



Toll 49 Segment 3B

QUARTERLY PROGRESS REPORT

No. 9 | July 2013

GENERAL



**Looking South on Toll 49's Segment 3B
March 28, 2013**

TOLL 49 is Open to Interstate 20!

On March 28, 2013, Segment 3B of Toll 49 opened to traffic with a steady flow of vehicles the very first evening. Since the last quarterly report of April 2013, CH2M Hill completed the pavement surfacing, signing, striping and most of the other roadway items to allow traffic through the project. By opening the project to traffic, CH2M Hill has reached substantial completion. Work has moved into the final stages of addressing the project punch list and project clean up. Erosion control items and working to establish both final soil stabilization and vegetative cover have been the developer's priority.

Toll collection began with the first vehicle through the gantries on March 28th and has continued with only a few adjustments required. Communication with and between the previously completed segments of Toll 49 and the toll collection servers has been the greatest challenge in making two systems, from seven separate locations representing 10 travel lanes "talk" to each other. The first toll bills from the agency were sent at the end of May.



Figure 1 Intersection of Toll 49 at SH 31

Construction activities conducted by CH2M Hill from April 1, 2013 to July 1, 2013:

- Continued construction of final slope and ditch profile and re-vegetation throughout the alignment, including on-going construction of permanent erosion control devices.
- Completion of aesthetic detailing for all structures.
- Final testing and integration of toll collections systems. Final striping and permanent roadway signage installation is underway and anticipated to be completed before the end of the current period.
- The Design/Builder continued resolving final punch list items in anticipation of final acceptance.

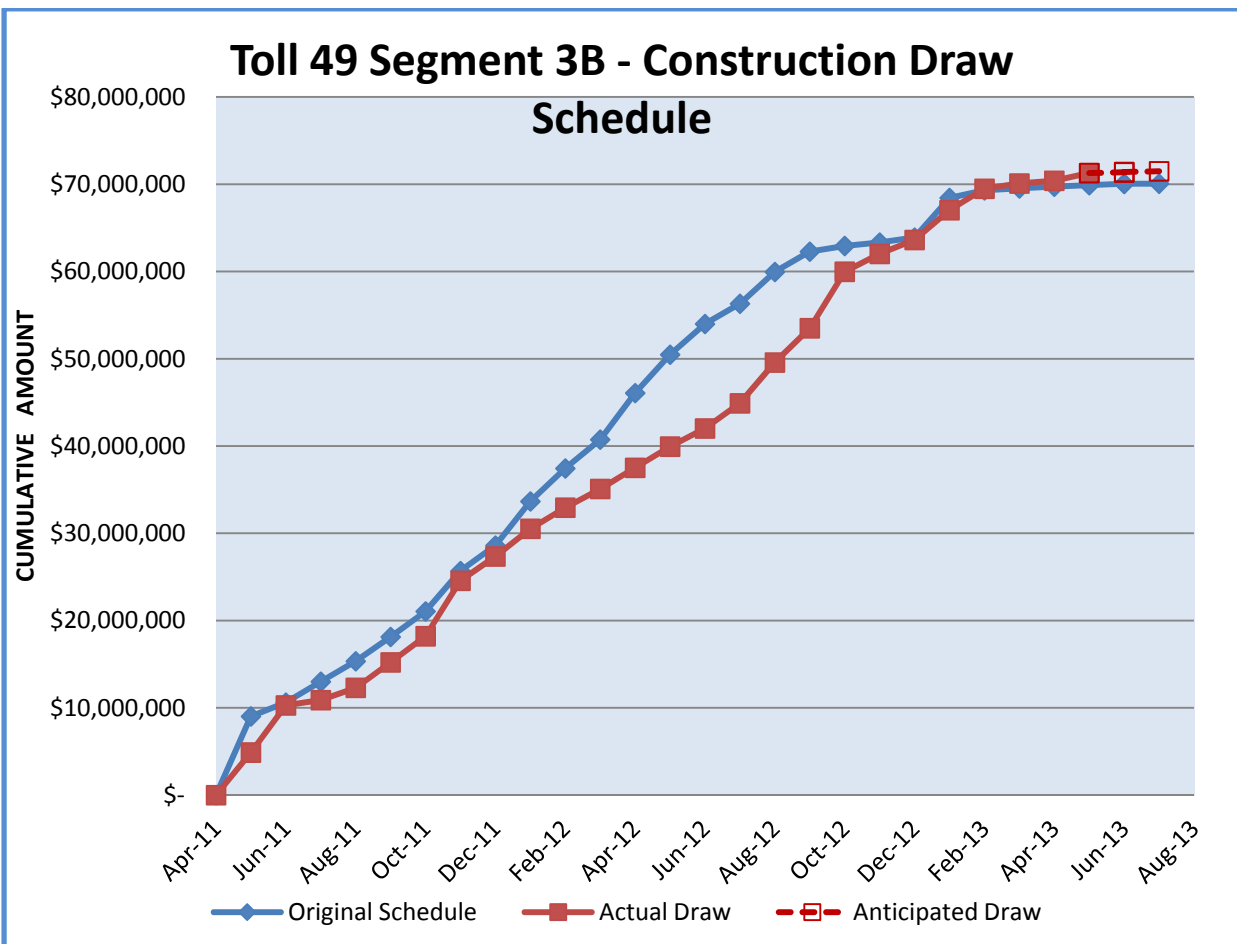
Pictures of recent construction activities are provided in Attachment A.

