

*TOLL 49 SEGMENT 4
PROGRESS REPORT*



*AUGUST 2016
PROGRESS REPORT NO. 2*

RS&H





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TABLE OF CONTENTS

1.1	Introduction.....	1
1.2	Project Description	1
1.3	Development Activities.....	3
1.4	Progress Photos.....	6
1.4.1	Erosion Control	6
1.4.2	Earthwork	6
1.4.3	Underdrains.....	7
1.4.4	Structures.....	7
1.5	Progress Narrative	8
1.6	Financial Summary.....	8
1.6.1	Project Cash Flow Curve – Baseline	9
1.7	Construction Financial Status.....	10
1.7.1	Summary of Change Orders This Reporting Period.....	10
1.8	DBE Status.....	10
1.9	Comprehensive Environmental Protection Program	11

LIST OF TABLES

Table 1: Right-Of-Way Parcel Status 3
 Table 2: Utility Relocation Status 4
 Table 3: Construction Progress 8
 Table 4: Financial Status Summary 8

LIST OF FIGURES

Figure 1 - Project Location Map 2
 Figure 2: Project Cash Flow Curve - Baseline 9
 Figure 3: DBE Status 11
 Figure 4: PROJECT AREA AT IH 20 14
 Figure 5: PROJECT AREA BETWEEN IH 20 AND FM 849 15
 Figure 6: PROJECT AREA AT EXISTING FM 849 16
 Figure 7: PROJECT AREA SOUTH OF FM 849 17
 Figure 8: PROJECT AREA DAVIS BRANCH TRIBUTARY 18
 Figure 9: PROJECT AREA BETWEEN DAVIS BRANCH AND FM 16 19
 Figure 10: PROJECT AREA AT FM 16 20
 Figure 11: QUARRIES NORTH OF FM 16 21
 Figure 12: PROJECT AREA BETWEEN FM 16 AND CR 431 22
 Figure 13: PROJECT AREA SOUTH OF CR 431 23
 Figure 14: PROJECT AREA AT CR 431 24
 FIGURE 15: PROJECT AREA NORTH OF CR 431 25
 Figure 16: PROJECT AREA AT CR 4118 26
 Figure 17: PROJECT AREA AT US 69 27

