

*A Grand Parkway Transportation  
Corporation Project*

Quarter Ended March 31, 2016  
*(January 1, 2016 – March 31, 2016)*



Construction Progress Report  
**THE GRAND PARKWAY SYSTEM**

Submitted May 13, 2016

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## GEC PRINCIPAL IN CHARGE LETTER

CH2M was selected as the Texas Department of Transportation's General Engineering Consultant (GEC) for the implementation of Grand Parkway Segments F-1, F-2, and G with a Master Service Agreement executed in November 2012. Subsequently, CH2M was appointed as the GEC for the Grand Parkway Transportation Corporation (GPTC) as defined in the Trust Agreement Section 704(a).

As described in the requirements set forth in the GPTC Trust Agreement Section 407, the General Engineering Consultant shall prepare a progress report at least quarterly during the acquisition and construction of any portion of the Grand Parkway System which is financed in whole or in part with Obligations, commencing within 120 days from the initial delivery of the initial Obligations or Obligations financing an additional System Segment. The quarters used for reporting will be calendar quarters.

GPTC adheres to the requirements outlined in the Trust Agreement which governs the acquisition or construction of such System Segments financed with Obligations. As specified in the Trust Agreement, this report includes current estimates of: (i) the date on which such System Segment will be opened for traffic, unless such System Segment shall have been opened for traffic prior to such progress report, (ii) the Estimated Date of Completion and an Estimated Date of Substantial Completion of such System Segment, (iii) the cost of such System Segment, but excluding any Obligation discount, and the interest during construction and for one year after completion of construction, and (iv) the amount of funds required each six (6) months during the remaining estimated period of construction to meet the above described cost of such System Segment exclusive of funds provided for construction contingencies, and accompanied by a progress schedule for such construction, and further including, as to construction, comparisons between the actual times elapsed and the actual costs, and the original estimates of such times and costs. This information, as well as other items relevant to each System Segment, is presented in greater detail within this report.

Respectfully submitted by CH2M, Inc.  
General Engineering Consultant

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Southeast Region General Manager  
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Principal in Charge, GPTC GEC

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## *Introduction*

The Grand Parkway (State Highway 99) Project is a proposed 184-mile highway around the greater Houston area from State Highway 146 in Galveston County, Texas to State Highway 146 in Baytown, Texas and spread across the seven counties of Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty and Montgomery (the "Grand Parkway Project"). The primary purpose of the Grand Parkway Project is to provide an outer loop around the Houston metropolitan area to improve connectivity within the existing network, reduce transportation congestion and enhance mobility and travel options, reduce unsafe "stop and go" conditions and accommodate demographic and economic growth. The Grand Parkway Project is divided into 11 segments designated A through I-2 as depicted on the map on page 17.

The segments located in Harris and Montgomery Counties comprise the Grand Parkway System which was originally financed with the Grand Parkway System, Toll Revenue Bonds, Series 2013. The proceeds of the Bonds are being used to finance the design, development, acquisition and construction of five segments of the Grand Parkway Project including the portion of Segment D located in Harris County, Texas and Segments E, F-1, F-2, and G located in northeast Harris County and southwest Montgomery County. These segments total approximately 54.8 miles of tollway.

Segment D (Harris County) and Segment E were constructed under five different design-bid-build contracts. Segments F-1, F-2, and G have been constructed as part of a single design-build comprehensive development agreement. On March 22, 2013, TxDOT and Zachry-Odebrecht Parkway Builders, J.V. executed the Development Agreement and TxDOT/GPTC issued the first Notice to Proceed (NTP) under the Development Agreement. The Development Agreement was assigned by TxDOT to GPTC on March 22, 2013, the date of the agreement execution. The second NTP was issued by TxDOT/GPTC on June 14, 2013. The third NTP was issued by TxDOT/GPTC for the 365-day period from April 3, 2014 to April 2, 2015. NTP 3 was completed on April 1, 2015.

Substantial Completion of Segment F-1 was achieved on February 2, 2016; Segment F-2 on February 5, 2016; and Segment G on March 28, 2016. Segments F-1 and F-2 were opened to traffic on February 5 with tolling commencement on February 15, 2016. Segment G was opened to traffic on March 29 with tolling commencement on April 4, 2016.

Except for certain maintenance covered by the Developer under a Capital Maintenance Agreement (CMA) for Segments F-1, F-2, and G, the roadway will be maintained by TxDOT Houston District but paid for by the System. Segments F-1, F-2, and G will be maintained by the Developer under a CMA for the first five years with the possibility of CMA extension for two additional five year periods. The CMA commences at the end of the one-year warranty period or one year after Final Acceptance of the first Segment of Segments F-1, F-2, or G to be constructed.