PROJECT SCHEDULE & FINANCIAL STATUS

Construction Progress

Based on current information provided with CH2M Hill's Draw Request #27 for efforts through May 2013, the construction project is 99.88% complete based on actual revenue/expenditures to date as derived from the cost-loaded schedule. This figure is derived by dividing actual cumulative expenditures to date by the total contract value. This compares to an anticipated completion based on the baseline schedule originally approved for the project. This figure is derived by dividing anticipated cumulative expenditures to date (also based on cost-loaded schedules) by the total contract value.

The graph below tracks and compares the anticipated cumulative expenditures against the actual cumulative expenditures related to the construction of the project, as reported by CH2M Hill in Draw Request #27.



As of May 31, 2013, CH2M Hill has completed 99.88% of the work while using 89.29% of the time now estimated to Final Completion.

Financial Status

CH2M Hill submitted Draw Request #27 on May 31, 2013, which included expenditures through May 2013, to be paid by NET RMA in early to mid-June 2013. Once a Draw Request is validated and approved, the final documents are forwarded to the Trustee, Amegy Bank, for processing and issuance of payment.

The following summary provides the financial status of the project. A detailed status chart is presented on the following page. The detailed status chart lists five items over budget (indicated by a negative number in the “remaining amount” column). One item, contingencies, includes approximately \$1.8M in payments for environmental mitigation elements, the responsibility of which was assumed unilaterally by NET RMA. A Dispute Resolution Board (DRB) recently recommended that CH2M Hill shall be responsible for approximately \$518,208; therefore it is anticipated that the CH2M Hill contract will be reduced by this amount via Change Order in the near future. The other items include SWP3 monitoring, archeological surveys, design oversight and administrative tasks. However, ROW purchases are complete, with approximately \$2.2M in available funds remaining in the ROW budget. It is anticipated that these available funds will be used to offset the over-budget items.

Original CH2M Hill Contract Amount:	\$ 70,068,399
Current Authorized Contract Amount (before CO #10):	\$ 71,491,337
Total of CH2M Hill Payments:	
Previously paid through March, 2013	\$ 70,411,931
Amount earned for April 2013 payment	\$ 876,586
Amount earned for May 2013 payment	\$ 80,972
Amount earned for June 2013 payment	<u>\$ 35,000</u>
Total Amount Earned To-Date:	\$ 71,404,489
Less Retainage Held Until Project Completion:	<u>\$ 3,392,718</u>
Approved Paid To-Date:	\$ 68,011,771
Amount Remaining to be Paid Upon Completion:	\$ 3,479,566
Total Project Budget Expended through May 31, 2013:	\$ 84,346,307

