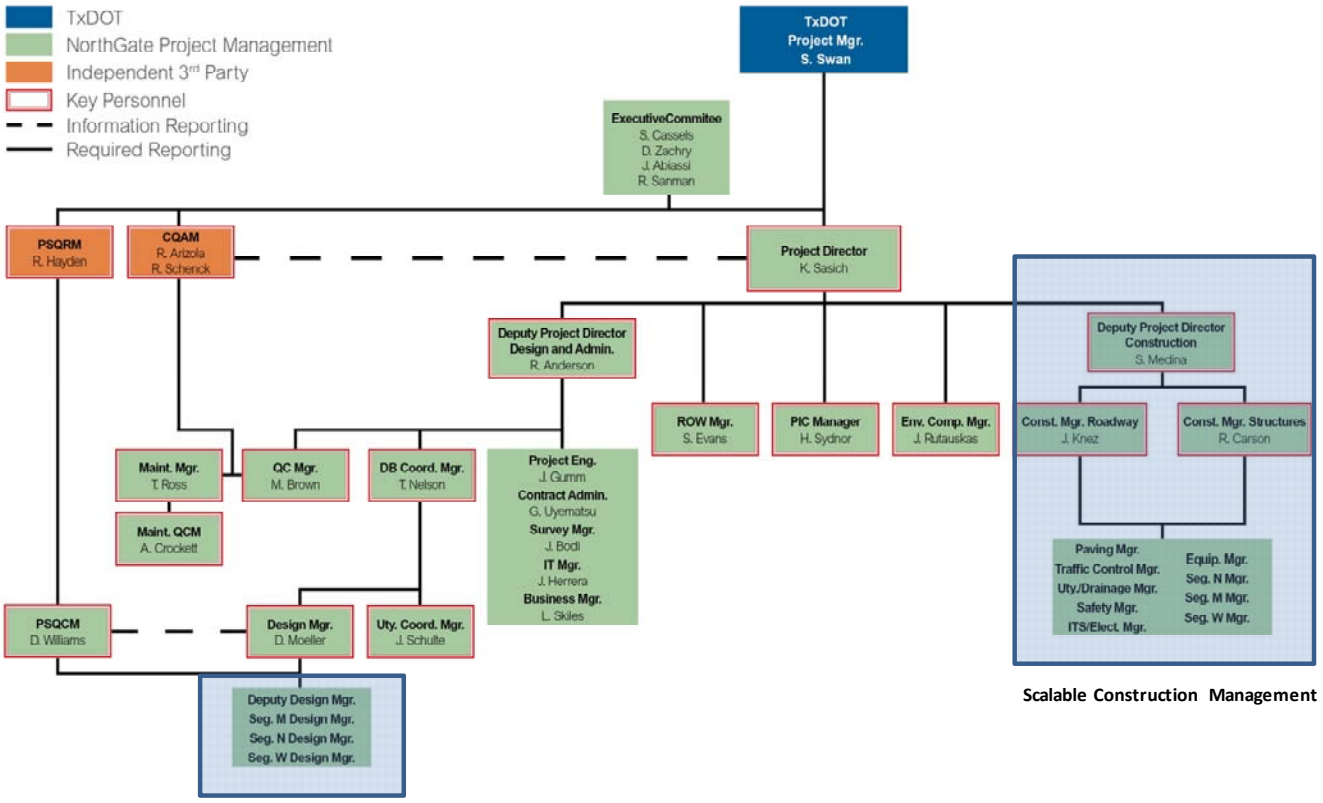
Configuration 3:

For Configuration 3, our approach to organizing, scheduling and managing the Work is based on executing field operations as a three-segment approach, West, Middle and North, each with its own dedicated segment manager:

These construction management approaches effectively and efficiently delegate the Project's required work load across the appropriate construction management team based on the scope and volume of work for each configuration.

As illustrated below, the management structure for the development organization remains essentially constant across all three configuration options, separate of design and direct field operations management structure (highlighted) which will be adjusted based on the option selected by TxDOT.

Key Personnel Organization: Structured for Project Success



e) Summary of Technical Solutions

Construction Staging, Sequencing and Traffic Management

We have retained our three-phased sequencing approach throughout all three configurations. The sequencing and traffic management for Configuration 1 has been modified slightly on SH 114/SH 121 between W.D. Tate and the east Project limits to address the reduced scope of SH 114/SH 121 east of Texan Trail.