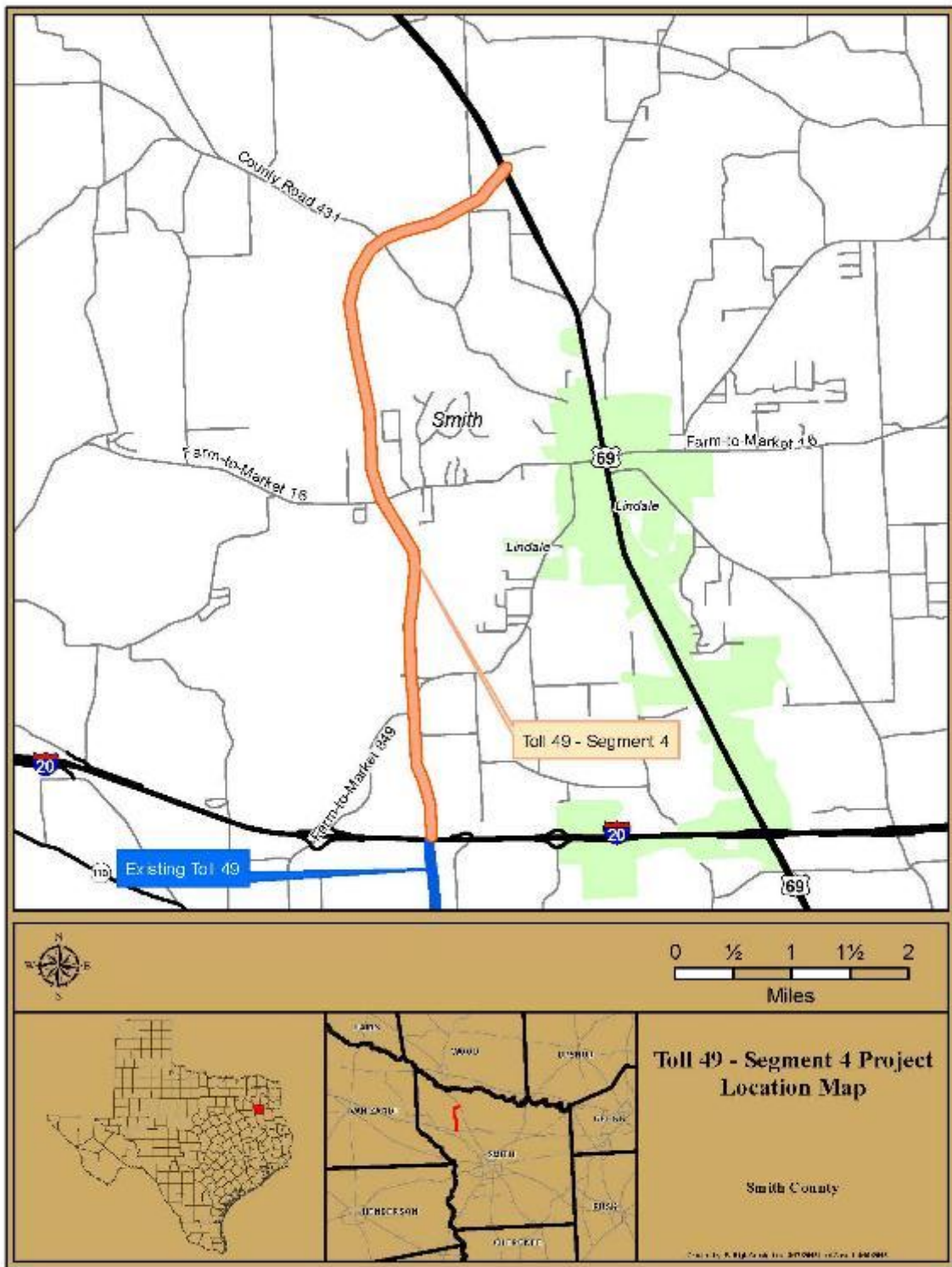
1.1 INTRODUCTION

This report documents and describes the development and construction of the Toll 49 Segment 4 Project during the period from July 3, 2016 to August 3, 2016. This Project is being developed and constructed by the North East Texas Regional Mobility Authority (“the Authority”). The Segment 4 Project is funded by Series 2016A Senior Lien bonds, and funds committed by the Federal Highway Administration (FHWA) and the Texas Department of Transportation (TxDOT).

1.2 PROJECT DESCRIPTION

The Segment 4 Project extends along new alignment from US 69 in the City of Lindale south to IH 20, north of the City of Tyler in Smith County, Texas. The Segment 4 Project connects with Toll 49 Segment 3B, extending Toll 49 by a length of approximately 6.6 miles. The Segment 4 Project consists of an interim two-lane access controlled tollway with grade separations at major cross streets, and toll collection facilities. The interim two-lane facility may be expanded to its ultimate four-lane configuration as traffic demand warrants and funding sources are identified in the future. The Segment 4 Project includes the construction of an at grade intersection at US 69, a diamond interchange including access ramps at FM 16, access ramps south of SH 110, and a three level interchange at IH 20. Continuous access/frontage roads will not be constructed as part of the Segment 4 Project.

FIGURE 1 - Project Location Map



1.3 DEVELOPMENT ACTIVITIES

In July, the Authority continued to make progress in right-of-way and acquisition using the following methods: obtaining Warranty Deeds through real estate closing, executing Possession and Use Agreements (PUAs), or taking possession of the parcel through deposits with the Smith County Court as part of the eminent domain process. During the reporting period the Authority acquired, or secured access rights to, seven additional parcels. This included the execution of the PUA for parcel 210, which provided the Contractor access by the July 15th deadline specified in Change Order 1. The Authority anticipates taking possession of the remaining four project parcels by the end of August using the methods described above.