# Segment D (Harris County)

Segment D (Harris County) extends 2.6 miles from the Fort Bend/Harris County line to 0.30 miles north of Colonial Parkway. Segment D (Harris County) was constructed by TxDOT on behalf of the Corporation pursuant to two design bid build contracts.

The main lanes of Segment D opened to traffic on December 21, 2013 and tolling began February 1, 2014. All of the direct connectors serving Segment D (Harris County) are now open for traffic.

In accordance with the Project Agreement, TxDOT has assigned the two design bid build contracts to the Corporation. CSJ No. 3510 05 018 pertains to work in both Segment D (Harris County) and Segment E.

**CSJ No. 3510-05-017**

**Contractor: Lone Star Company, Inc.**

Within the existing IH10 corridor, this project constructed four new direct connectors between the IH10 Eastbound to SH99 Southbound, IH10 Eastbound to SH99 Northbound, SH99 Northbound to IH10 Westbound and SH99 Southbound to IH10 Westbound.

The contracts for Segments D and E reached substantial completion in December 2013 with the exception of three of the four direct connectors constructed by the Lone Star Company, Inc. in Segment D. Direct Connector D (SH99 Southbound to IH10 Westbound) was opened to traffic at substantial completion on December 21, 2013.

The remaining direct connectors opened to traffic on the following dates:

- Direct Connector B (IH10 Eastbound to SH99 Northbound) on June 16, 2014
- Direct Connector E (IH10 Eastbound to SH99 Southbound) on June 16, 2014
- Direct Connector F (SH99 Northbound to IH10 Westbound) on August 2, 2014.

TxDOT District Construction issued Segment D for final acceptance on December 12, 2014. Final payment estimate has been approved and project closed. The Total Paid to date Contract Value is \$33,364,196.



Segment D



Segment E

## Segment E

Segment E is a 14.4 mile, four lane, controlled access toll road with intermittent frontage roads from 0.30 miles north of Colonial Parkway to US290 through northwest Harris County. Segment E was constructed by TxDOT on behalf of the Corporation pursuant to three design bid build contracts.

Segment E opened to traffic on December 21, 2013 and tolling began February 1, 2014.

In accordance with the Project Agreement, TxDOT has assigned three design bid build contracts to the Corporation. CSJ No. 3510 05 018 pertains to work in both Segment D (Harris County) and Segment E.

### CSJ No. 3510-05-018\*

Contractor: Williams Brothers Construction, Co., Inc.

The project involved constructing the new SH99 main lanes from north of Kingsland Blvd. to north of Colonial Parkway (including new direct connector ramps from IH10 WB to SH99 and from SH99 SB to IH10 EB). A portion of this project is located in Segment D (Harris County) and a portion is located in Segment E.

TxDOT District Construction issued this section for final acceptance on November 17, 2014. Project closeout is underway pending final payment estimate approval. The Total Paid to date Contract Value is \$49,706,802.

### CSJ No. 3510-05-022

Contractor: Hassell Construction Company, Inc.

The project constructed the new SH99 from north of Colonial Parkway to north of Morton Road and opened to traffic on December 21, 2013.

TxDOT District Construction issued this section for final acceptance on October 9, 2014. Final payment estimate has been approved and project closed. The Total Paid to date Contract Value is \$33,688,969.

### CSJ No. 3510-05-023

Contractor: J.D. Abrams, L.P.

The project constructed the new SH99 from north of Morton Road to south of Bridgeland Lake Parkway.

TxDOT District Construction issued this section for final acceptance on September 23, 2014. Final payment estimate has been approved and project closed. The Total Paid to date Contract Value is \$126,176,722.

### CSJ No. 3510-05-019\*

Contractor: WW Webber, LLC

The project constructed the new SH99 from south of Bridgeland Lake Parkway to US290 including four direct connector ramps at the SH99 – US290 interchange and reconstructed portions of the US290 frontage roads.

TxDOT District Construction final acceptance process is underway for this section. Change orders for toll plaza revisions and quantity reconciliation adjustments have been approved. Project closeout is underway pending final payment estimate approval. The Total Paid to date Contract Value is \$116,735,141.

