
TRANSCRIPTION FROM DIGITAL AUDIO FILE

**IN RE: LOUISIANA HOUSE OF REPRESENTATIVES
LOUISIANA TRANSPORTATION AUTHORITY
OCTOBER 20, 2015**

CONDENSED COPY

Transcribed by Judy S. Diel, CCR, from a digital audio file provided by the Louisiana Department of Transportation & Development, Office of the General Counsel, 1201 Capitol Access Road, Baton Rouge, Louisiana.

Court Reporters of Louisiana, LLC

Office: (225)-201-9650 Baton Rouge, Louisiana Fax: (225)-201-9651

Conference Room Available www.courtreportersla.com Video Depositions

E-Transcripts ASCH Disks/CD Roms Digital Audio CD Roms Realtime Transcripts Deponent Photo ID

Page 2	Page 4
<p>1 * * * * *</p> <p>2 MEETING</p> <p>3 REPRESENTATIVE ST. GERMAIN:</p> <p>4 Call this meeting to order. If</p> <p>5 you wish to speak, please fill out a white card.</p> <p>6 That will just leave you neutral and open for</p> <p>7 comment. We need to have these -- since this is</p> <p>8 not House staff, we need to make sure Jeanine has</p> <p>9 her information for the records. So, Members, it's</p> <p>10 not about that I don't trust you. It's just we got</p> <p>11 to do it.</p> <p>12 Okay. I'll ask Jeanine to call</p> <p>13 the roll and members please say "here."</p> <p>14 MS. MELUGIN:</p> <p>15 Representative St. Germain?</p> <p>16 REPRESENTATIVE ST. GERMAIN:</p> <p>17 Here.</p> <p>18 MS. MELUGIN:</p> <p>19 Senator Adley?</p> <p>20 SENATOR ADLEY:</p> <p>21 Here.</p> <p>22 MS. MELUGIN:</p> <p>23 Senator Smith is here for</p> <p>24 Senator Alario.</p> <p>25 Representative Morris?</p>	<p>1 Do we have any questions</p> <p>2 regarding these minutes?</p> <p>3 If not, is there a motion to</p> <p>4 approve the minutes?</p> <p>5 Secretary LeBas moves that we</p> <p>6 accept the minutes of September the 22nd.</p> <p>7 Any objections?</p> <p>8 Hearing none, so moved.</p> <p>9 Okay. Since there is no new</p> <p>10 business to discuss, we're going to go ahead and</p> <p>11 move into the meat of the discussion of old</p> <p>12 business. And we have the first presentation by</p> <p>13 HNTB.</p> <p>14 Just as a little background,</p> <p>15 earlier this year there's an unsolicited proposal</p> <p>16 we received from AECOM for the Baton Rouge Urban</p> <p>17 Renewal and Mobility Plan, or best known, by most</p> <p>18 of us, as the BUMP. On the 15th of this year, in</p> <p>19 January, the proposal was presented to this</p> <p>20 authority and it was decided to go forward in</p> <p>21 reviewing the unsolicited proposal. HNTB was</p> <p>22 obtained in order to conduct the review.