TABLE 1: Right-Of-Way Parcel Status

Parcel	Acreage	Estimated Acquisition	
		Date	Status
202	3.93	NTP	Closed
203	1.44	Acquired	Closed
204	0.73	NTP + 75 Days	Closed
205	0.52	NTP	PUA executed Parcel is accessible to Contractor
206	2.42	NTP	Closed
207	0.40	NTP	Closed
208	7.03	NTP + 75 Days	Closed
209	12.47	15-Jul-16	The Authority has taken possession Parcel is accessible to Contractor PUA executed
210	0.84	15-Jul-16	Parcel is accessible to Contractor The Authority has taken possession
213	39.13	NTP	Parcel is accessible to Contractor
214	9.95	NTP	Closed
215	36.64	NTP	The Authority has taken possession Parcel is accessible to Contractor The Authority has taken possession
216	28.31	NTP	Parcel is accessible to Contractor
217	8.39	NTP	Closed
218	5.61	NTP	Closed
219	21.01	NTP	Closed
220	1.35	NTP	Closed
221	5.69	NTP + 30 Days	PUA executed Parcel is accessible to Contractor
222	2.46	NTP + 30 Days	Closed
223	0.13	NTP + 30 Days	Closed
224	0.17	NTP + 30 Days	Closed
225	0.04	NTP + 30 Days	Closed

Parcel	Acreage	Estimated Acquisition	
		Date	Status
			PUA executed
226	11.63	NTP + 30 Days	Parcel is accessible to Contractor
227	3.18	NTP + 60 Days	Closed
229	22.23	NTP + 60 Days	Closed
230	3.22	NTP + 60 Days	Projected late August closing
231	4.25	NTP + 60 Days	Closed
232	14.47	NTP + 60 Days	Closed
233	1.52	NTP + 60 Days	Closed
235	0.85	NTP + 60 Days	Closed
236	9.71	NTP + 60 Days	Closed
237	0.41	NTP + 60 Days	Closed
238	22.66	NTP + 60 Days	Condemnation hearing scheduled for August 15th
239	1.04	NTP + 60 Days	Condemnation hearing scheduled for August 15th
			The Authority has taken possession
240	13.39	NTP + 60 Days	Parcel is accessible to Contractor
241	0.36	NTP + 60 Days	Closed
242	11.04	NTP + 60 Days	Projected late August closing
243	9.16	NTP + 60 Days	Closed
244	19.14	NTP	Closed
245	5.81	NTP	Closed
246	0.10	NTP + 30 Days	Closed
			The Authority has taken possession
247	0.07	NTP + 60 Days	Parcel is accessible to Contractor

The Authority has initiated the adjustment of all of the privately-owned utilities impacted by the Segment 4 Project. Relocation design and construction will be performed by the utility owners with 100% reimbursement from the Authority. The Authority has executed relocation agreements with eight of the eleven privately owned utilities impacted by the Segment 4 Project and has issued NTP for the relocation of these facilities. The Authority anticipates executing relocation agreements with the three remaining utilities by the end of August and anticipates completing all private utility relocations within the timeframes specified in the Segment 4 Contract.

TABLE 2: Utility Relocation Status

Utility Company	Estimated Relocation	
	Completion Date	Status
		Utility agreement executed 3-29-2016
		Relocation NTP issued 6-24-2016
AT&T (SBC)	NTP +120	Relocation anticipated to begin late August
		Utility agreement executed 3-22-2016
CenterPoint Energy	NTP+120	Relocation NTP issued 6-24-2016

Utility Company	Estimated Relocation Completion Date	Status
City of Lindale	N/A	Webber to relocate as part of construction
Crystal Systems Water	N/A	Webber to relocate as part of construction
East Texas Electric Cooperative	1-Jan-17	Utility agreement executed 1-21-2016 Relocation NTP issued 6-24-2016
Enbridge	No conflict	No conflict identified, no relocation
Gulf South	NTP+90	Pre-agreement executed Full utility agreement anticipated in August
Lindale Rural WSC	N/A	Webber to relocate as part of construction
MHM Pipeline	Relocation will begin 2 week after clearing	Utility agreement anticipated in early August Utility agreement executed 5-4-2016
Oncor Electric Delivery (Distribution)	NTP + 90 to 120 Days	Relocation NTP issued 6-24-2016 Relocation anticipated to begin late August
Oncor Electric Delivery (Transmission)	1-Nov-16	Utility agreement executed 3-24-2016 Relocation NTP issued 6-24-2016
Peoples Telephone Cooperative	NTP + 0 to 60 Days	Utility agreement executed 1-20-2016 Relocation NTP issued 6-24-2016 Relocation is ongoing
SuddenLink	NTP + 150 Days	Utility agreement anticipated in August Utility agreement executed 2-8-2016 Relocation NTP issued 6-24-2016
Wood County Electric	NTP +110 Days	Relocation is ongoing
Zayo	NTP +150 Days	Utility agreement anticipated in early August

During archeological survey undertaken in support of a utility relocation on the project, archeologists encountered a single previously unrecorded archeological site within the project right of way. Following discovery of this site, the Authority has enlisted the services of Hicks & Company to perform data recovery and mitigation at the site. The Contractor has been advised to avoid impacts to this site until investigation is complete.