FINANCIAL COST DETAIL – TOLL 49 SEG 3B

NORTH EAST TEXAS REGIONAL MOBILITY AUTHORITY				
NET RMA Proposed Project Costs		NET RMA Draw #29		
Item	BUDGET	SPENT TO-DATE	% SPENT	REMAINING
Comprehensive Development Agreement				
Development Management and Design				
Development Management	\$5,000,000	\$4,972,573	99.45%	\$27,427
Development Design	\$6,000,000	\$6,000,000	100.00%	\$0
Community Outreach	\$40,000	\$40,000	100.00%	\$0
Utility Coordination, Management, & Agreements	\$225,000	\$225,000	100.00%	\$0
Subtotal Development Management and Design	\$11,265,000	\$11,237,573	99.76%	\$27,427
Construction				
Mobilization	\$7,006,400	\$7,006,400	100.00%	\$0
Earthwork	\$11,250,000	\$11,250,000	100.00%	\$0
Utilities	\$1,500,000	\$1,500,000	100.00%	\$0
Pavement, Subbase and Base Course	\$13,870,600	\$13,870,600	100.00%	\$0
Structures	\$13,321,000	\$13,321,000	100.00%	\$0
Drainage	\$4,750,000	\$4,750,000	100.00%	\$0
Lighting, Signing, Striping, and Signals	\$1,200,000	\$1,200,000	100.00%	\$0
Toll Facilities	\$300,000	\$300,000	100.00%	\$0
Environmental Monitoring and Mitigation	\$450,000	\$450,000	100.00%	\$0
Quality Management and Testing	\$900,000	\$900,000	100.00%	\$0
Traffic Control	\$750,000	\$750,000	100.00%	\$0
Maintenance	\$100,000	\$100,000	100.00%	\$0
Incidental Construction (Barriers, Sidewalks, Landscaping, etc)	\$1,900,000	\$1,900,000	100.00%	\$0
Subtotal Construction	\$57,298,000	\$57,298,000	100.00%	\$0
Bonds, Warranties and Insurance Premiums				
Bonds	\$844,724	\$844,724	100.00%	\$0
Warranties	\$59,421	\$0		\$59,421
Insurance Premiums	\$601,254	\$601,254	100.00%	\$0
Subtotal Bonds, Warranties and Insurance Premiums	\$1,505,399	\$1,445,978	96.05%	\$59,421
Construction Change Orders				
CO#1 - Type C Fence Installation along ROW	\$0	\$0	0.00%	
CO#2 - Prairie Creek Drilling w Swamp Buggy	\$49,463	\$49,463	100.00%	
CO#3 - Brush Removal at SH31 ROW	\$12,738	\$12,738	100.00%	
CO#4 - SH 31 Widening Overlay	(\$23,597)	(\$23,597)	100.00%	
CO#5 - Contractor Price Escalation	\$461,800	\$461,800	100.00%	
CO #6 - Seg 3A / 3B PvmT Transition	\$7,891	\$7,891	100.00%	
CO #7a - SH 110 Asph Base Lift	\$48,773	\$48,773	100.00%	
CO #7b - SH64 Pavement Changes	\$292,551	\$292,551	100.00%	
CO #8 - Oncor Underground Distribution Line	\$93,320	\$93,320	100.00%	
CO #9 - Arch Delay Settlement	\$480,000	\$480,000	100.00%	
Subtotal Construction Change Orders	\$1,422,938	\$1,422,938	100.00%	\$0
Total Development Price	\$71,491,337	\$71,404,490	99.88%	\$86,848
((LESS RETAINAGE))		(\$3,392,719)		
Total Payment to CDA Developer	\$71,491,337	\$68,011,770	95.13%	\$3,479,567
NET RMA Costs				
Construction Contingencies	\$577,062	\$1,888,874	327.33%	-\$1,311,813
Environmental Studies (ETHG)	\$1,500,000	\$493,654	32.91%	\$1,006,346
Right-of-Way	\$4,947,857	\$2,725,723	55.09%	\$2,222,134
Design Oversight & QA	\$1,650,000	\$1,687,145	102.25%	-\$37,145
Construction Oversight & QA	\$3,850,000	\$3,203,672	83.21%	\$646,328
Toll Integration	\$1,802,189	\$1,454,059	80.68%	\$348,130
Materials Testing Lab	\$574,610	\$544,524	94.76%	\$30,086
TxDOT Offsite/Plant Inspection	\$110,200	\$28,230	25.62%	\$81,970
Environmental Mitigation (Permit Monitoring, Permit Addendums, SW3P)	\$35,000	\$38,883	111.09%	-\$3,883
Environmental Archeology & Dig Testing	\$180,000	\$970,481	539.16%	-\$790,481
Other Project Expenses (stipend, public outreach, etc.)	\$471,000	\$387,543	82.28%	\$83,457
NET RMA Admin Costs	\$1,408,345	\$2,276,747	161.66%	-\$868,402
Finance Costs	\$635,000	\$635,000	100.00%	\$0
Subtotal NET RMA Costs	\$17,741,263	\$16,334,536	92.07%	\$1,406,727
Total Project Costs	\$89,232,600	\$84,346,307	94.52%	\$4,886,293

