



April 24, 2014

Mr. Pat Pluenneke
Vice President – Texas Operations
James Construction Group, LLC
5880 West Hwy 180, Suite 100
Belton, Texas 76513

RE: FM 1000
Limits: Proposed US 271 Relief Rout East to FM 1735
Construction of a New Location Non-Freeway Facility Consisting of Grading, Structures,
Base, Surfacing, Signals and Pavement Markings
TxDOT CSJ No: 1226-04-001
PROJECT PROGRESS CONCERNS

Mr. Pluenneke,

PTP Transportation (PTP) is writing to express concern regarding the current progress of the FM 1000 project in Titus County. This concern has been on-going with concerns being addressed to project staff and most recently with Mr. Jim Rogers. The scheduled completion date has been slipping throughout the duration of the project, with the exception of the period from November 2013 through January 2014, where the date remained unchanged. At this current time, the project is projected to finish in December 2014 and be over 40 working days behind schedule. The primary concerns involving the project include the slower production rates on the retaining walls, the accumulation of float activities that are “riding the data date”, and most notably the seal coat calendar approaching.

The critical activity currently on the project is the construction of both retaining wall units for the Union Pacific Railroad Overpass. The activities for this work indicated that both sides would be constructed simultaneously and take approximately 40 working days. Since the beginning of this work in mid-March, 28 working days have elapsed and work continues on the lower half of the wall.

The continual accumulation of float activities that are “riding the data date” is becoming a concern since these are all activities that must be completed and if they are held until the end of the project or progress is not made, then these activities as a group could become the critical item of work and push the project completion further.

The most notable concern is the seal coat calendar requirement on the project and the lack of progress being made to be ready to place the seal coat by the end of this period. As has been explained to James Construction Group staff on many occasions, the seal coat calendar included in the project plans is a definitive calendar that cannot be adjusted. This is a requirement set

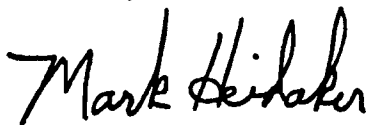
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forth by the local district from TxDOT and has been enforced on the other two projects PTP has managed. The direction that TxDOT has given to PTP is in order for the project to be accepted without performing a maintenance period, all seal coat must be placed during the stated season. If placement is performed beyond the end date of the season, then TxDOT will force Titus County to hold the project without acceptance for a maintenance period to include both a winter season and summer to evaluate the seal coat performance. This withholding of acceptance and maintenance both jeopardizes Titus County from receiving their reimbursement and increases the cost by having to perform maintenance of the roadway during this time. This issue has been addressed during project meetings with both project managers, Mr. Eric Lafitte and Mr. Scott Pickett, and with Mr. Jim Rogers in a meeting on February 5, 2014. This meeting was also attended by County Commissioners Mike Fields and Thomas Hockaday. PTP and the County have been told that there is nothing to worry about and that James Construction Group has the resources available to meet the deadlines, but the concern remains as no additional resources have been brought to the project and work remains at a slow rate. During the February meeting it was stated by Mr. Rogers that on other TxDOT projects, the contractor can suspend time when outside the asphalt season. At that time, PTP told both Mr. Rogers and Mr. Pickett that no time suspension would be granted for this reason.

Based on these concerns and as the project is over 40 days beyond contractual working day requirements, PTP is requesting that James Construction Group provide a schedule that establishes and shows how key milestones will be accomplished to satisfy the project requirements, including reconstructing the state roadways that cross the project that must also abide by the seal coat calendar. Since the asphalt season for seal coat placement begins on May 1, PTP is requesting this schedule be submitted before this date to be used as an action plan for successfully completing this project.

If you have any questions concerning this matter, please feel free to call me at 936.441.9121.

Sincerely,



Mark Heidaker
Project Manager

cc: Mr. Scott Pickett, James Construction Group
Mr. Rick Kronenberger, P.E., PTP Transportation
Mr. Robert Dick, PTP Transportation
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