Section A

Executive Summary

KIEWIT-GRANITE-STERLING PARKWAY CONSTRUCTORS JV (KGS)

consists of Kiewit Infrastructure Group Inc., Granite Construction Company, Inc., and Texas Sterling Construction Co. HDR Engineering, Inc. is the Lead Designer and Engineer-of-Record. KGS is committed to delivering the Grand Parkway Project with:

1. The highest regard for public and personnel safety.
2. Quality built into every step throughout design and construction.
3. Substantial Completion seven months early.

The Grand Parkway Design-Build Project (Project) will serve as an important transportation link in the greater Houston area, enhancing mobility, promoting air quality improvements, and stimulating the local economy. By selecting KGS, TxDOT and the citizens of Houston can rely on our proven design-build approach and transparent partnership to fulfill all Project commitments, resulting in community satisfaction and goodwill.

SUBSTANTIAL COMPLETION: 883 CALENDAR DAYS (JUNE 2, 2015). Our team's right-of-way acquisition experience, design-build know-how and extensive resources provide TxDOT PRICE CERTAINTY for the Grand Parkway Project.

a. Organization and Contents of Proposal

Our proposal follows the Instructions to Proposers (ITP) format and numbering system. Major elements of our proposal are:

A. Executive Summary

B. Proposer Information, Certifications and Documents

C. Project Development Plan
   C.1 Technical Solutions
   C.2 Preliminary Baseline Schedule
   C.3 Project Management Plan
   C.4 Quality Management Plan

D. Appendices
   D.1 Key Personnel Resumes and References
   D.2 Technical Drawings, Graphs, and Data
   D.3 Preliminary Baseline Schedule
   D.4 ATC Approval Letters

b. Summary of Changes from the Qualifications Submittal (QS)

The following changes were approved and incorporated into our proposal:

- Addition of Texas Sterling Construction Co. (Sterling) to our joint venture as described in subsection (c).
- Changed the name of our team to Kiewit-Granite-Sterling Parkway Constructors JV.
- Named and committed nine additional key personnel to our organization, as described in subsection (c).

c. Summary of Changes to Proposer's Organization

During proposal development, we added Sterling to our joint venture and changed our name to Kiewit-Granite-Sterling Parkway Constructors JV. This change was approved by TxDOT following submittal of our ***Changes in Proposer's Organization***. The addition of Sterling to our team adds depth, experience with TxDOT's Houston office, local knowledge, personnel and equipment resources, and a business culture that complements Kiewit and Granite. As the lead joint venture partner, Kiewit is a 60% Equity Member, Granite is a 25% Equity Member, and Sterling is a 15% Equity Member.

Table A-1 lists the key personnel that have been approved and added to our team:

Table A-1: Key Personnel Approved Since QS

Position	Name	Role
Deputy Project Director - Design	David Williams, PE, DBIA	Lead coordinator for design and construction task forces
Deputy Project Director – Construction	Barry Thoendel	Oversees and supports construction operations relating to: safety, quality, costs, schedule, and administration
Public Information Coordinator	Dan Galvin	Leads daily public involvement activities
Public Information Coordinator (Alternate)	Selma Stockstill	Leads daily public involvement activities
Professional Services Quality Control Manager (PSQCM)	Aaron Kwast, PE	Manages quality control (QC) program for design, right-of-way (ROW), utilities, and survey
Construction Quality Acceptance Manager (CQAM)	Mike Dillow, PE	Manages quality acceptance aspects of the Construction Quality Management Plan (CQMP)
Construction QC Manager/Maintenance QC Manager	Sean McAfee	Manages all quality control aspects of the CQMP and Maintenance Quality Management Plan (MQMP)
Utility Manager/ROW Coordinator	Garett Foote	Facilitates coordination and communication with utilities during design and construction
ROW Acquisition Manager	Teri Morgan	Leads ROW acquisition team

d. Management, Decision-Making and Day-to-Day Operating Structure

PROPOSED MANAGEMENT STRUCTURE

Kiewit is the lead joint venture partner of KGS. All joint venture members of KGS have joint and several liability under the Development Agreement or Capital Maintenance Agreement. A key differentiator of KGS is that all Equity Members and Major Participants function as an integrated team. Our Project Management Plan places all Key Personnel, regardless of the company they work for, in a role that best suits the experience and talent of that individual (***Figure A-1***). This organizational structure fosters a truly integrated team working together toward achieving the Project's goals. Our management team is led by Rob Anderson as Project Director, a 22-year Kiewit veteran whose career consists of managing all aspects of design-build mega-projects totaling more than $5 billion. Rob's skill and dedication has delivered exemplary results exceeding TxDOT's expectations on the DFW Connector project with regard to safety, quality, environmental compliance, design, right-of-way (ROW) acquisition, utility adjustments, construction management, project controls (contract administration), partnering and dedication to owner satisfaction.