</p> <p>23 Today, HNTB is going to talk to us about</p> <p>24 the review and we're going to receive public</p> <p>25 comment. We're going to consider whether or not to</p>
Page 3	Page 5
<p>1 REPRESENTATIVE MORRIS:</p> <p>2 Here.</p> <p>3 MS. MELUGIN:</p> <p>4 Secretary LeBas?</p> <p>5 SECRETARY LEBAS:</p> <p>6 Here.</p> <p>7 MS. MELUGIN:</p> <p>8 Thomas Grove?</p> <p>9 MR. GROVE:</p> <p>10 Here.</p> <p>11 MS. MELUGIN:</p> <p>12 Mandi Mitchell?</p> <p>13 (MS. MITCHELL:)</p> <p>14 Here.</p> <p>15 MS. MELUGIN:</p> <p>16 Mr. Jackie Adcock is absent.</p> <p>17 And Matt Johns? He's supposed</p> <p>18 to be here. Okay, he's absent.</p> <p>19 REPRESENTATIVE ST. GERMAIN:</p> <p>20 We have a quorum?</p> <p>21 MS. MELUGIN:</p> <p>22 Yes, we have a quorum.</p> <p>23 REPRESENTATIVE ST. GERMAIN:</p> <p>24 Okay. The minutes of the</p> <p>25 September 22nd meeting are in your folder.</p>	<p>1 go forward, whether to advertise for competing</p> <p>2 proposals. There's a list of factors, that as in</p> <p>3 LTA, we are responsible for looking at and</p> <p>4 evaluating -- there is a list of factors that's</p> <p>5 going to be in front of you in a minute from</p> <p>6 committee staff. And this list is also included in</p> <p>7 LTA's public/private partnership guidelines.</p> <p>8 And that's about it for right</p> <p>9 now. It's yours.</p> <p>10 Introduce yourself for the</p> <p>11 record.</p> <p>12 MR. GUILMINO:</p> <p>13 Sure. I'm Brad Guilmino from</p> <p>14 HNTB. We're pleased to present our findings of the</p> <p>15 Baton Rouge BUMP unsolicited proposal.</p> <p>16 What I'm going to cover today</p> <p>17 briefly is some introductions and purpose of the</p> <p>18 project. Then we're going to talk about the</p> <p>19 overview of the Baton Rouge BUMP, the corridor that</p> <p>20 we analyzed, HNTB's approach to looking into the</p> <p>21 engineering of that, the cost formulation, the</p> <p>22 traffic and revenue forecast, and then the</p> <p>23 financial feasibility.</p> <p>24 Then we'll present the findings</p> <p>25 of the report and answer any questions as you guys</p>