***Information pertaining to Segment D (Harris County) and Segment E has been provided by Atkins, the General Engineering Consultant, through September 2015 and by TxDOT thereafter for those segments.***

***\*TxDOT issued sections CSJ No. 3510-05-018 and 3510-05-019 for final acceptance. Final payment estimates have been approved and projects have been closed.***

## Segments F-1, F-2, and G

Segment F-1 is a 12.1-mile, four-lane, controlled access toll road with intermittent frontage roads from US290 to SH249 through northwest Harris County.

Segment F-2 is a 12.2-mile, four-lane, controlled access toll road with intermittent frontage roads from SH249 to IH45(N) through northwest Harris County.

Segment G is a 13.5-mile, four-lane, controlled access toll road with intermittent frontage roads from IH45(N) to IH69(N)/US59(N) through northeast Harris County and

southwest Montgomery County. Segments F-1, F-2, and G were opened to traffic in the first quarter of 2016.

Segments F-1, F-2, and G were developed, designed and constructed pursuant to the Development Agreement between TxDOT and the Developer. On March 22, 2013, TxDOT/GPTC issued the first Notice to Proceed under the Development Agreement and assigned the agreement to GPTC. The second NTP was issued by TxDOT/GPTC on June 14, 2013.

The third NTP was issued by TxDOT/GPTC for the 365-day period from April 3, 2014 to April 2, 2015 and was completed on April 1, 2015.

In accordance with the Project Agreement, TxDOT has assigned the Development Agreement to GPTC, however, TxDOT retains certain obligations, including obligations with respect to environmental compliance and hazardous substances risks.

### Grand Opening



The Grand Opening and Ribbon Cutting of the Grand Parkway Segments F & G took place on March 29, 2016 with officials from the Texas Department of Transportation and Grand Parkway Transportation Corporation in attendance together with Stakeholders including officials from Harris and Montgomery Counties.

## Project Milestones

The following are actual milestones achieved to date on Segments F-1, F-2 & G as well as the anticipated Final Acceptance timelines for each Segment.

Milestones	Actual Completion Dates
Contract Signature Effective Date	3/22/2013
NTP 1 Issued	3/22/2013
NTP 2 Issued	6/14/2013
Construction Work Commencement	6/25/2013
NTP 3 Work Commencement	4/3/2014
NTP 3 Frontage Roads Completion at IH45	4/1/2015
Segment F-1 Substantial Completion	2/2/2016
Open to Traffic	2/5/2016
Tolling Commences	2/15/2016
Segment F-2 Substantial Completion	2/5/2016
Open to Traffic	2/5/2016
Tolling Commences	2/15/2016
Segment G Substantial Completion	3/28/2016
Open to Traffic	3/29/2016
Tolling Commences	4/4/2016

Milestones	Final Acceptance Timelines
Final Acceptance for Segment F-1	5/31/2016
Final Acceptance for Segment F-2	6/3/2016
Final Acceptance for Segment G	7/26/2016
Final Acceptance for All Segments*	7/26/2016

\*Exclusive of HTR Direct Connectors (Third Party Agreement) and any adjusted dates based on pending requests for additional extensions of time.

Right of Way Parcels	TxDOT Acquired	ZOPB Segments			Total
		F 1	F 2	G	
Total Number of Parcels	33	56	166	178	433
Possession & Use Agreements Currently in Effect	0	0	0	0	0
Parcels Closed By Deed or Award <sup>1</sup>	33	56	166	178	433
Parcels Clear for Construction <sup>2</sup>	33	56	166	178	433
Remaining Parcels to Acquire <sup>3</sup>	0	0	0	0	0

2,124 out of 2,124 acres are released-for-construction (100% complete as of March 16, 2015).

<sup>1</sup> *Parcels Closed by Deed or Award: Total number of parcels which TxDOT has taken possession of by deed or award.*

<sup>2</sup> *Parcels Clear for Construction: Total number of parcels that are ready for the construction process to begin.*

<sup>3</sup> *Remaining Parcels to Acquire: Total number of parcels which TxDOT has not yet taken possession of by deed or award.*

**Right-of-Way**

Although the right of way activities have progressed well and GPTC has possession for construction purposes, there remain 34 eminent domain actions pending to finalize parcel acquisition as of March 31, 2016. These resolution activities will continue for several years after construction is complete. The activities include settlements, court ordered mediations, agreed judgements and jury trial awards.

**Utility Relocation**

Utilities	TxDOT Acquired	F 1, F 2, and G*	Total
Project Utility Adjustment Agreements (PUAA) Required/Executed	1/1	51/51	52/52
Supplemental Utility Adjustment Agreements (UAAA) Anticipated/Executed	2/2	56/56	58/58

\*As PUAAs and UAAAs were executed, several spanned multiple segments.

