

Central Texas Turnpike System

2002 Project*



Monthly Activity Report

Period Ending
April 30, 2004

SH 130 Taking Shape

Since the groundbreaking ceremony last October, significant progress has been made on the SH 130 project. Columns are going up, bridge beams are being placed, IH 35 ramps have been re-located and re-opened to traffic, earthwork begins in new areas each month, and drainage control structures are being built. Lone Star Infrastructure (LSI), the

developer for the project, now has over 300 workers in the field. For details see page 3.



View from Pecan St. north toward Pfluger Ln. in Sections 7 and 8

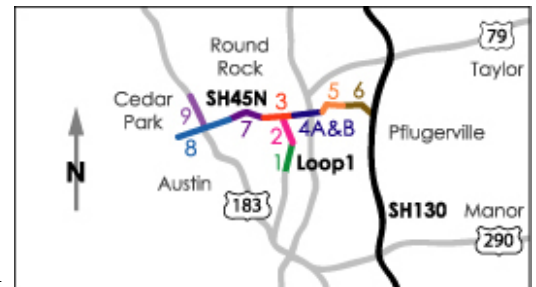
Photos clockwise from top: column construction at future SH 130/SH 45N

Interchange; Section 5 looking north from Brushy Creek and U.S. 79; earthwork in Section 8

SH 45N/Loop 1 Project Status

The SH 45N/Loop 1 element of the 2002 Project consists of eight sections. Section 9 is included in this report because it is an integral part of the CTTS; however, Section 9 is not part of the 2002 Project and is not being funded from proceeds of the Series 2002 Obligations.

SH 45N, Loop 1, US 183, Sections 1-9



Project Construction and Schedule

Zachry Construction Corp./Gilbert Texas Construction continues with underground utilities, bridge sub-structure and toll building construction for Sections 1 & 2 (Loop 1). Zachry and Gilbert are also continuing with sub-structure construction, pre-stress concrete beams, structural steel erection,

(cont'd on page 2)



*This report is for the Central Texas Turnpike System (2002 Project). For more complete information on the CTTS-2002 Project, refer to the Official Statement or the latest quarterly report (www.texasollways.com). Information is also available from the State Information Depository and the Nationally Recognized Municipal Securities Information Repositories. No financial decision should be made based solely upon this report. TxDOT Austin District Public Information Office: 512-832-7060.

Project Construction and Schedule (cont'd from page 1)

and bridge slab construction for their work on Section 3 (SH 45N/Loop 1 Interchange). Archer Western Contractors continue their work on Section 4 (SH 45N/IH 35 Interchange), both east and west of IH 35, with construction of the eastbound frontage road, bridge sub-structures, pre-stress concrete beams, and bridge slabs. Granite Construction Co. and J.D. Abrams, L.P. continue construction in Phase 1 of Section 7 (from Parmer Lane east to Section 3), including earthwork, retaining walls, and bridges on the east end of the Project. Austin Bridge & Road, L.P. continues working on utility relocation for Section 8 (RM 620 and U.S. 183), including mass excavation, drilled shafts, and bridge sub-structure. Zachry Construction Corporation continues with utility work, mass excavation, and bridge drilled shaft construction in Section 9 (RM 620 and U.S. 183, north of Section 8) and began construction on Section 5 (from east of County Road 170 to High Country Blvd.). Austin Bridge & Road, L.P. is scheduled to begin construction of Section 6 (from High Country Blvd. to west of SH 130) in June 2004.

Table 1
SH 45N/Loop 1 Construction Status

Section	Under Construction	Bid Open	Project Award	Construction Start	Construction Finish
1 & 2	Yes	6/03	6/03	8/03	1/07
3	Yes	10/02	1/03	2/03	9/06
4A & 4B	Yes	5/03	5/03	7/03	1/07
5	Yes	1/04	1/04	5/04	4/06
6	No	3/04	3/04	6/04	4/06
7	Yes	8/03	8/03	11/03	9/06
8	Yes	9/03	9/03	12/03	7/07
9	Yes	11/03	11/03	2/04	5/06

Table 1 shows the construction schedule for SH 45N/Loop 1. Table 2 provides a summary of utility adjustment activities.