Page 6	Page 8
<p>1 have them.</p> <p>2 REPRESENTATIVE ST. GERMAIN:</p> <p>3 Okay.</p> <p>4 MR. GUILMINO:</p> <p>5 First, I'm joined by Jeff</p> <p>6 Burst, project manager for DOTD, as well as Cheryl</p> <p>7 Duvieilh, executive counsel, and we have a team of</p> <p>8 folks behind us as well.</p> <p>9 Quickly, I think you stated the</p> <p>10 purpose, but we're doing an economic feasibility</p> <p>11 study for the project and we have presented the</p> <p>12 findings that are included in our final report.</p> <p>13 Here's the project, as it's</p> <p>14 defined. It starts on the western end, six miles</p> <p>15 west of the new bridge, along the 190 corridor,</p> <p>16 part of which is new construction and a new route,</p> <p>17 and then along US 61. The BUMP project is express</p> <p>18 toll lanes in the median of free frontage roads.</p> <p>19 The route that we're concentrating on is 21 miles</p> <p>20 of this, from the west of the river, all the way to</p> <p>21 just south of Jefferson.</p> <p>22 Here is the project as it looks</p> <p>23 from sitting on the ground. It's going to be an</p> <p>24 all-electronic toll facility, with toll gantries</p> <p>25 sitting above. So basically you will be able to</p>	<p>1 of the T&R, of the traffic and revenue, and present</p> <p>2 those findings. And then we take all the costs and</p> <p>3 revenue analysis and we put it into a financial</p> <p>4 model, how would one of these projects be financed</p> <p>5 in the financial markets, and share with you the</p> <p>6 results of how much money could be derived simply</p> <p>7 from toll revenues of the project.</p> <p>8 So the first thing we did is we</p> <p>9 looked at this and developed a conceptual design of</p> <p>10 the project, making sure that how it was presented</p> <p>11 makes -- maintains the proper traffic and is inside</p> <p>12 of industry best practices and standards.</p> <p>13 We developed a cost estimate</p> <p>14 based first on the roadway portions, the ones that</p> <p>15 grade, as well as the elevated structures, which</p> <p>16 naturally sometimes you're going to go over</p> <p>17 intersections and have a different cost component</p> <p>18 because of that. Then our other costs on certain</p> <p>19 interchanges and how we had to maintain the</p> <p>20 corridor to make sure that traffic was managed</p> <p>21 properly.</p> <p>22 Here is an estimate of our</p> <p>23 roadway capital costs. As you can see, we broke it</p> <p>24 into a few different categories, between the</p> <p>25 physical construction of it, the engineering, and</p>
Page 7	Page 9
<p>1 pay your toll and ride at 60 or 70 miles an hour</p> <p>2 along the corridor. All the tolling will be</p> <p>3 electronic. The capital cost in the AECOM proposal</p> <p>4 was 7 to 800 million.</p> <p>5 As you can see in this diagram,</p> <p>6 the express toll lanes are in the middle, and you</p> <p>7 will have existing free lanes on the outside. So</p> <p>8 you don't ever have to pay a toll if you don't</p> <p>9 want. The free lanes are here. They're just</p> <p>10 signalized, so you're going to sit in a little more</p> <p>11 congestion than you will if you decide to pay the</p> <p>12 toll and have that reliability and time savings.</p> <p>13 The HNTB approach: When we</p> <p>14 look at feasibility, there's several components</p> <p>15 that we have to analyze. The first is the</p> <p>16 construction cost up front, as well as the</p> <p>17 operations and maintenance and the life-cycle</p> <p>18 costs.</p> <p>19 The next thing we had to do is</p> <p>20 devise a tolling plan to figure out where we're</p> <p>21 going to put the toll gantries, how were we going</p> <p>22 to collect that revenue, and what are the costs</p> <p>23 associated with collecting that revenue.</p> <p>24 The third piece is the traffic</p> <p>25 and revenue report. We did an introductory study</p>	<p>1 then the contingency.</p> <p>2 The total capital cost in</p> <p>3 current year dollars is going to be 775 million.</p> <p>4 Now, this is our estimate. The project isn't</p> <p>5 totally defined yet. It's still very early on. As</p> <p>6 the project continues and if it gets further</p> <p>7 refined, you know, that cost estimate will come</p> <p>8 with a little more certainty. But at this point</p> <p>9 we're at 775 million.</p> <p>10 When we look at this in future</p> <p>11 year dollars, since we know we're not going to let</p> <p>12 this contract for construction right away, the</p> <p>13 total contract rises to 856 million. So that's</p> <p>14 kind of the target that we're looking to fund.</p> <p>15 Routine operations and</p> <p>16 maintenance: Since this is a toll facility, we are</p> <p>17 going to assume that the toll revenues will pay for</p> <p>18 all operations and maintenance of the facility. So</p> <p>19 the DOTD would not have to put in any money to</p> <p>20 maintain the new toll lanes. However, the DOTD</p> <p>21 will maintain the existing frontage roads that they</p> <p>22 currently maintain, but they will be put in place</p> <p>23 in a better condition than they are now. So we did</p> <p>24 an analysis of industry standard of estimating how</p> <p>25 much this annual cost is going to be.</p>