1.4 PROGRESS PHOTOS

1.4.1 Erosion Control

The Contractor began placing silt fence along the project construction limits in accordance with the Comprehensive Environmental Protection Plan and design plan requirements.



Silt fence installation near IH 20



Silt fence installation near SH 110

1.4.2 Earthwork

In mid-July, the Contractor began clearing and grubbing activities at both ends of the project (progressing to the center of the project at FM 16).



Clearing and grubbing near IH 20



Clearing and grubbing near US 69

1.4.3 Underdrains

In late July, the Contractor began installation of underdrains south of IH 20. This milestone activity is anticipated to be complete in late August.



Underdrain installation at the future IH 20 southbound ramp

1.4.4 Structures

In late July, the Contractor began substructures work at the IH 20 bridges including grading and installation of drilled shafts.



IH 20 overpass steel



Drill shaft work at the future IH 20 overpass

1.5 PROGRESS NARRATIVE

As noted in the progress photos above, the Contractor has placed silt fence near IH 20, US 69, SH 110, FM 4118, and along the proposed alignment at the project construction limits. Clearing and grubbing activities have begun at both ends of the project (progressing to the center of the project at FM 16). Underdrain installation south of IH 20 is underway, and drill shaft work has started for the bridges at IH 20. Table 3 below will be updated based on the Contractor's schedule of values and approved construction draws. As of the date of this monthly report, the Contractor had not yet submitted a draw request.

TABLE 3: Construction Progress

Construction Activity	Percent Complete
Mobilization	0%
Traffic Control	0%
Earthwork	0%
Drainage	0%
Sub-base and Base Course	0%
Pavement	0%
Structures	0%
Pavement Markings and Signals	0%
Environmental	0%

1.6 FINANCIAL SUMMARY

Table 4 shows the overall financial status for the Toll 49 Segment 4 project through July 2016. The original budget established for the Project and the expenditures to date are provided. An estimated cost remaining and an estimate at completion are also provided.