» 100% of the PUAAs have been executed (52 of 52) by ZOPB.

» 100% of the UAAAs have been executed (58 of 58) by ZOPB.

## Design

- » ZOPB's design effort for the Grand Parkway project is all but complete. Segments F-1, F-2, & G are now open to traffic but some design rework and clarifications are still needed. Additional design (re)work is now being done only on an as needed basis and is targeted for a specific purpose or concern. Ensuing supplementary design work now occurring is implemented to improve specific items or to resolve a conflict. Additionally, design modifications are required when field conditions differ from the initial design conditions.
- » TxDOT's ongoing design support of the project is tailored to support all continuing design activities with special attention to time sensitive issues related to the project completion. The submissions of the ongoing design are in the nature of change orders, Field Design Change (FDC), Notice of Design Change (NDC), Requests for Information (RFI), and other miscellaneous design submittals. Each design submittal must be reviewed on a case-by-case basis to ensure compliance with applicable contract requirements as well as local, state, and national design codes. End of project submittals are now being created and submitted by ZOPB as the project final completion and close-out approaches.

## Construction Indicators - Segment F-1

- Substantial Completion of Segment F-1 was achieved on February 2, 2016.
- Segment F-1 was opened to traffic on February 5, 2016.
- Segment F-1 tolling commenced on February 15, 2016.
- All bridges are complete in Segment F-1.
- Paving is complete for the main lanes, frontage roads, and intersections throughout the segment.
- MSE wall construction is complete in Segment F-1.
- Installation of concrete traffic barrier, guard rail and cable barrier is complete throughout the segment.
- Installation of roadway lighting, multi-purpose ITS poles, dynamic message signs, and traffic signals is complete throughout the segment.
- Construction activities are complete at all toll gantry locations in Segment F-1.
- Excavation and rip rap installation continued at detention ponds throughout the segment.
- Small/large sign installation continued throughout the segment.
- Installation of rip rap, mow strips and drainage aprons/outlet structures continued in various locations throughout the segment.
- Ride quality evaluations and pavement surface corrections continued throughout the segment.
- Painting continued at various locations throughout the segment.
- Slope grading, seeding/sodding and landscaping continued throughout the segment.
- Punch list activities are on-going throughout the segment.

## Construction Indicators - Segment F-2

- Substantial Completion of Segment F-2 was achieved on February 5, 2016.
- Segment F-2 was opened to traffic on February 5, 2016.
- Segment F-2 tolling commenced on February 15, 2016.
- All bridges are complete in Segment F-2.
- Paving is complete for the main lanes, frontage roads, and intersections throughout the segment.
- MSE wall construction is complete in Segment F-2.
- Installation of concrete traffic barrier, guard rail and cable barrier is complete throughout the segment.
- Installation of roadway lighting, multi-purpose ITS poles, dynamic message signs, and traffic signals is complete throughout the segment.
- Construction activities are complete at all toll gantry locations in Segment F-2.

- Excavation and rip rap installation continued at detention ponds throughout the segment.
- Small/large sign installation continued throughout the segment.
- Installation of rip rap, mow strips and drainage aprons/outlet structures continued in various locations throughout the segment.
- Ride quality evaluations and pavement surface corrections continued throughout the segment.
- Painting continued at various locations throughout the segment.
- Slope grading, seeding/sodding and landscaping continued throughout the segment.
- Punch list activities are on-going throughout the segment.

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### **Construction Indicators - Segment G**

- Substantial Completion of Segment G was achieved on March 28, 2016.
- Segment G was opened to traffic on March 29, 2016.
- Segment G tolling commenced on April 4, 2016.
- All bridges are complete in Segment G.
- Paving is complete for the main lanes, frontage roads, and intersections throughout the segment with the exception of Future Riverwalk Drive.
- MSE wall construction is complete in Segment G.
- Installation of concrete traffic barrier, guard rail and cable barrier is complete throughout the segment.
- Installation of roadway lighting, multi-purpose ITS poles, dynamic message signs, and traffic signals is complete throughout the segment.
- Construction activities are complete at all toll gantry locations in Segment G.
- Construction of the intersection at Future Riverwalk Drive is on-going.
- Construction of the median islands at Birnham Woods Drive, Future Townsen Boulevard and FM1314 continued.
- Excavation and rip rap installation continued at detention ponds throughout the segment.
- Small/large sign installation continued throughout the segment.
- Installation of rip rap, mow strips and drainage aprons/outlet structures continued in various locations throughout the segment.
- Ride quality evaluations and pavement surface corrections continued throughout the segment.
- Painting continued at various locations throughout the segment.
- Slope grading, seeding/sodding and landscaping continued throughout the segment.
- Punch list activities are on-going throughout the segment.