Table 2
SH 45N/Loop 1 Utility Adjustments

Section	Required Adjustments	Adjustments Complete	Completion Date
1 & 2	10	9	July '04
3	10	10	Complete
4	11	11	Complete
5	7	7	Complete
6	2	0	May '04
7	5	5	Complete
8	7	1	October '04
9	3	3	Complete

Contract Financial Status

Payments in the amount of \$368,053,568 (does not include Section 9 costs) have been made since the Series 2002 Obligations were issued in August 2002. This represents 36% of the SH 45N/Loop 1 estimated project costs. Expenditures are related to all sections in the right of way eminent domain process and utility adjustment stages. Expenditures related to construction are incurred in the Loop 1 Extension project (Sections 1 and 2), SH 45N/Loop 1 Interchange project (Section 3), IH 35/SH 45N Interchange (Section 4), the SH 45N (Section 7) project, and the SH 45N/U.S. 183 Interchange (Section 8) project.

Design and Right of Way Acquisition

Design is complete. All parcels are available for construction for the SH 45N/Loop 1 elements of the 2002 Project. Current right of way costs are estimated to be under the original estimated cost.

Environmental

All environmental clearances for Sections 1 through 9 have been obtained.

Cave Gating - In April, five gates were installed on caves associated with the Section 9 project. Big Oak Cave, located in the Section 9 right of way, and four caves on the Discovery Well Preserve (the mitigation parcel for Section 9 project impacts on the endangered Tooth Cave ground beetle) are now secure against unauthorized visitation. Each gate is designed to fit the natural

dimensions of the mouth of the cave and is anchored by rebar driven into the limestone edges. The gates are composed of parallel 3/8-inch angle-iron with a lockable, hinged entry and a cutout for small mammal access. These caves were gated in response to actual and potential damage to the protected habitats by curious neighbors and passers-by.



Protective gating at Hunters Cave, Discovery Well Preserve

Bird Nest Surveys Continue - Surveys for active birds' nests, protected under the Migratory Bird Treaty Act (MBTA), continued through April in areas of impending construction. Trees slated for removal between March 1 and August 15 must be surveyed by a project biologist for active birds' nests. Migratory bird nest surveys were conducted on Sections 5 and 8 during the month of April, and no active bird nests were encountered. Activities in compliance with the MBTA have not affected the project construction schedule.

SH 130 Project Status

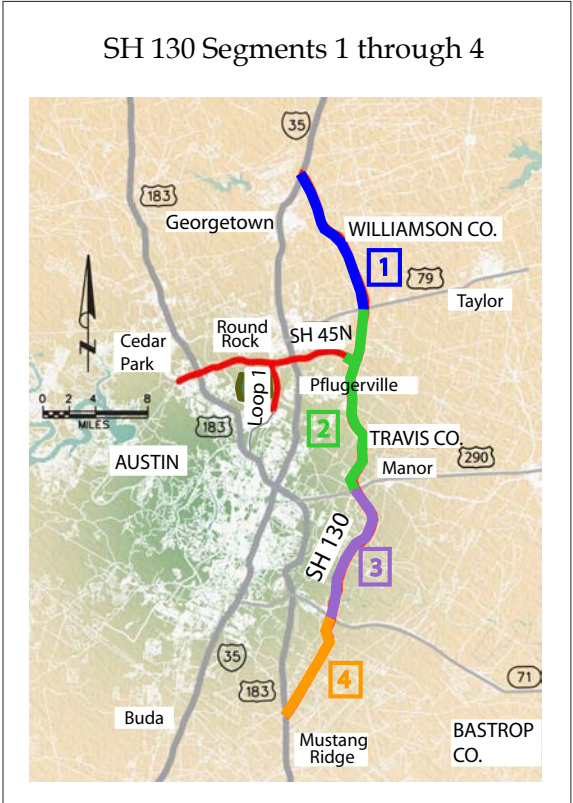
Construction

April brought an increase in construction activity in a growing number of right of way parcels. The primary activity remains in the IH 35 and FM 685 corridors. The number of active Sections increased to 7 of 10 as work in Section 2 near the San Gabriel River began. In Segment 1, significant progress was made during April. The first bridge beams were set on the structures over north and southbound Dry Berry Creek. The Berry Creek beams are scheduled for early May. Crews completed the installation of the 10' X 7' box culvert on the southbound frontage road. Embankment and base course installation in the Phase I center median section is rapidly progressing with hotmix scheduled for May and June. Other bridge work continues as the drilled shaft work has been completed for the new SH 195 bridge over IH 35. Construction of the SH 130 frontage road bridges over IH 35 and two of the direct connectors from IH 35 to SH 130 have started as well. The newly constructed IH 35 northbound entrance and exit ramps north of SH 195 serving Walburg have been opened to traffic. LSI is also focusing on developing the borrow source near the San Gabriel River in order to begin embankment work and bridge construction in Section 2.

