

RTS ENTERPRISES, INC

Please find listed herein our subcontractor qualification information for consideration of subcontract award to us

Company Information
(as of March 2011)

We are Electrical Contractors experienced in Institutional, Commercial, and Industrial types of projects including, but not limited to, courthouses, jails/detention centers, city halls, schools, healthcare, and manufacturing facilities.

Our company was established in 1986. Our office is in Sherman, Texas and we work primarily in the North Central Texas area

Company Owner /President – Randy T Smith, Master Electrician License held since 1982
Began Electrical Construction career in 1975 – 35 yrs
Electrical experience in Commercial, Institutional,
Industrial, and Governmental Facilities. Randy is actively
involved in management of our projects and all major
decisions involved in performing our contracts

Texas Electrical Contractor License # 18073

Bank Reference – American Bank of Texas, Sherman 903-893-7555

Contacts – Tim Blalock, Exec Vice President Wes Shelton, President
Bank Line of Credit \$700,000 Current status = entire amount is available

Financial Statement see attached June 30, 2010 statement (most recent)

Bond Reference – Agent: MHBT, Dallas, 972-770-1626

Contact - Donnie Doan

Annual Work Volume – target is 10-12 million. Current unfinished backlog is 3 million

Sample Project History and General Contractors list**Ft Worth ISD BP #38**

Ft Worth, Texas

Prime Contractor: Mart, Inc
Owner: Ft Worth ISD
Completion: Feb 2011
Description: Renovation of three existing schools

Sadler & Southmayd (S&S)ISD –

Sadler/Southmayd, Texas

Contractor: Pogue Construction – McKinney, TX
Owner: S&S School District
Completion: December, 2010
Description: Renovation of three existing schools

Wylie Summer 2010 Renovations

Wylie, Texas

Contractor: Gallagher Construction Management(CM – Agent)
Owner: Wylie Independent School District
Completion: July, 2010
Description: Renovations to Burnett Jr High

Wylie Elementary School #10

Wylie, Texas

Contractor: Gallagher Construction Management(CM – Agent)
Owner: Wylie Independent School District
Completion: May, 2010
Description: 72,000 sq ft new school, **6 month schedule start to finish**

Hebron 9th Grade Center -

Carrollton, Texas

Prime Contractor: Charter Builders - Dallas, TX
Owner: Lewisville Independent School District
Completion: June, 2010
Description: 180,000 sq ft new school. Project also included a Generator

Sample Project History and General Contractors list**Collin County Adult Detention Lower Level B Switchgear Upgrade**

McKinney, Texas

Prime Contractor: RTS Enterprises, Inc
Owner: Collin County
Description: Rebuild Switchgear/ Breaker Replacement to 15kv Unit Substation at Collin County Adult Detention Center, Including third party testing and commissioning of equipment.

Prosper High School – (short schedule for this size)

Prosper, Texas

Prime Contractor: Pogue Construction – McKinney, TX
Completion: July, 2009
Owner: Prosper ISD
Description: 580,000 sq ft new school, including sports lighting for 3 sports fields, and performing arts facilities- **18 month schedule –finished on time** Project also included a Generator

Frisco Middle School #8

Frisco, Texas

Prime Contractor: Charter Builders
Completion: July, 2008
Owner: Frisco Independent School District
Description: 150,000 sq ft new school

Prosper Middle School

Prosper, Texas

Prime Contractor: Pogue Construction – McKinney, TX
Completion: July, 2008
Owner: Prosper ISD
Description: 180,000 sq ft new school, With Football Field and Tennis Court Sports Lighting

Sample Project History and General Contractors list**McKinney Boyd High School**

McKinney, Texas

Prime Contractor: Pogue Construction – McKinney, TX

Completion: July, 2008

Owner: McKinney Independent School District

Description: 548,000 sq ft new school, including sports lighting for 3 sports fields, 8 tennis courts, and performing arts facilities

Collin County Courthouse (phase 1)

McKinney, Texas

Prime Contractor: Hunt Construction - Dallas, TX

Completion: May, 2007

Owner: Collin County, Texas

Description: 300,000 sq ft new Courthouse.
This was 4 story facility. Project also included a Generator**Frisco City Hall and Library**

Frisco, Texas

Prime Contractor: Lee Lewis Construction - Dallas, TX

Completion: October, 2006

Owner: City of Frisco

Description: 150,000 sq ft City Hall and Library. This was a 5 story facility. Project also included a Generator

Science Bldg- Texas A&M Commerce

Commerce, Texas

Prime Contractor: Manhattan Construction - Dallas, TX

Completion: June, 2006

Owner: Texas A&M Commerce

Description: 130,000 sq ft new Science Building. This was a 3 story Facility including two Lecture Halls with power/ data to all seating. Project also included a Generator

CURRENT PROJECTS**UNT Highland St Parking Garage and Chiller Plant**

Denton, Texas

Prime Contractor:

Hunt Construction - Dallas, TX

Owner:

University of North Texas

Completion:

May, 2011

Description:

7 Level Parking Garage and a Satellite Chiller Plant,
Project includes Generator installation**Wylie 2010 Phase 2 Renovations**

Wylie, Texas

Contractor:

Gallagher Construction Management (CM – Agent)

Owner:

Wylie Independent School District

Completion:

July, 2011

Description:

Renovation of two existing schools. One of them finishes
this month (March 2011) - three months ahead of schedule**Princeton ISD Renovations**

Princeton, Texas

Contractor:

Pogue Construction – McKinney, TX

Owner:

Princeton School District

Completion:

July, 2011

Description:

Renovation of three existing schools

Frisco Middle School # 13

Frisco, Texas

Prime Contractor:

Pogue Construction – McKinney, TX

Owner:

Frisco ISD

Completion:

May, 2012

Description:

New 150,000 sq ft Middle School.

