

*A Grand Parkway Transportation  
Corporation Project*

Period Ending May 31, 2015  
*(March 1, 2015 - May 31, 2015)*



Quarterly Traffic and Operating Report<sup>\*</sup>  
**THE GRAND PARKWAY SYSTEM**

Submitted July 30, 2015

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<sup>\*</sup> Unaudited preliminary document and subject to change

**Grand Parkway System\***  
**Toll Revenue<sup>(a)</sup> and Transactions**  
**SH99 Segments D&E<sup>(b)</sup>**  
**FY2015 Q3**  
*In Thousands*

Transactions (c)								
	HCTRA	TXTAG	NTTA	Violation	Veterans	Total Actual	Total Forecast (d)	Variance % (e)
Mar-15	1,527.74	154.26	32.29	117.70	27.89	1,859.88	1,386.00	34%
Apr-15	1,595.67	154.85	32.48	111.97	26.46	1,921.42	1,429.00	34%
May-15	1,638.62	165.17	34.52	105.87	28.77	1,972.94	1,485.00	33%
FY 2015 Q3	4,762.04	474.27	99.28	335.54	83.12	5,754.24	4,300.00	34%

Toll Revenue							
	HCTRA Toll Revenue(a)	TxTAG Toll Revenue(a)	NTTA Toll Revenue(a)	Violation Tolls Paid(a)	Total Toll Actual Revenue(a)	Total Forecast (d)	Variance % (e)
Mar-15	\$ 2,274	\$ 184	\$ 56	\$ 140	\$ 2,654	\$ 1,578	68%
Apr-15	\$ 2,133	\$ 174	\$ 52	\$ 95	\$ 2,454	\$ 1,634	50%
May-15	\$ 2,145	\$ 190	\$ 55	\$ 97	\$ 2,488	\$ 1,705	46%
FY 2015 Q3	\$ 6,552	\$ 548	\$ 163	\$ 332	\$ 7,596	\$ 4,917	54%

**Notes:**

**(a) Revenue:**

Toll Revenues for Tag transactions (HCTRA, TxTag, NTTA) are recognized when they are earned, which is at the time the transaction occurs; however, pursuant to the Interoperability Agreement, HCTRA will disburse Toll Revenues only on a monthly basis for HCTRA transactions on the System occurring in the prior months (less the 8% processing fees) to the Custodian under the Master Custodial Agreement for ultimate distribution to the Trustee (minus certain administrative toll collection costs). As a result, there is approximately a 30 day lag between recognizing an earned transaction and actual receipt of funds from HCTRA. There is no security interest by the Trustee in Toll Revenues from HCTRA transactions until received from HCTRA.

Violation revenues are recognized when cash payment is received. A violation transaction may be reported in one month but the cash receipt for that transaction may not be received until a later month. Toll Revenue does not include Fee revenue collected from violations.

**(b) Segments:**

**Segment D & E:** The revenues above were generated by Segments D & E. The portion of Segment D in Harris County and Segment E of the Grand Parkway (SH99) both opened to traffic on December 21, 2013. Following the opening of the road, there was an initial marketing period during which tolls were not assessed to allow users to become familiar with the System's access locations, travel time savings, and route options. Tolling began on segments D and E in February 2014,

**Segments F-1, F-2, and G:** These segments are still under construction.

**(c) Transactions**

Transaction counts by type reflect combined tag and image based lane activity. The transactions are 96.3% passenger vehicles and 3.7% commercial vehicles. Transactions (when a vehicle passes through a toll facility, plaza or ramp) are reported in the period in which they occur. Counts reflect all transactions, regardless of payment status.

**(d) Forecast:**

- Forecasted Revenues are the total projected gross toll revenue less the projected lost toll revenue due to violations as forecasted in the 2013 T&R Report prepared by CDMSmith.
- Forecasted Transactions are the total projected transactions, regardless of collection status, as forecasted in the 2013 T&R Report prepared by CDMSmith.

**(e) Variance %**

See next page for explanation of variances.

**Grand Parkway System\***  
**Operating Revenues and Expenses of the System**  
**FY2015 Q3**  
*In Thousands*

	Third Quarter Ended May 2015			
	Budget Total	Actuals	Variances Amount %	
<b>Operating Revenue</b>				
Toll Revenue	\$ 4,917	\$ 7,596	\$ 2,679	54%
Fees	-	254	254	100%
<b>Total Revenue</b>	4,917	7,849	2,932	60%
<b>Operating &amp; Maintenance Expenses</b>				
Routine Road Maintenance	230	52	178	77%
Roadway Major Maintenance	145		145	100%
Toll Maintenance	106	97	8	8%
Toll Operations	966	1,096	(131)	-14%
Other Operating	29	82	(52)	-179%
<b>Total Operating &amp; Maintenance Expenses</b>	1,476	1,328	148	10%
<b>Total Operating Revenues less Total Operating &amp; Maintenance Expenses</b>	3,441	6,522	2,784	81%

**Capital Expenditures**

Design-Build Construction Costs	122,204
Design-Bid-Build Construction Costs	674
Toll Integrator Installation	329
TxDOT Oversight	123
TxDOT Indirect Employee Costs	56
General Engineering Consultant	1,923
Right-of-Way Consultant	343
Design-Bid-Build Engineering Oversight	131
Toll Infrastructure Design	148
Other Engineering Oversight	676
ROW for F1, F2 and G	2,470
Other Reimbursements	305
Bond Cost of Issuance	
Miscellaneous	
<b>Total Capital Expenditures</b>	<b>129,383</b>

**Notes:**

**Operating Revenues:** Tolling began on segments D and E in February 2014. Other segments are not yet open for tolling. Operating Revenues includes toll revenues and fees. For toll revenues there is approximately a 30 day lag between recognizing an earned transaction and actual receipt of funds from HCTRA. There is no security interest by the Trustee in Toll Revenues from HCTRA transactions until received from HCTRA. Violation revenues are recognized when cash payment is received. A violation transaction may be reported in one month but revenue for that transaction may not be received until a later month.

**Operating and Maintenance Expenses:**

Operating and Maintenance Expenses represent preliminary estimates and subject to change. Tolls operations expenses for the 3<sup>rd</sup> quarter are higher than previous quarters due to timing of cash payments.

**Budget and Forecast:**

- Forecasted Revenues are the total FY2015 projected gross toll revenue less the projected lost toll revenue due to violations as forecasted in the 2013 T&R Report prepared by CDMSmith.
- Budgeted Expenses reflect FY2015 budget approved by the GPTC board (quarterly budget is estimated @ 25% of annual)

**Explanation of Variances:**

Given the brief period of time that Segment D (the portion in Harris County) and Segment E have been operating, it is difficult and impractical to provide significant detail of the reasons for the variance in revenues and operating and maintenance expenses. Revenues are, in large part, higher due to actual traffic exceeding estimates. Anecdotal evidence suggests that high levels of construction on US 290 (northern terminus of Segment E) may be responsible for a temporary increase in traffic.

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