Environmental approvals from the U.S. Army Corps of Engineers have opened significant sections of the corridor for earthwork operations. Work continues near U.S. 79 in Section 5 as the northbound SH 130 header takes shape. Channel and drainage work also continues in this section. Earthwork progresses in Section 7 and 8 just east of Pflugerville. The headers for the SH 130 crossing of Pfluger Lane are nearing completion, and excavation for the SH 130 underpass beneath Pecan Street continues. Earthwork has begun for the Wilbarger Creek and SH 130 header banks over Howard Lane. Erosion controls for the entire project are being continually monitored. LSI participated in a demonstration of a sediment control fence alternative – mulch-filled barriers for slope protection. Additional locations have been identified for evaluating the new technology. Bridge work continues near Wilke Lane and FM 685 on the SH 130/SH 45N Interchange as the columns and caps show off the ashlar stone and lone star finishes. Crews have begun drilled shaft work on the Gilleland/Harris Branch Creek crossings. The drilled shafts are complete for the four Wilbarger Creek bridges. Abutment, column and cap construction begins at Wilbarger Creek and crews are beginning work on two more structures for FM 685 over SH 130 and the northbound SH 130 overpass at U.S. 79.



Dry Berry Creek--delivery, unloading, and setting beams



In Section 12 at the Texas Industries material site off FM 973, all vegetation has been stripped and the areas within the proposed right of way have been graded for easier access. Previously, all surface water had been removed by either pumping or mixing with overburden to produce a slurry that was excavated and hauled off the proposed right of way. February and March rainfall resulted in re-creation of many of the ponds.

Released for construction (RFC) plans for Section 12 have been distributed. In other areas, Section 14 grading and drainage plans have been commented on, and Section 11 grading and drainage plans were released for comment in April. Section 15 has been divided into two parts by LSI, Sections 15a and 15b. Work on Section 15a will continue

(cont'd on page 4)

Construction (cont'd from page 3)

as planned, while the design in Section 15b will be modified in accordance with the current Request for Change Proposal (RCP). This modification includes new bridges that will tie in to SH 45SE at the SH 130/U.S. 183 Interchange. Bridge girder construction may begin at any time, while erosion control and other earthwork activities in Segment 3 will commence in July.

Environmental

For the SH 130 environmental team, construction monitoring was a major focus during April. Not only did construction activities increase significantly, but frequent and heavy rainfall during the month increased the need for careful monitoring of stormwater control structures.

On April 15, the great horned owl nest, described in the March Activity Report, was blown out of its tree by gusty winds. Within several hours an LSI environmental compliance inspector noticed that the nest was gone. Upon investigation, one chick was observed on the ground. No other chicks were found or thought to have occupied the nest. A federally-approved raptor rehabilitator, on-call since the beginning of construction, was contacted. The chick was transported to the raptor rehabilitation facility and was determined to be in good health. For the red-tailed hawk nest (March Activity Report), a buffer was established to protect the nest from disturbance. No active construction is occurring adjacent to the nest, and the chicks will be allowed to fledge prior to construction in the area. No impact to the work schedule is predicted from this precaution.

Resource agency submittals during the month of April included, to the Texas Historical Commission, a Section 9 and 10 Archeological Pre-Survey Report. Also from THC, concurrence was received for archeological clearance on parcels 17-38, 40, 52, 53, 1113, 1118, 1119 and 1120. Archeological clearance was also received for all but one parcel in Section 6. Right of entry has not been obtained to conduct surveys on this parcel.

The Turnpike Team environmental group participated in environmental walk-thrus for parcels 13, 36, 150, 152 and 153. An environmental walk-thru brings together the environmental and construction groups to discuss and evaluate environmental issues associated with a particular parcel. In addition, 19 environmental site assessments (ESA's) were submitted in April. Three ESA's were approved in April. The approved ESA is included in the acquisition package for each parcel. Acquisition of a parcel cannot proceed without an approved ESA.



Baby "Bounce", blown from his nest by gusty winds, is rescued and taken to a raptor rehabilitation facility-- cozier than that drafty ol' nest anyway. Bounce will be ready to join his relatives later this summer.

Geotechnical

Subsurface exploration, sampling, and draft reports for bridge structures are approximately 95% complete along the SH 130 route. The formal review process for bridge reports by the LSI Design Quality Assurance Firm (DQAF) and the Turnpike Team is approximately 68% complete. Subsurface exploration and sampling continues for retaining walls, sign structures, bridge class culverts, and toll buildings. Reports will be issued for each of the 15 sections along SH 130. The first of these reports, Section 1 Retaining Walls, was reviewed during April.