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### **Status of Change Orders**

To date, Change Order Nos. 1-11 have increased the Contract Price from \$1,043,553,000 (inclusive of eight Options) to \$1,045,663,127 (inclusive of six Options and eleven Change Orders). Pending Change Order No. 12 Traffic Signal Modifications to Technical Provisions was partially executed on March 31, 2016 and was anticipated to be fully executed in early April 2016. Change Order No. 12 was nil value with no schedule impacts.

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### **Related Third Party Agreements**

To date, the following Third Party Agreements (as previously described in Quarterly Construction Progress Reports) have been fully executed.

- The Hardy Toll Road Interchange Design, Construction, Maintenance, and Funding Agreement
- Fox Run & Lockridge Farms Subdivision Noise and Abatements Design & Construction Agreement

- Funding Agreement with Harris County for Preliminary Engineering on Options D-H, Rhetta Lane Engineering, and Self Road Right-of-Way, Design & Construction
- Agreement with Montgomery County for Construction within Grand Parkway Right-of-Way
- Agreement with Harris County Municipal Utility District 383 for Construction within Grand Parkway Right-of-Way
- Agreement with TxDOT Toll System Integrator
- Design and Construction Agreement for Local Frontage Roads in Grand Parkway Right-of-Way with Dowdell Public Utility District

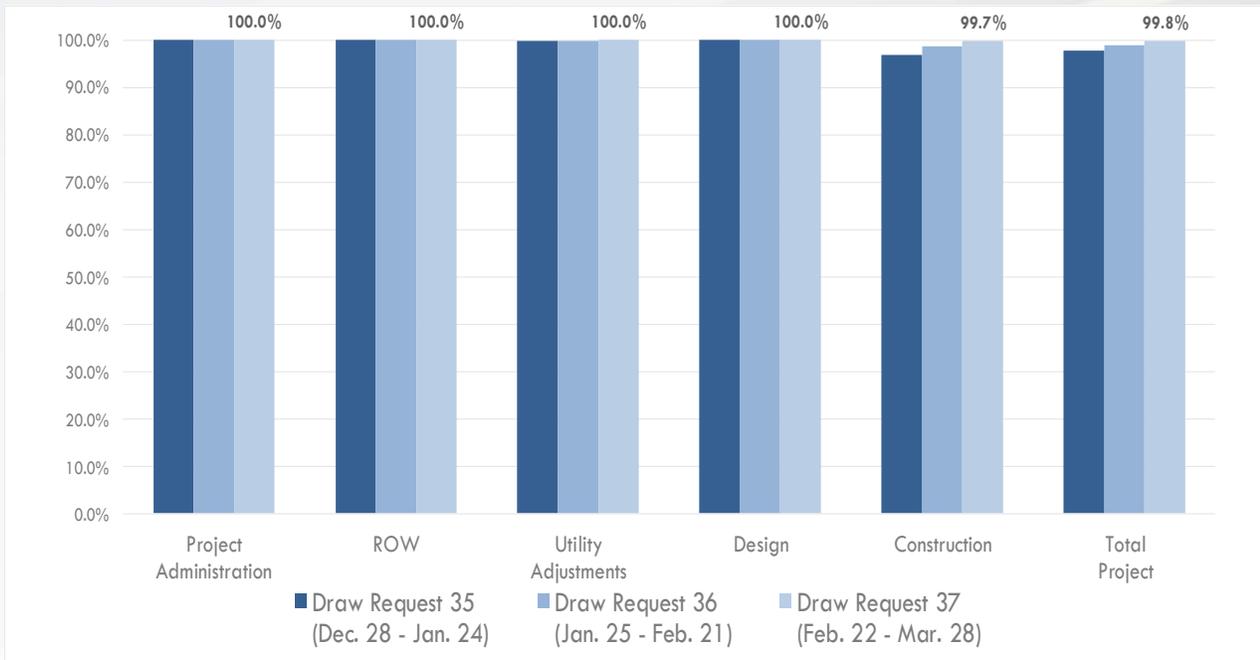
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### ***Approved Project Baseline Schedule 3***

A revision to the latest approved PBS3 baseline schedule (PBS3Rev3) was approved by TxDOT on December 29, 2014. This schedule revision reflects the Substantial Completion Deadline of October 3, 2015 for all three segments as defined in Change Order No. 6. Subsequent schedule updates have not been approved by TxDOT pending submission of the Recovery Schedule requested by TxDOT on March 31, 2015 because the intervening schedule updates were deemed to be incomplete.