TABLE 4: Financial Status Summary

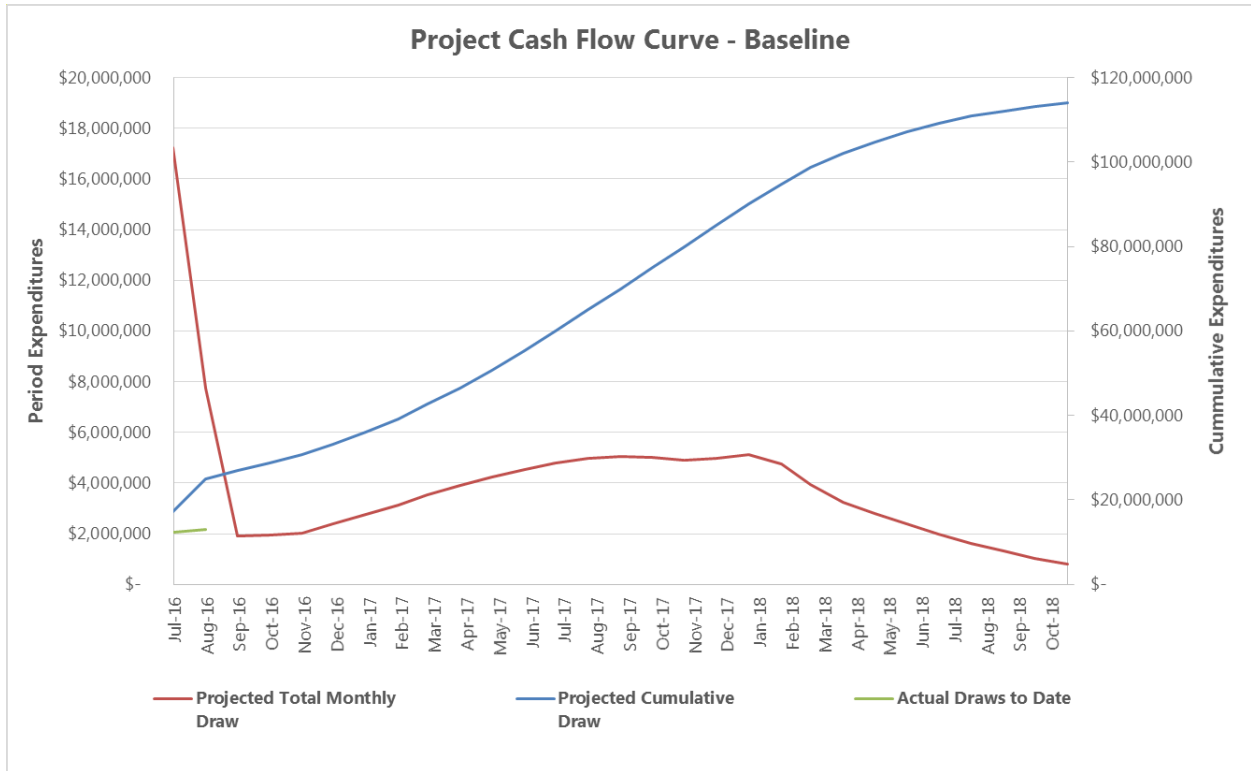
Project Description	Original Cost Estimate (\$)	Expenditures to Date (\$)	Estimated Remaining Cost (\$)	Estimate at Completion (\$)
Toll 49 Segment 4	\$126,220,000	\$12,910,857.89	\$113,309,142.11	\$126,220,000

Note: These costs include Traffic & Revenue studies costs, ROW survey and mapping costs, Final Engineering costs, Utility Relocation costs, Oversight costs, Construction (including GEC costs), and contingencies.

1.6.1 Project Cash Flow Curve – Baseline

Figure 2 summarizes the actual project costs to date through during this reporting period in comparison to the projected project costs.

FIGURE 2: PROJECT CASH FLOW CURVE - BASELINE



1.7 CONSTRUCTION FINANCIAL STATUS

The following summary provides the financial status of the Project.

Original Contractor Amount:	\$68,700,000
Authorized Changes (Change Order and/or Amendments):	
Change Order #1 ¹	\$0.00
	<hr/>
Current Authorized Contract Amount:	\$68,700,000
Previous total of Contractor Payments:	\$0.00
	<hr/>
Total Amount Paid To-Date:	\$0.00
Retainage withheld:	\$0.00
Approved Amount for work completed (through Draw 0):	\$0.00
	<hr/>
Amount remaining for work to be completed:	\$68,700,000
Total Percent of Budget Expended though August 1, 2016:	0.00%

Footnotes:

1. Change Order number 1 did not result in a change in price

1.7.1 Summary of Change Orders This Reporting Period

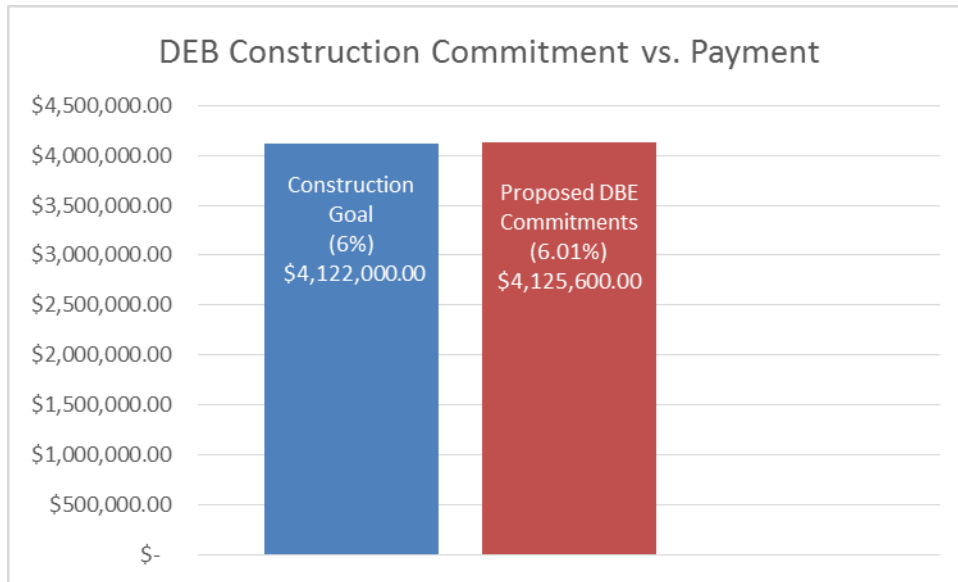
There were no change orders executed during this reporting period.