Pavement design reports present the results of field investigations, laboratory testing, and pavement thickness designs. Field exploration and sampling activities are approximately 92% complete. The Turnpike Team has completed initial pavement report reviews for FM 685 and for Sections 1, 2, 3, 5, 6, 7, 8, 9, 11, and 12. Comment resolution meetings have been held, and report revisions are being made to reflect the comments. Final reports are now complete for Sections 1, 7, and 8.

Geotechnical materials reports address material suitability, potential settlements, slope stability, and related technical issues. The Turnpike Team has reviewed geotechnical materials reports for Segments 1, 2, and 3. Comment resolution meetings are complete for Segments 1 and 2, and all comments have been resolved. The Segment 1 and Segment 2 geotechnical materials reports have been finalized.

Right of Way

Right of way activities for SH 130 as of April 30, 2004 are summarized in Tables 3 and 4. A total of 1,085 acres are available for construction.

Don Toner, Kerry Fulton, and John Breed, lead TxDOT staff for right of way on the SH 130 Project, have been recognized by the Federal Highway Administration in its Excellence in Right of Way Awards, receiving Honorable Mention in the "Streamlining and Integration" category.

Roadway Design

As of the end of April, grading and drainage plans on a total of eight Sections have been issued as RFC, and two Sections, Sections 3 and 4, have been approved for construction (AFC) by the design team. This represents a total of approximately 33 miles of the project. These sections include the major interchanges at SH 195, IH 35, SH 29, U.S. 79 and SH 45N.

Activities for the month of April in regards to the design of SH 130 include: received for review and comment

**SH 130
Design Completion**

Segment 1 (Sec. 1-4) 74%

Segment 2 (Sec. 5-10) 82%

Segment 3 (Sec. 11-13) 69%

Segment 4 (Sec. 14-15) 52%

Section 11 grading and drainage plans and Section 7 final roadway plans. During the upcoming month, LSI design will continue to advance the design of SH 130, including the preparation of grading and drainage plans for the remaining five sections of the project. In addition, LSI is continuing progress on the design of the final roadway plans for all sections of the project. During the month of May, it is anticipated that LSI will submit for review and comment final roadway plans for Sections 1, 2, 6, and 8.

Utilities

As of April 30, 2004, approvals have been finalized on 17 utility adjustment assemblies (20% of the estimated 84 needed) which total 100 adjustments. The latest approved assembly is for LCRA adjustments in Section 9. Three assemblies (17 adjustments) are in TxDOT/LSI review. Six assemblies (16 adjustments) are in LSI revision. The utility adjustment process is on schedule.

**Table 3
SH 130 Parcel Acquisition Status**

Segment*	Acquisition Packages Approved	Offers Made	Parcels Acquired	Possession and Use Agreements Obtained	Parcels in Condemnation
1 (128)	91	85	5	4	17
2 (159)	115	112	46	18	60
3 (62)	0	0	0	1	0
4 (64)	0	0	0	0	0
Total	206	197	51	23	77

*No. of parcels in parentheses. Segments 1-4 (413 parcels)

**Table 4
SH 130 Parcel Survey and Appraisal Status**

Segment	Surveys Initiated	Surveys Complete	Appraisals Complete	Appraisals In Review/Progress
1	128	119	100	21
2	159	149	116	38
3	62	11	0	43
4	64	7	0	19
Total	413	286	216	121

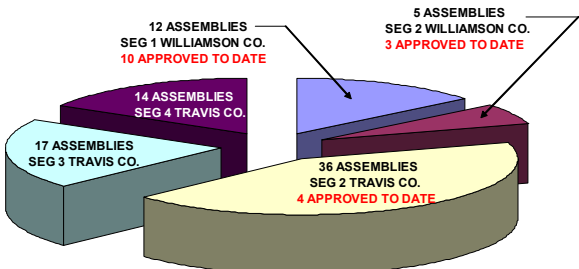
Bridge Design

Table 5 presents a summary of bridge design work. Design is progressing on all bridges and is on schedule. Early start of construction for portions of 21 bridges has been approved.

Table 5 - SH 130 Bridge Plan Review Status

	Number of Bridges	Prelim. Layout Review Complete	Geometric Review Complete	100% Plans Review Complete	Plans Certified
Segment 1	34	34	22	7	1
Segment 2	43	43	30	14	3
Segment 3	20	20	10	0	0
Segment 4	22	18	0	0	0
Total	119	115	62	21	4

SH 130 Utilities Summary



Contract Financial Status

Progress payments in the amount of \$13,618,194 were approved in April. The total amount approved for payment to date reached \$183,917,451 which represents 18.9% of the current total contract price. At this stage, expenditures are primarily related to mobilization, performance and payment bonds, insurance, design services, environmental activities, right-of-way services, and construction. The maximum payment curve was established initially by the Developer (LSI) at the proposal submission. The current maximum payment curve is shown in Figure 1 in comparison to the actual approved draw request amounts.