Rob is supported by two key personnel who will drive Project delivery from start to finish:

- Barry Thoendel, Deputy Project Director - Construction, will report directly to Rob and is responsible for coordinating managers for construction and public safety, quality, schedule, project controls and public information. Together, Barry and Rob played key roles in developing the teams that constructed the $1.2 billion I-25/I-225 Transportation Expansion project in Denver, and the $1.3 billion Houston METRO Light Rail.
- David Williams, P.E., Deputy Project Director - Design, brings the necessary design experience and scheduling and communication skills for oversight of the design and construction team during the design phase. Rob and David worked together to deliver high-quality and constructible designs for TxDOT's $1 billion DFW Connector.

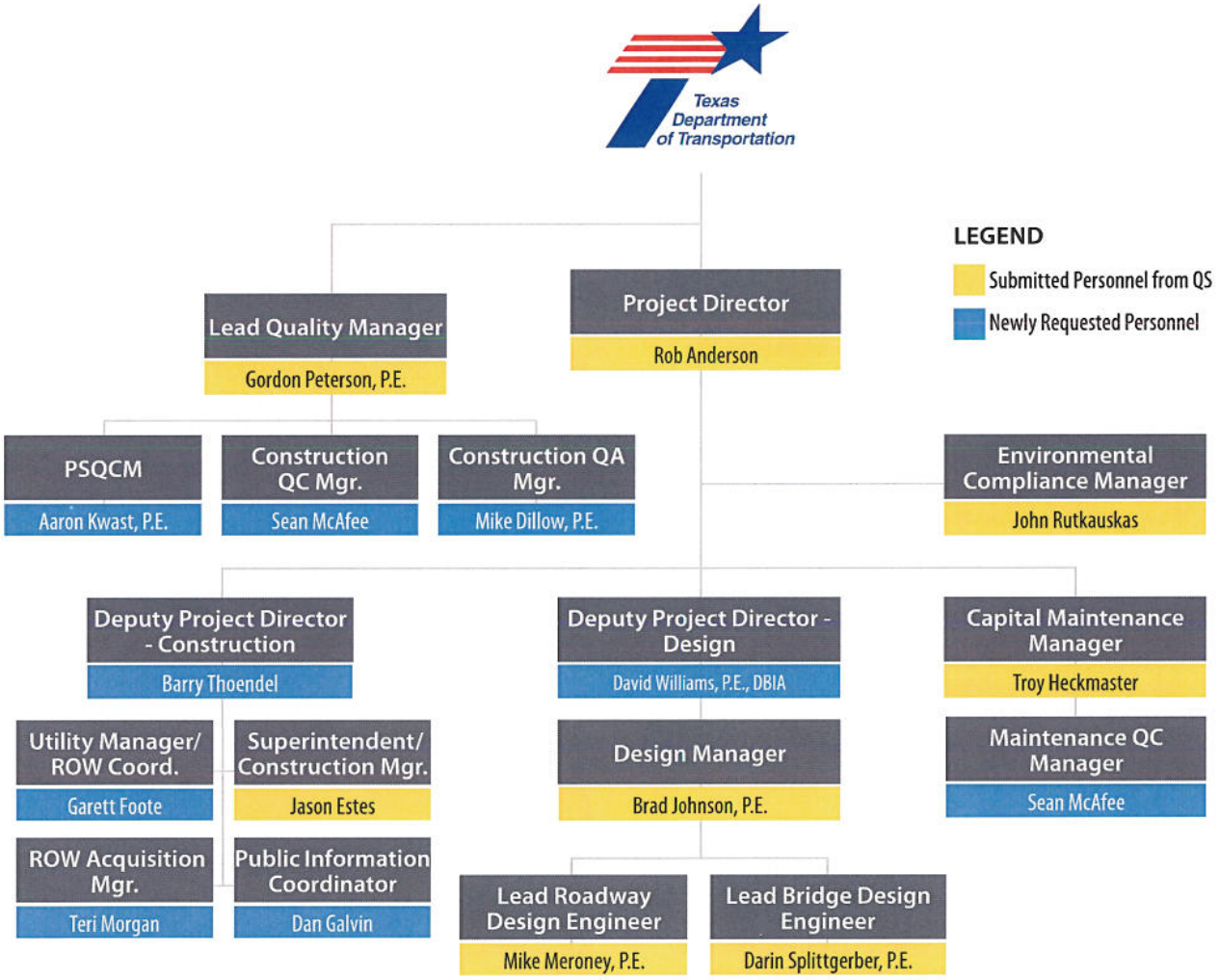
Additionally, our team is supported by the Joint Venture Executive Committee, which consists of Randy Sanman, Doug Glaser, Mike Donnino, Rob Pierce, Brian Manning and Terry Williamson. The committee will meet with the Project team regularly, has been engaged throughout the procurement process, and will remain engaged throughout the duration of design, construction and maintenance. Their responsibility focuses on assuring appropriate allocation of resources and that the Project team is achieving all goals.