Key Personnel

Company Owner /President – Randy T Smith, Master Electrician License held since 1982
Began Electrical Construction career in 1975 – 35 yrs
Electrical experience in Commercial, Institutional,
Industrial, and Governmental Facilities. Randy is actively
involved in management of our projects and all major
decisions involved in performing our contracts

Field Operations Manager – Mark Hale, Master Electrician with 35 yrs experience in
Electrical Construction, including 27 yrs Project
Management and Superintendent roles. Mark has been with
RTS Enterprises 6 yrs. Responsibilities for us include
working with Project Managers / Superintendents to
implement proper scheduling, man-loading decisions, and
overall productivity controls to insure timely performance of
projects. Mark's duties also include training and
development of field supervision employees and
implementation of all safety policies.

Business Development Scott Young – Sr. Estimator with 25 yrs total in our
industry, 8 yrs with RTS. Scott is also has substantial
project management experience.

Project Manager - Scott Staud – Project Manager 6 yrs, Superintendent 6 yrs,
Journeyman Electrician with 24 yrs total in our industry.
Scott has 12 yrs with RTS that include such projects as
detention centers, schools, healthcare facilities.

Superintendents

Charlie Woolard	Superintendent- 24 yrs total experience, 16 yrs as superintendent, 6 yrs at RTS Enterprises, Journeyman License. Current commitment - Wylie ISD renovations.
Mike McManigell	Superintendent, 18 yrs total experience, 5 yrs superintendent, 4 yrs at RTS Enterprises, Master License Current commitment – available for new project
Robert Lawson	Superintendent- 20 yrs total experience, 9 yrs as superintendent, 14 yrs at RTS Enterprises, Journeyman License, Current commitment - available for new project
Curtis Jones	Superintendent- 25 yrs total experience, 12 yrs as superintendent, 10 yrs at RTS Enterprises, Journeyman License, Current commitment – Princeton ISD Renovations
Art Laboon	Superintendent- 14 yrs total experience, 3 yrs as superintendent, 7 yrs at RTS Enterprises, Journeyman License, Current commitment – UNT Parking Garage

Hendricks, Graves and Associates, LLP
Certified Public Accountants

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Dallas, Texas 75240-4253*

*972-234-3333
Facsimile 972-234-3331
gravesdon@sbcglobal.net*

ACCOUNTANTS' COMPILATION REPORT

**DIRECTORS
RTS ENTERPRISES, INC.
SHERMAN, TEXAS**

We have compiled the accompanying balance sheet of **RTS ENTERPRISES, INC.**, as of June 30, 2010, and the related statement of income for the six months then ended, and the accompanying supplementary statement of percent of completion revenue for the six months then ended which is presented only for supplementary analysis purposes, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the company's financial position results of operations and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Hendricks, Graves and Associates
Hendricks, Graves and Associates, LLP

October 19, 2010

RTS ENTERPRISES, INC.
BALANCE SHEET
JUNE 30, 2010

ASSETS

ASSETS:

Cash	\$	654,014
Certificates of deposit		1,323
Accounts receivable:		
Trade		694,258
Retention on progress billings		23,185
Prepaid expense		11,000
Costs and estimated profit in excess of billings on contracts-in-process		13,879

Total current assets \$ 1,397,659

EQUIPMENT:

Office equipment		69,256
Equipment		26,811
Automotive equipment		264,680

GROSS EQUIPMENT		360,746
Less accumulated depreciation		271,281

NET EQUIPMENT 89,465

\$ 1,487,124

LIABILITIES AND STOCKHOLDER'S EQUITY

CURRENT LIABILITIES:

Accounts payable	\$	232,235
Retention payable		31,615
Accrued expenses		6,035
Accrued franchise taxes		16,034
Billings in excess of costs and estimated profit on contracts-in-process		123,979
Current portion of long-term debt		22,148

Total current liabilities \$ 432,047

LONG-TERM LIABILITIES:

Stockholder's advance		201,927
Long-term debt less current portion		37,390

Total long-term liabilities 239,317

STOCKHOLDER'S EQUITY:

Common stock		10,000
Retained earnings		957,413
Current year income		<151,652>

Total stockholder's equity 815,760

\$ 1,487,124

See Accountants' Compilation Report.

RTS ENTERPRISES, INC.
STATEMENT OF INCOME
SIX MONTHS ENDED JUNE 30, 2010

REVENUES:

Construction contracts	\$	2,231,392
Direct construction costs		2,004,288

GROSS PROFIT

\$ 227,104

COSTS AND EXPENSES:

Salaries	108,484
Payroll taxes	62,347
Dues and subscriptions	1,530
Advertising	420
Professional services	8,825
Promotions	554
Automotive	14,161
Rent	24,540
Utilities	3,763
Repairs and maintenance	1,125
Insurance	70,830
Postage	298
Tools	25
Telephone	4,456
Travel	10,391
Continuing education	199
Licenses and permits	2,210
Estimating	64,733
Office expense	11,462
Supplies	29,060
Taxes	2,946
Depreciation	13,851
Interest expense	20,487
Job payroll burden	<74,678>
Interest income	<3,262>

TOTAL COSTS AND EXPENSES

378,756

NET INCOME

\$ <151,652>

See Accountants' Compilation Report.