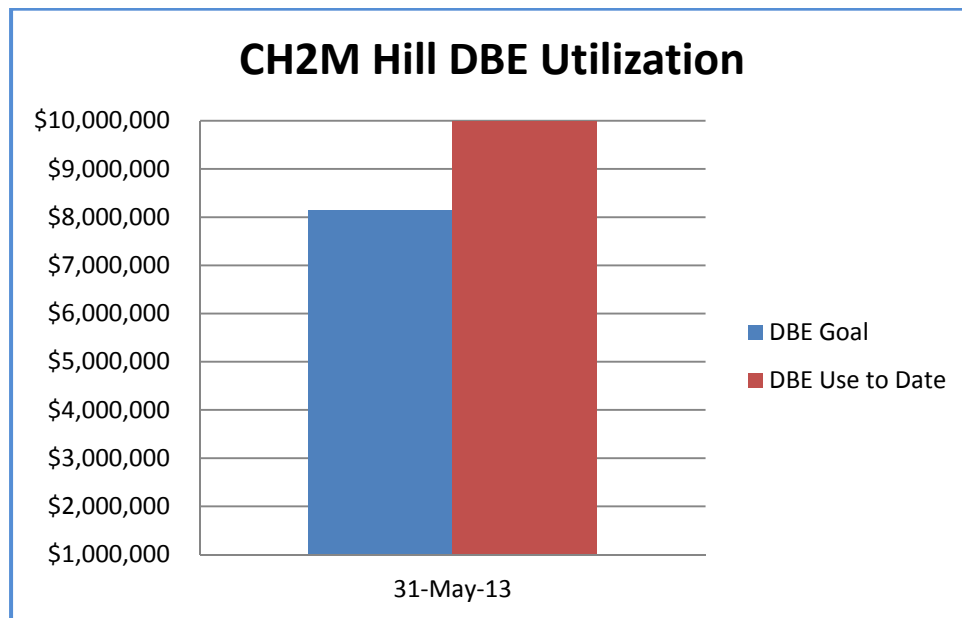
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Summary of Change Orders This Reporting Period

One Change Order, CO #10, was approved by the NET RMA Board of Directors during this report period. CO # 10 reduced the total contract amount in response to the DRB's Decision and Recommendation of the stream mitigation issue. This change order also reduced the amount of CO #1 to zero (\$0) as it was more efficient for the NET RMA to have fencing installed directly by the NET RMA, and it also accounted for a 50-50 split of DRB expenses as per the CDA. The final contract was adjusted by \$618,208 to \$70,983,421.21.

DBE STATUS

CH2M Hill is required and committed to meet the Disadvantaged Business Enterprise (DBE) goal for the project. As of May 31, 2013, CH2M Hill submitted costs associated with DBE-provided construction work in the amount of \$11,620,152.99, approximately 143% of the total planned DBE expenditures. These DBE expenditures have been made while using 89.29% of the contract time; therefore CH2M Hill's DBE expenditures appear to be on or ahead of schedule.