DECISION-MAKING PROCESS

KGS will form a collaborative partnership and engage in transparent communication with TxDOT and all stakeholders, resulting in a flagship Project that generates community acceptance and goodwill. We encourage participation and input on all aspects of our design-build processes in both management and task force meetings. With TxDOT participation, we will create a decision-making matrix starting at the field foreman level up through the Executive Committee, with KGS and TxDOT counterparts identified and assigned. All KGS staff, including design, construction, safety and quality personnel, will know who they report to, their level of authority and Project role, as well as their TxDOT counterpart for decision making.

> *The Kiewit-led joint venture's "organizational structure allowed decisions and review to be made at the lowest possible level, while critical issues could be elevated to the TxDOT project manager's level for rapid resolution … that is where the early collaboration and partnering paid off."*
> *— Randy Redmond*
> *TxDOT Strategic Projects Division, DFW Director*

FIGURE A-1: KEY PERSONNEL ORGANIZATIONAL STRUCTURE



COMMITMENT

Kiewit, Granite, Sterling and HDR commit to TxDOT that the individuals identified and designated for the positions described in this proposal will be available and assigned to the Project. KGS further understands that requests for changes to personnel will be governed by the terms of the contract.

e. Project Development Plan Summary

TECHNICAL SOLUTIONS

KGS proposes the following technical solutions to enhance Grand Parkway's functionality and life cycle cost:

- Unique pavement designs that provide excellent foundation materials for enhanced pavement strength and long-term durability
- Construction techniques that produce high-quality results including ride quality and long-term durability
- Bridge length optimization to reduce the long-term maintenance cost of bridges
- Aesthetic features that utilize the Green Ribbon guidelines for bridges, retaining walls, sound walls and landscape improvements that will create opportunities for future enhancements
- An earthwork construction sequence to minimize public inconveniences
- A right-of-way program that reduces parcel acquisitions, minimizes difficult relocations (cell towers) and uses parcels that are land-locked for drainage detention basins, providing the best value for TxDOT

As a demonstration of our commitment to provide the best design and construction approach, the KGS team developed and submitted 28 Alternative Technical Concepts (ATCs) for TxDOT's consideration.

Seventeen of those ATCs were approved by TxDOT and have been incorporated into our proposal with benefits such as:

- Reducing life cycle and maintenance costs
- Providing a smoother mainlane ride
- Exceeding design Equivalent Single-Axle Loads (ESALs)
- Improving sight distances
- Improving turning movements

PROJECT MANAGEMENT PLAN

SAFETY

The primary goal of our Safety Plan is to protect the general public and all Project personnel during the design, construction and maintenance phases. KGS' Safety Plan includes policies, procedures, training programs and employee "buy-in" to achieve our number one goal – **Nobody Gets Hurt.** The framework behind this goal is a proactive commitment by management, employee engagement at all levels, and accountable processes in place to achieve the goal.