1.8 DBE STATUS

The Contractor is required to meet the Disadvantage Business Enterprise (DBE) goal of 6% for the Segment 4 Project. The Contractor's proposed commitment to date is 6.01%. This represents anticipated subcontracts with the following firms: Rambo Contracting INC (culverts, inlets, headwalls, and wing walls), Odum Services LP (metal beam guard fence and guard rail), Texas Environmental Management (stormwater pollution prevent plans and erosion control), MCL Contracting rebar tying), and Indus Construction LP (substructures).

The Contractor has proposed costs associated with DBE development work in the amount of \$4,125,600.00 which equals 6.01% to date of the original contract value. This amount slightly exceeds the contractual DBE goal of 6%.

FIGURE 3: DBE STATUS



1.9 COMPREHENSIVE ENVIRONMENTAL PROTECTION PROGRAM

In accordance with the terms of the Environmental Record of Decision (ROD) and contract requirements, the Contractor was required to develop and implement a Comprehensive Environmental Protection Program (CEPP) applicable throughout the duration of construction to establish the approach, requirements and procedures to be employed to protect the environment. The Contractor's CEPP was approved by the Authority on July 29th and includes the following component parts:

- » Areas of Special Environmental Interest
 - Describes steps taken to prevent impacts to at risk, rare species and their habitat as well as historical resources
- » Environmental Protection Measures include the following:
 - Erosion and sediment control measures
 - Preparation for seasonal shutdown
 - Protection of wildlife and wildlife habitat
 - Proper practices for clearing vegetation
 - Appropriate handling and storage of soil
 - Protection of wetlands, watercourses (streams), and riparian areas
 - Air quality management
 - Proper handling and storage of petroleum, oil, lubricant, and other chemicals
 - Management of waste
 - Constructing, operating, and reclaiming borrow excavations
 - Operating concrete batch plants
 - Well impacts and requirements
 - Recycling program

- » Monitoring and Inspection efforts consist of:
 - Self-Regulatory inspection program
 - Construction Monitoring
 - Post construction monitoring
- » Energy Conservation
- » Environmental Protection Training Plan
- » Communication Plan

Per the CEPP, the contractor has conducted the following activities:

- » Submitted for and posted TCEQ Notice of Intent (NOI) for stormwater discharges.
- » Implemented proper vegetation clearing practices including installing sediment and erosion control measures prior to beginning the clearing and grubbing work.
- » Minimized disturbance to aquatic resources during clearing and grubbing.
- » Performing weekly inspections to ensure the measures are operating correctly.

APPENDIX A: AERIAL PHOTOGRAPHS (AUGUST 2016)



FIGURE 4: PROJECT AREA AT IH 20



FIGURE 5: PROJECT AREA BETWEEN IH 20 AND FM 849



FIGURE 6: PROJECT AREA AT EXISTING FM 849



FIGURE 7: PROJECT AREA SOUTH OF FM 849



FIGURE 8: PROJECT AREA DAVIS BRANCH TRIBUTARY



FIGURE 9: PROJECT AREA BETWEEN DAVIS BRANCH AND FM 16



FIGURE 10: PROJECT AREA AT FM 16



FIGURE 11: QUARRIES NORTH OF FM 16



FIGURE 12: PROJECT AREA BETWEEN FM 16 AND CR 431



FIGURE 13: PROJECT AREA SOUTH OF CR 431



FIGURE 14: PROJECT AREA AT CR 431



FIGURE 15: PROJECT AREA NORTH OF CR 431



FIGURE 16: PROJECT AREA AT CR 4118



FIGURE 17: PROJECT AREA AT US 69