PUBLIC INVOLVEMENT

With the project nearing the final acceptance stage, the public involvement work was focused on assisting the public with their concerns and questions brought forth from the opening and tolling of the facility. TxDOT, upon completion of Segment 3B, transferred ownership of Toll 49 to the NET RMA on March 28, 2013 and immediately began collecting toll revenue with the first car passing through the toll gantries.

The following lists public outreach activities that occurred during the reporting period:

✓ Website

The Facebook and Twitter feeds are updated frequently to keep the public informed of any pertinent information. Helpful information about the toll collection system, toll rates, new maps, an updated FAQ section and general marketing of the NET RMA and Toll 49 have been added as well.

All project public notices have been posted on the Toll 49 website (www.toll49.org) as well as the NET RMA website (www.netrma.org) to keep the public informed on traffic-impacting activities.

✓ Press Releases

March 26, 2013 – a press release was sent out informing the public and media that Segment 3B of Toll 49 would be opening to traffic on Thursday March 28, 2013. This press release also informed that a toll rate increase would go into effect on the 28th.

March 28, 2013 – a press release was sent out informing the public and media that Toll 49 was officially open to I-20 and again reminded everyone of the toll rate increase.

April 19, 2013 – a press release was sent out informing the public and media that toll enforcement was beginning by the NET RMA. Payment of tolls would be strictly enforced and non-payment would not be tolerated.

✓ Media Stories

✓ On May 13, 2013, Marlana Hamilton, a reporter from the NBC TV station KETK Region 56, called requesting an interview with a NET RMA representative regarding the toll transactions since the roadway opened on March 28th. NET RMA Vice Chairman Gary Halbrooks spoke with KETK.

✓ On May 14, 2013, Marlana Hamilton, a reporter from the NBC TV station KETK Region 56, called requesting an interview with a NET RMA representative regarding an update of the cycling issue between the bike community and Toll 49. Since the NET RMA had no official update she was referred to Tyler Simpson, owner of Simpson Fitness & Adventure Sports for further information.

- ✓ On June 13, 2013, Alexia Vogue, a reporter from the NBC TV station KETK Region 56, called requesting an interview with a NET RMA representative regarding the Disabled Veterans and tolls on Toll 49. NET RMA Interim Executive Director Everett Owen conducted a phone interview with Ms. Vogue.
- ✓ On June 14, 2013, Kenneth Dean, a reporter from the Tyler Morning Telegraph, provided a story on the recent graffiti vandalism on a few of the Toll 49 Bridges.
- ✓ Public Contacts

Since March 28th, the interaction with the public has increased. Phone calls and emails asking questions about the facility, the proposed billing cycle and availability of discounts have been consistent. Over the last few months public communication has been as follows:

Month	Phone Calls	Emails
April	81	31
May	103	30

- ✓ Letters

There were no public information-related letters sent out during this period.

- ✓ Visits

One-on-one visits with adjacent property owners and stakeholders were made as needed.

UPCOMING CONSTRUCTION ACTIVITIES

The following construction activities are anticipated during the next quarterly report period:

- Final Acceptance of the project is anticipated near the middle of the current reporting period.
- CH2M Hill will continue to resolve final punch list items to bring the project from Substantial Completion to Final Acceptance.

ATTACHMENT A

Toll 49 Segment 3B
Construction Activity Pictures
(Photos taken on March 28 and May 24, 2013)



Looking North on Toll 49 at CR 46 Bridge



Toll 49 Looking North towards SH 110 at Caney Creek



Toll 49 Looking South at the Main Lane Gantry at CR 46



Looking North at Main Lane Toll Gantry at CR 46 on Toll 49



Intersection of Toll 49 and I-20 Looking South



Toll 49 Prairie Creek Bridge Looking South



Toll 49 Prairie Creek Bridge



Truckin' on Toll 49 at I-20



Looking South on Toll 49



Toll 49 Looking West at FM 724 Bridge



Toll 49 at SH 31 Bridge



I-20 Intersection at Toll 49 Looking North



Lindale Blackberry Emblem on the I-20 Bridge at Toll 49