Processes such as specific craft training, daily staff safety-only walks, our incident response/accountability plan and "play-of-the-day" meetings all center around employee behavior that creates an environment in which our employees want to work safely. Our philosophy – "never walk past an unsafe act or condition" – is instilled through management leadership. This safety focus extends to the traveling public and the safety of the completed facility.

Evidence of KGS' dedication to safety is our team members' current Experience Modification Ratings (EMR): 0.55 for Kiewit, 0.73 for Granite, and 0.63 for Sterling. These statistics are well below the insurance industry standard of 1.0, demonstrating

strong safety cultures. This dedication to safety will benefit the Project through improved worker morale and positive public perception.

QUALITY

Our team's Quality Plan is already being implemented by KGS' lead Equity Member Kiewit on the DFW Connector project, which is ISO 9001:2008 certified. KGS will achieve ISO certification for the Grand Parkway Project, increasing confidence in our quality program. Our quality staff is supported by the Joint Venture Executive Committee, which drives continuous quality improvement. Our Quality Management Plan (QMP) focuses on four key principles:

- Knowing the requirements
- Doing work "right the first time"
- Exceeding expectations
- Continuous improvement

The QMP defines our commitment to quality and continuous improvement for all work elements and will be refined, improved and finalized through quality task force interaction with TxDOT prior to Notice to Proceed 2 (NPT2). The plan includes quality management activities for design, construction and maintenance, and documents and verifies that the Project meets contract requirements.

ENVIRONMENT

To improve communication through real-time reporting and increase speed, accuracy and legibility, the Grand Parkway Project will greatly benefit from the use of ISO 14001-compliant processes and innovative technology tools. Our team will employ environmental tablets and processes as developed on other TxDOT Comprehensive Development Agreement (CDA) projects to allow inspectors to complete forms in digital format, attach pictures and red-line Storm Water Pollution Prevention Plans (SWPPP) in real time. These innovative tools allow our employees to spend more time in the field preventing issues rather than in the office manually updating information.

COMMUNICATION

Behind our successful design-build projects is a transparent partnership based on trust among the client, contractor and stakeholders. TxDOT can rely on our team to proactively communicate and coordinate with you and Project stakeholders. We recognize TxDOT's goals for the Project and are committed to achieving them. Additionally, the following objectives are paramount for our team:

- Zero Accidents: "Nobody Gets Hurt"
- Minimize inconvenience to the surrounding communities
- Complete Early Work Areas on time
- Complete construction seven months early
- Improve mobility and accessibility
- Comply fully with all contract specifications

Our team will strive to surpass your expectations to assure a positive public perception of the Grand Parkway Project. The basis of this trust will be formed through the partnering process. We firmly believe that our partnership, communication plan and Joint Venture Executive Committee engagement will prevent disputes as we actively look to mitigate "rocks in the road" and work toward win-win solutions as a team.

During the design phase, our team will co-locate to streamline communication and design development. We have also adopted useful Web-based and software applications that enable both KGS and TxDOT personnel to be more efficient and able to focus on items that truly matter. Applications described in this proposal such as Virtual Plan Table, Five Cubits, equipment telematics, intelligent compaction technology and foremen computer tablets allow our team to develop real-time, accurate computations and documentation of critical Project elements.

Our team brings a disciplined communication plan that includes relevant daily, weekly and monthly meetings with appropriate TxDOT representatives to communicate and plan effectively.

PUBLIC INFORMATION

Accurate public information (PI) is essential to the Project's success due to its high profile and visibility in the community. Our team is dedicated to ensuring that we have a successful PI program. With the rapid pace of the design-build delivery method, it is important to provide timely and accurate information to the public.

Establishing relationships with stakeholders before construction begins is key to the Project's success. Our PI team will meet with representatives from local businesses, impacted communities, hospitals and school districts prior to construction to listen to concerns and open the necessary channels of communication. The PI team will respond to every concern, comment and complaint in a timely manner, no matter how big or small. We will treat PI as "customer service," minimizing impacts in every way possible and garnering support for the Project.

DFW CONNECTOR DESIGN-BUILD PROJECT IN TARRANT COUNTY: TxDOT and NorthGate Constructors [the Kiewit-led joint venture] "working with our staff, community and local business groups, have exceeded our expectations for minimizing construction impacts while swiftly delivering the project's much needed improvements."