Contract Changes

LSI continues to evaluate potential cost, schedule, and maintenance impacts associated with TxDOT-issued RCP's and two pending Value Engineering Proposals. Forty-one RCP's have been issued for pricing to date. Final negotiations have occurred for 30 of the RCP's, 3 of which have been withdrawn by TxDOT. Change Order Request Nos. 2, 3, and 4 have been prepared by LSI and submitted to TxDOT for execution. Change Order No. 1, in the amount of a \$13,543,576 credit and no time adjustment, was executed in July 2003. Table 6 summarizes the current financial status of the SH 130 Project as of April 30, 2004.

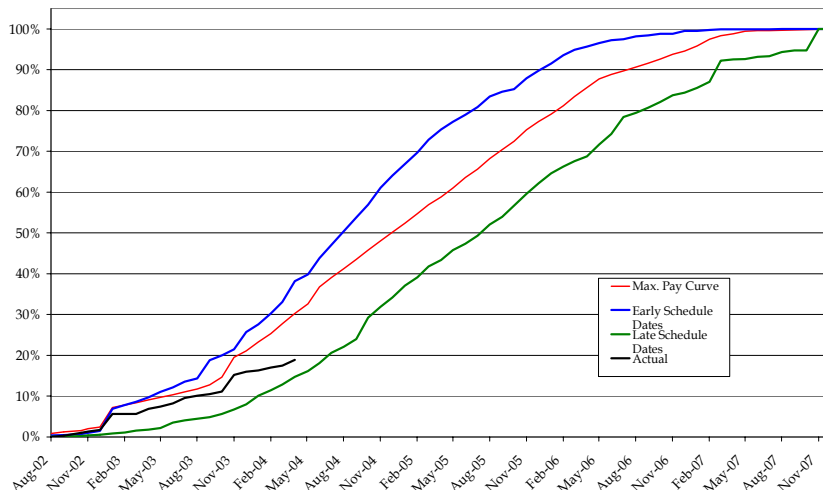
Schedule

At the end of April, 482 calendar days have elapsed since the second notice-to-proceed (NTP2). This represents approximately 35% of the 1,360 days allowed to achieve substantial completion of Segment 2 (the first Segment to be completed) and approximately 27% of the 1,784 days allowed to achieve substantial completion of Segment 4 (the last to be completed). Evaluation of critical path activities this month indicates that the Project is on schedule.

Public Outreach SH 45N/Loop 1 and SH 130

The public outreach staff continue to respond to the public, community groups, and government agencies requesting information on the SH 130 and SH 45N/Loop 1 projects. Responses include distribution of detailed maps, answering questions about the projects' status in the various sections, and making presentations to neighborhood associations. LSI announced in April its acceptance to *Clean Texas, Cleaner World*, a voluntary environmental leadership program sponsored by the Texas Commission on Environmental Quality (TCEQ). "LSI is the first entity of its kind – a highway developer – to join the program," reported a TCEQ spokesperson for the program. LSI's program includes incentives to promote environmentally-friendly practices, a strong office re-cycling program, and a proactive community outreach program on environmental issues.

Figure 1
SH 130 Status of Contractor Progress Payments
Planned vs. Approved (Plus Retainage) (\$ Mil)



Original Contract Amount (NTP2 & NTP5)	\$1,306,554,920
Authorized Amount (NTP1, NTP2 & NTP5)	\$ 986,321,577
Authorized Changes	\$ (13,543,576)
Current Authorized Contract Amount	\$ 972,778,001
Approved Payments (Plus Retainage)	\$ 183,917,451
Amount Remaining	\$ 788,860,550
Percent Dollars Expended	18.9%
Percent Time Expended	27%

Turnpike Team

2002 Project Bond Oversight

General Engineering Consultant: PBS&J



SH 130

Program Manager: HDR Engineering, Inc.

Developer: Lone Star Infrastructure

SH 45N & Loop 1

Construction Manager: PBS&J

Construction Contractors:

Sections 1&2: Zachry/Gilbert Constructors

Section 3: Zachry/Gilbert Constructors

Section 4A&4B: Archer-Western Constructors, Ltd.

Section 5: Zachry Construction Corporation

Section 6: Austin Bridge & Road, L.P.

Section 7: Granite Construction & J.D. Abrams, L.P.

Section 8: Austin Bridge & Road, L.P.

Section 9: Zachry Construction Corporation