As noted in Quarterly Construction Progress Reports submitted during the calendar year ended December 31, 2015, both Harris and Montgomery Counties were included in Presidential and Gubernatorial Disaster Declaration issued in May and October 2015. Both the Developer and GPTC are evaluating the flooding impact to Segments F & G under the Force Majeure provisions of the Development Agreement. The Development Agreement provides entitlement to extension of Completion Deadlines and compensation for additional costs directly attributable to the force majeure, if any, but no entitlement to additional costs for delay and disruption damages.

**Cumulative Earned Value**



- » The Cumulative Earned Value estimate is calculated on the draw request submitted monthly by the Developer.
- » The value of the total work completed to date is \$1.044 billion, approximately 99.8% of the total project cost of \$1.045 billion

(based on PBS3, including executed Change Orders Nos. 1-11).

- » Since execution of the Development Agreement, 1,102 days have elapsed, which is approximately 119.1% of the total contracted schedule time (925 days) to substantial completion.

**Construction Draw Schedule**

**DEVELOPER CORRIDORWIDE & ROW CONSTRUCTION DRAW SCHEDULE**

Period Ending	Original Estimate Semiannual	Original Estimate Cumulative	Actual Semiannual	Actual Cumulative	Estimate Semiannual	Estimate Cumulative
3/31/2013	\$2,320,098	\$2,320,098	\$1,872,678	\$1,872,678		
9/30/2013	\$53,024,128	\$55,344,226	\$92,437,427	\$94,310,105		
3/31/2014	\$36,040,666	\$91,384,892	\$34,074,637	\$128,384,742		
9/30/2014	\$29,999,666	\$121,384,557	\$18,786,676	\$147,171,418		
3/31/2015	\$2,636,546	\$124,021,103	\$14,250,711	\$161,422,129		
9/30/2015	\$1,460,558	\$125,481,662	\$10,581,280	\$172,003,409		
3/31/2016	\$4,757,395	\$130,239,056	\$20,330,419	\$192,333,827		
9/30/2016					\$0	\$192,333,827

\*Original Estimate is based on the Maximum Payment Schedule

**SEGMENT F-1 CONSTRUCTION DRAW SCHEDULE**

Period Ending	Original Estimate Semiannual	Original Estimate Cumulative	Actual Semiannual	Actual Cumulative	Estimate Semiannual	Estimate Cumulative
3/31/2013	\$1,135,055	\$1,135,055	\$295,006	\$295,006		
9/30/2013	\$36,790,557	\$37,925,612	\$8,728,890	\$9,023,896		
3/31/2014	\$44,801,394	\$82,727,006	\$24,412,303	\$33,436,199		
9/30/2014	\$95,173,798	\$177,900,804	\$77,717,222	\$111,153,421		
3/31/2015	\$44,873,705	\$222,774,508	\$56,562,339	\$167,715,760		
9/30/2015	\$12,992,005	\$235,766,514	\$34,909,206	\$202,624,966		
3/31/2016	\$13,386,463	\$249,152,976	\$12,280,027	\$214,904,992		
9/30/2016					\$0	\$214,904,992

**SEGMENT F-2 CONSTRUCTION DRAW SCHEDULE**

Period Ending	Original Estimate Semiannual	Original Estimate Cumulative	Actual Semiannual	Actual Cumulative	Estimate Semiannual	Estimate Cumulative
3/31/2013	\$45,442	\$45,442	\$1,376,674	\$1,376,674		
9/30/2013	\$23,257,875	\$23,303,317	\$17,340,253	\$18,716,927		
3/31/2014	\$42,326,528	\$65,629,845	\$39,007,377	\$57,724,304		
9/30/2014	\$63,120,594	\$128,750,438	\$47,946,412	\$105,670,716		
3/31/2015	\$49,924,735	\$178,675,173	\$63,778,945	\$169,449,661		
9/30/2015	\$18,113,968	\$196,789,142	\$58,665,827	\$228,115,488		
3/31/2016	\$5,726,883	\$202,516,025	\$21,556,301	\$249,671,789		
9/30/2016					\$0	\$249,671,789