Configurations 2 and 3 sequencing and traffic management are coincident with minor exceptions at the relevant project termini.

Bridges and Surface Structures

No additional bridge or surface structure types have been required for Configurations 1 and 2. All bridges and surface structures are identified on the applicable reference drawings and additional bridges required for each configuration's scope are summarized.

Additional cast-in-place retaining walls are required in Configuration 1 to accommodate the elevation differential of the new Managed Lanes and the eastbound General Purpose Lanes east of Texan Trail.

Drainage Design Approach

Drainage systems have been uniquely modified for each configuration and modeling performed to ensure compliance with technical provision performance requirements.

Our proposed technical solutions accomplish drainage capacity requirements while reducing construction impacts and existing infrastructure reconstruction for all three configurations.

Roadway

All roadway geometrics are updated for each relative configuration and compliant with the Technical Requirements and coincident with Configuration 3 as practicable to minimize non-coincident work.

Geometric refinements are adjusted to meet the scope and transition requirements of each configuration.

Intelligent Transportation Systems

ITS systems are provided for each configuration within the limits of reconstruction or lane widening capacity upgrades.

For any option selected, we are providing a dedicated and staffed Traffic Management Center (TMC) at the Main Street Project office operational within the first three months after NTP1 to monitor traffic flow and control ITS components.

Signing, Delineation, Pavement Markings, Signalization and Lighting

Signing, Delineation, Pavement Markings, Signalization and Lighting Schematics are provided for each configuration within the limits of reconstruction or lane widening capacity upgrades.

Preliminary Baseline Schedule Summary

NorthGate's durations from NTP1 to Substantial Completion are:

- Configuration 1 Work in 1,527 calendar days from NTP1, 117 calendar days ahead of the required schedule duration of 1644 calendar days.
- Configuration 2 Work in 1,702 calendar days from NTP1, 32 calendar days ahead of the required schedule duration of 1734 calendar days.
- Configuration 3 Work in 1,702 calendar days from NTP1, 32 calendar days ahead of the required schedule duration of 1734 calendar days.

NorthGate Schedule Approach

Additionally, through our scheduling approach, we have reduced the duration of construction impacts up to 176 days: 1,357 calendar days, 1,526 calendar days and 1,526 days, respectively, for Configurations 1, 2 and 3, as illustrated in our "Smart Start" schedule shown above.

The "Smart Start" strategy is based on lessons learned from past urban transportation design-build projects. Proper and thorough planning leads to a step-by-step schedule for office mobilization, design startup, utility negotiations, right-of-way acquisition packages, Project Management Plan submittals and initial construction startup activities for efficient application of dedicated construction resources. The benefit of "Smart Start" is reduced duration of traffic and business access impacts.

f) Summary of the Project Management Plan

The Project Management Plan for this BAFO is consistent with that submitted in our July 15, 2008 Proposal.

NorthGate is committed to exceeding TxDOT's Project goals and expectations. Our philosophy for management plan implementation is to collaborate with TxDOT on potential configuration option changes, while anticipating future Project needs and timely adjusting resources to meet Project challenges.

Project size and scope based on the configuration option selected will mandate flexibility in the design and construction management team. Our commitment is to provide this flexible structure and highly experienced project development team.

Additionally, NorthGate's Key Personnel are committed to communication and coordination through design, construction and maintenance using NorthGate Connections, the team's centralized communication plan. This communication and coordination will be essential in the effort to develop and complete the Project's long-term capacity and mobility improvements consistent with Configuration 3 scope.

g) Summary of the Quality Management Plan

There are no changes in NorthGate's commitment of its ISO 9001:2008-certified Quality Management Plan.

Rigorous implementation of the Quality Management Program is key to achieving high-quality design, construction and maintenance. This will ensure we exceed TxDOT's technical requirements and allow hand-back at completion of the CMA. Through our team's collective experience in areas of quality management,

NorthGate will provide initial and long-term Project value. Since 2001, NorthGate's joint venture partners have implemented corporate-wide quality initiatives based on the understanding that owners demand quality-end products meeting their requirements and expectations.

Our quality management organization is structured as an integrated team with responsibility for quality delegated to the people most capable of affecting the end product. The figure below illustrates our integrated structure with TxDOT. This structure maximizes organizational efficiency while maintaining high standards for quality.

Project Quality Management Organization