— Bruno Rumbelow
Grapevine City Manager

MANAGEMENT METHODS

Our team has in place proven Project Management Plans (PMPs) that meet your requirements and are ready to implement. These PMPs cover all facets of major management categories needed to meet the schedule and Development Agreement requirements of the Grand Parkway Project. The PMPs not only depict how our organization will operate and interrelate but also provide guidance on processes that enhance communication and coordination, including training requirements and frequencies. More than 80 Standard Operating Procedures (SOPs) complement the PMPs to further provide efficient and effective training and to quickly integrate personnel. The quality SOPs contain procedures compliant with ISO 9001:2008.

UNIFIED DESIGN-BUILD APPROACH

Our approach to a unified design centers around all team members maintaining a vigilant focus on the Project's goals, objectives and commitments. Led by our Project management team, task forces will continue after award to unify design and construction techniques to improve facility development while reducing short- and long-term maintenance requirements. Additionally, co-location of design, construction and TxDOT personnel will reinforce our mutual goals to produce a well-defined, high-quality and constructible design, construction, and capital maintenance plan.

ADDED VALUE

The technical solutions provided in our proposal incorporate added-value components described below that exceed Project requirements and goals:

Early Completion / Revenue Generation

Our Project schedule and approach allow us to reach Substantial Completion seven months early, **enabling TxDOT the opportunity to collect toll revenue**. In addition, toll interaction is a critical activity during the Project's final phase. To ensure Project completion in 883 calendar days (June 2, 2015), we will include the toll integration team in early design task forces, construction and capital maintenance planning activities. The KGS team is staffed and ready to begin toll coordination activities with both TxDOT and the System Integrator to achieve accelerated and maximized toll revenues.

KGS Small Business and DBE outreach event, June 21, 2012.

Subcontractor/Supplier Participation

The size and fast-track nature of this Project will require resources from across the region. Our team has held subcontractor and supplier outreach events to advertise the Project and inform the industry that we intend to create opportunities for them to participate in the work. Brian Manning, P.E., a member of our Joint Venture Executive Committee, currently serves as President of the Houston Contractors Association and brings a wealth of respected local subcontractor and supplier relationships to our team.

Capital Maintenance

A unique feature of the KGS team is our "Accountability Approach" to capital maintenance. This term refers to the Lead Contractor retaining capital maintenance responsibility for the Project. This approach provides a single entity accountable to TxDOT and the citizens of Texas and the Houston region throughout each phase of the delivery process.

Project materials recycling at DFW Connector.

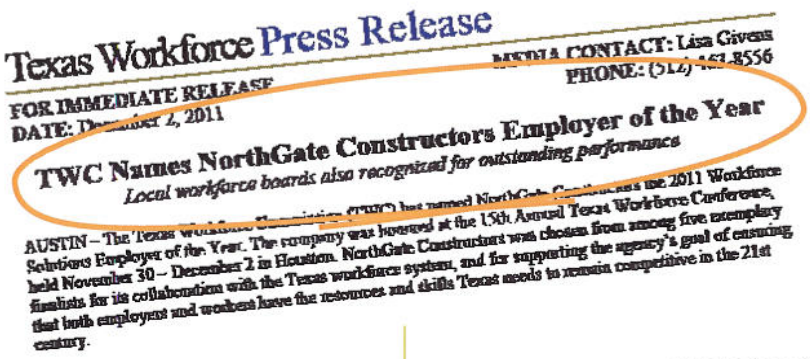
Sustainability and Clean Air

KGS commits to do its part for environmental sustainability and clean air by implementing a Project materials recycling program. Along with our "no idle" equipment policy and use of low-sulphur diesel fuel, we will provide achievable and significant regional emission reductions across the counties for impacts related to the Grand Parkway construction work. Implementation of these programs will be an important part of our overall sustainability strategies and reducing air quality impacts.

QUALITY MANAGEMENT PLAN

To enhance TxDOT's confidence and trust in the quality of design and construction, our Quality Management Plan with Quality Systems Procedures (QSPs) for the Project will meet ISO 9001:2008 standards. This program will be implemented using innovative technology tools to provide real-time compliance reporting. Within the first year, the Project team will achieve ISO 9001:2008 certification, which recognizes standardized requirements for quality management systems.

An effective component for integrating TxDOT into our quality process is the use of task force design reviews at our co-located Project office. These reviews streamline the decision-making process, improve communications and reduce costs.