**SEGMENT G CONSTRUCTION DRAW SCHEDULE**

Period Ending	Original Estimate Semiannual	Original Estimate Cumulative	Actual Semiannual	Actual Cumulative	Estimate Semiannual	Estimate Cumulative
3/31/2013	\$1,481,618	\$1,481,618	\$1,437,856	\$1,437,856		
9/30/2013	\$72,116,933	\$73,598,551	\$26,243,561	\$27,681,417		
3/31/2014	\$118,557,299	\$192,155,850	\$61,617,282	\$89,298,699		
9/30/2014	\$140,720,113	\$332,875,963	\$115,121,251	\$204,419,950		
3/31/2015	\$71,887,243	\$404,763,206	\$80,967,370	\$285,387,320		
9/30/2015	\$33,853,758	\$438,616,964	\$58,511,833	\$343,899,153		
3/31/2016	\$23,027,978	\$461,644,942	\$43,999,990	\$387,899,143		
9/30/2016					\$853,376	\$388,752,519

**AGGREGATE CONSTRUCTION DRAW SCHEDULE**

Period Ending	Original Estimate Semiannual	Original Estimate Cumulative	Actual Semiannual	Actual Cumulative	Estimate Semiannual	Estimate Cumulative
3/31/2013	\$4,982,213	\$4,982,213	\$4,982,214	\$4,982,214		
9/30/2013	\$185,189,493	\$190,171,706	\$144,750,131	\$149,732,345		
3/31/2014	\$241,725,886	\$431,897,592	\$159,111,599	\$308,843,944		
9/30/2014	\$329,014,170	\$760,911,762	\$259,571,561	\$568,442,944		
3/31/2015	\$169,322,229	\$930,233,991	\$215,559,365	\$783,974,870		
9/30/2015	\$66,420,290	\$996,654,281	\$162,668,145	\$946,643,015		
3/31/2016	\$46,898,719	\$1,043,553,000	\$98,166,737	\$1,044,809,752		
9/30/2016					\$853,376	\$1,045,663,128

\*Original Estimate is based on the Maximum Payment Schedule

- » Draw Schedule source data includes: (a) The Original Estimate that is based on the Maximum Payment Schedule. The Original Estimate includes the base price (\$1.007 billion) and assumes that all options are executed (\$36.5 million), which aggregates to \$1.0435 billion; (b) the Actual amounts, which reflect actual draw requests received; and (c) the Estimate, including Change Orders Nos. 1-11, which are based on the approved baseline schedule, PBS3r3, provided by ZOPB, which aggregates to \$1.0456 billion.
- » The exact distribution of the Estimate broken down by segments (F-1, F-2, G, and Corridorwide & ROW) depend upon ROW sequencing and could vary significantly. The Estimate derived from the PBS3 schedule is the only data source aligned according to calendar months. The Original Estimate and Actual draw requests do not contain breakout by segments. Therefore, an approximation has been used for the breakout of costs for Segments F-1, F-2, G, and the Corridorwide & ROW costs based on the PBS2r2 schedule for the Original Estimate and the PBS3r3 schedule for the Estimate.

**Project Cost Summary (In Thousands)**

The table below reflects costs for the calendar quarter ended March 31, 2016, costs expended since inception through March 31, 2016, remaining costs required to complete the project, and the total project cost estimate.

	Costs Jan.-Mar. '16 (current quarter)	Costs Inception - Mar. '16 (all costs to-date)	Remaining Costs to Complete Project	Total Project Cost Estimate
<b>Construction Costs</b>				
<b>Segments D and E</b>				
Construction		\$359,672	\$216	\$359,888
Management, Oversight & Mtl. Testing	(2,074)	14,331		14,331
Right-of-Way Acquisition	(540)	10,035		10,035
Toll Integration	1	7,923	1,397	9,319
<b>Total Segments D and E</b>	<b>(\$2,613)</b>	<b>\$391,961</b>	<b>\$1,612</b>	<b>\$393,573</b>
<b>Segments F1, F2, and G</b>				
Construction - ZOPB	64,575	1,034,992	10,671	1,045,663
Management, Oversight & Mtl. Testing	(12,670)	51,961	3,232	55,193
Right-of-Way Acquisition	20,007	429,678	60,000	489,678
Toll Integration Costs	489	21,214	15,243	36,457
<b>Total Segments F1, F2, and G</b>	<b>\$72,401</b>	<b>\$1,537,845</b>	<b>\$89,146</b>	<b>\$1,626,991</b>
<b>Total Segments D-G</b>	<b>\$69,788</b>	<b>\$1,929,806</b>	<b>\$90,758</b>	<b>\$2,020,565</b>
<b>Segments H&amp;I Pre-Dev. Costs - TIFIA Ineligible <sup>(a)</sup></b>	<b>\$89</b>	<b>\$1,562</b>	<b>\$298,438</b>	<b>\$300,000</b>
<b>Total Construction Costs</b>	<b>\$69,877</b>	<b>\$1,931,368</b>	<b>\$389,196</b>	<b>\$2,320,565</b>
<b>Other Costs</b>				
Payments to HCTRA <sup>(b)</sup>	\$8,351	\$74,135	\$28,580	\$102,715
Project Contingency			28,937	28,937
<b>Total Other Costs</b>	<b>\$8,351</b>	<b>\$74,135</b>	<b>\$57,517</b>	<b>\$131,652</b>
<b>Total Project Costs, before Financing Costs</b>	<b>\$78,228</b>	<b>\$2,005,503</b>	<b>\$446,713</b>	<b>\$2,452,216</b>
<b>Financing Costs</b>				
Capitalized Interest		\$197,118	\$97,346	\$294,464
Capitalized Interest - TIFIA Ineligible <sup>(a)</sup>		40,638	18,756	59,395
<b>Total Capitalized Interest</b>		<b>237,757</b>	<b>116,102</b>	<b>353,859</b>
Debt Service Reserve Fund		17,964		17,964
Rate Stabilization Fund		100,000		100,000
Cost of Issuance	(66)	16,124		16,124
Cost of Issuance - TIFIA Ineligible <sup>(a)</sup>		2,533		2,533
<b>Total Financing Costs</b>	<b>(\$66)</b>	<b>\$374,378</b>	<b>\$116,102</b>	<b>\$490,480</b>
<b>Grand Total Project Costs</b>	<b>\$78,162</b>	<b>\$2,379,881</b>	<b>\$562,815</b>	<b>\$2,942,696</b>
<b>Project Costs: Eligible vs. Ineligible <sup>(a)</sup></b>				
Eligible	78,073	2,335,147	245,621	2,580,768
Ineligible	89	44,734	317,194	361,928

Source: TxDOT

**Notes****(a) Project Costs: Eligible vs. Ineligible**

Project Costs are required to be classified as eligible or ineligible as reflected in SCHEDULE I of the TIFIA Loan Agreement dated February 6, 2014, available at <http://emma.msrb.org>. Eligible costs generally include Project Costs for Segments D-G. Ineligible costs generally means all costs not connected with the Segments D-G, or predevelopment costs for Segments H&I.

**(b) Payments to HCTRA**

Payments to HCTRA include costs for right-of-way acquisition and certain costs of construction for Segments D through G. Costs were not assigned to any specific segments' construction costs in accordance with the "SCHEDULE I Grand Parkway Project Budget" of the TIFIA Loan agreement dated February 6, 2014.

**Notes**

- » The TIFIA agreement loan amount totals approximately \$840.6 million (equals 33 percent of TIFIA eligible project costs). The TIFIA application's Schedule I reflected approximately \$2.55 billion of TIFIA eligible costs and \$365.67 million of TIFIA ineligible costs. TIFIA ineligible costs have decreased by approximately \$3.8 million as none of the initial \$100 million construction contingency will be used for TIFIA ineligible Segments H&I pre-development costs. Most of the original \$100 million contingency is now reflected in the actual costs of segments where utilized.
- » Actual costs from inception reflect cash payments through March 2016, and include reserves for certain immaterial, unreimbursed costs. The difference between costs from inception as compared to costs from effective date is immaterial. TxDOT reimbursements, originally budgeted at approximately \$90.9 million, are now attributed to the segment to which they relate. Cash payments exclude draw payments submitted through the end of the reporting period, but were not paid until after the reporting period.
- » Remaining Cost to Complete reflects contractual obligations, change orders, and estimates of remaining costs as provided by TxDOT project managers.
- » Construction costs include Construction (ZOPB and Design-Bid-Build) and related costs such as Management, General Engineering Consultant, Oversight, Material Testing, Right of Way Acquisition and Toll Integration, which may not all have been included in previous reports.

## *Glossary*

CSJ	Control-section-job number. It is the key descriptor for the record of each project within TxDOT's system. Each project's CSJ is a nine-digit number consisting of four digits representing the control, two digits representing the section and a three digit job number.
DA	Development Agreement, the ZOPB Design-Build agreement for segments F through G
GEC	General Engineering Consultant
GPTC	Grand Parkway Transportation Corporation
IH	Interstate Highway
NTP	Notice to Proceed
PBS	Project Baseline Schedule
ROW	Right of Way
SH	State Highway
TxDOT	Texas Department of Transportation
ZOPB	Zachry-Odebrecht Parkway Builders

# Grand Parkway Project Map