Texas Workforce Press Release

FOR IMMEDIATE RELEASE
DATE: December 2, 2011

MEDIA CONTACT: Lisa Givens
PHONE: (512) 463-8556

TWC Names NorthGate Constructors Employer of the Year

Local workforce boards also recognized for outstanding performance

AUSTIN – The Texas Workforce Commission (TWC) has named NorthGate Constructors the 2011 Workforce Solutions Employer of the Year. The company was honored at the 15th Annual Texas Workforce Conference, held November 30 – December 2 in Houston. NorthGate Constructors was chosen from among five exemplary finalists for its collaboration with the Texas workforce system, and for supporting the agency's goal of ensuring that both employers and workers have the resources and skills Texas needs to remain competitive in the 21st century.

The KGS Design Quality Management Plan (DQMP) will establish and document a design quality program for the Grand Parkway Project. It will outline the Quality Acceptance/Quality Control (QA/QC) requirements for the KGS design team based on the applicable quality requirements set forth in the Development Agreement and KGS' Quality Management System (QMS).

In general, the DQMP will accomplish the following:

- Define KGS' responsibility for design quality
- Ensure that design documents are prepared in accordance with generally accepted design and engineering practice and meet Development Agreement requirements
- Allow TxDOT to fulfill its responsibility in overseeing the design process and design products

Lamb Star Engineering, L.P. (Lamb Star) will serve as our Construction Quality Acceptance Firm (CQAF). Lamb Star's history of providing similar services to the North Texas Tollway Authority (NTTA) on the President George Bush Turnpike (PGBT) Eastern Extension (SRT/SH 121), PGBT Western Extension (SH 161), and Chisholm Trail Parkway – coupled with ex-TxDOT employees – provides a strong understanding of TxDOT's expectations related to construction quality.

Throughout the design-build process, representatives of the KGS capital maintenance group will be involved in analysis of alternatives to determine final quality of the constructed work product. They will be integrated into the design process through discipline task forces, beginning in proposal development and continuing throughout the design-build process. As construction progresses, the capital maintenance group will be included in all construction quality efforts, including task force meetings and acceptability of work.

f. DBE Requirements

The KGS Subcontractor Management Plan will provide significant opportunities for local Disadvantaged Business Enterprises (DBEs) and firms listed in the Texas Unified Certification Program. On the DFW Connector project, in addition to our commitment to the workforce diversity and active apprenticeship program, the Kiewit-led design-build team implemented an aggressive Mentoring and Job Training Plan to maximize DBE involvement and exceed the DBE goal.

The Texas Workforce Commission (TWC) named the DFW Connector design-build team the ***2011 Workforce Solutions Employer of the Year***. Additionally, Sterling was awarded Outstanding Prime Contractor 2010 by the Affirmative Action and Contract Compliance Division in the City of Houston.

Subcontractors appreciate working with Kiewit, Granite and Sterling. We treat them fairly, ethically and with integrity, and we honor our bidding commitments. Additionally, we stay on schedule, maintain clean and safe work sites and pay promptly. These characteristics encourage qualified subcontractors to aggressively compete for the Project's many business opportunities. We will base subcontractor selection on proven ability, value offered and commitment to the Project's goals.

TEAM RESOURCES

The startup for the Grand Parkway Project is an ideal fit for transitioning design-build resources from several KGS Equity Member projects ending in 2012 and 2013. As major construction operations begin for Grand Parkway, the following projects will be complete or substantially complete:

- DFW Connector ($965 million)
- Dallas Area Rapid Transit Orange Line Expansion Irving-1 and Irving-2 ($430 million)
- Houston Metro Light Rail Transit ($1.3 billion)

This enables the KGS team to transfer resources needed from these projects to Grand Parkway. Each of the projects listed above are currently on or ahead of schedule with excellent owner relations.

Combined, Kiewit, Granite, and Sterling have 32,000 current craft and staff employees, including more than 6,000 in Texas. The Grand Parkway Project requires only about one-third of the capacity of Kiewit's Fort Worth-based operations and about one-tenth the capacity of Kiewit Infrastructure Group. The ability of KGS team members to deliver the Grand Parkway Project along with other TxDOT CDA and design-build projects does not adversely impact TxDOT's ability to receive dedicated, experienced managers and first-class resources for multiple projects.