Page 10	Page 12
<p>1 The next piece is the renewal 2 and replacement cost. This is the annual cost of 3 the major maintenance items. The little bit larger 4 reconstructions that are periodically necessary to 5 be able to make sure that the road is in operating 6 condition so folks will want to use it and have a 7 good experience in using that toll road. So it's a 8 different set of assumptions. We're looking at the 9 more major pieces. We estimated those costs as 10 well.</p> <p>11 So we have the capital cost and 12 we have two sets of ongoing costs that the project 13 will have to maintain with the toll revenues.</p> <p>14 Now, I want to switch into the 15 tolling aspect of it. You know, we designed an 16 all-electronic toll facility. We looked at where 17 we're going to put the gantries to, one, capture 18 traffic, to make sure that we can maintain a good 19 revenue source, to make sure that all current 20 movements that are allowed in between interchanges 21 are still maintained. And because these are toll 22 gantries, you know, this is a device over the 23 lanes, you know, you will not have to stop and pay 24 a toll, so you will be able to go through at 25 highway speeds.</p>	<p>1 have equipment to detect the transponders that are 2 going, and then any roadside equipment, like the 3 servers, that are going to translate that back into 4 the back office.</p> <p>5 REPRESENTATIVE ST. GERMAIN: 6 Okay. I need you to make sure 7 our members -- that we know exactly where we're 8 going.</p> <p>9 MR. GUILMINO: 10 Okay. Yeah, so in order to 11 toll, you're going to have to have certain 12 technology and costs associated with that. So we 13 wanted to make sure we captured that, put that into 14 the financial model, so there's no surprise cost 15 once you get to the implementation stage.</p> <p>16 REPRESENTATIVE ST. GERMAIN: 17 Okay.</p> <p>18 MR. GUILMINO: 19 Yeah, thanks for the 20 clarification.</p> <p>21 So we wanted to show you here 22 is -- and this high level take-aways, right, is, 23 you know, we have four mainline toll zones. This 24 is anytime you're driving down the facility, you're 25 going to -- anytime you cross one of these</p>
Page 11	Page 13
<p>1 Because there is equipment 2 involved here, we also estimated the tolling 3 capital costs, you know, the cameras, the servers, 4 all of that equipment, as well as the annual 5 operations and maintenance cost of the toll 6 equipment. It's going to cost you some money for 7 each transaction to be able to capture that revenue 8 and put that to use.</p> <p>9 I want to show you here. I 10 know this is complicated. This is a stick diagram 11 that we made that shows --</p> <p>12 REPRESENTATIVE ST. GERMAIN: 13 Go to the one right before.</p> <p>14 MR. GUILMINO: 15 Sure.</p> <p>16 REPRESENTATIVE ST. GERMAIN: 17 So you said total capital costs 18 in 2014 dollars is 18 million?</p> <p>19 MR. GUILMINO: 20 Yes, yes, 18 million is --</p> <p>21 REPRESENTATIVE ST. GERMAIN: 22 Okay. For tolling?</p> <p>23 MR. GUILMINO: 24 Right. So this is the cost of 25 the gantries, the cost of the cameras. You have to</p>	<p>1 barriers, you're going to be assessed a toll. We 2 also have tolls on six entrance ramps and five exit 3 ramps. The point of this is just capture traffic 4 as they get on and get off the facility, so the 5 majority of the movements are going to be tolled.</p> <p>6 I did want to stress around the 7 bridge, because there are no frontage roads, the 8 bridge is free. So anyone can cross the bridge for 9 free. So there are no toll zones around there. So 10 a car that did not want to pay any tolls can get on 11 one side and go all the way across, just like they 12 do today, and not pay a single toll. So we're 13 allowing the same amount of free lanes throughout 14 the whole corridor, but we are trying to set this 15 up to capture toll revenue. And that's what these 16 purple circles and bars represent, is our plan that 17 drives the traffic and revenue report, that I'm 18 going to talk about next.</p> <p>19 So we produced an independent 20 traffic and revenue report. This is a sketch 21 level, level one, traffic and revenue report. When 22 you look at traffic and revenue, you start out in a 23 simplified analysis, and as you get further along 24 the process, you refine your models. And then you 25 get to a level two, and then if you want to go self</p>

Page 14	<p>1 debt against it to the financial market, you get an 2 investment grade. 3 So this is our snapshot in time 4 of the information that we have. We looked at 14 5 access points. We did use the Baton Rouge travel 6 demand model, so all of the growth rates and the 7 traffic data that is embedded into those, we were 8 able to use. We then looked at that, pulled it 9 off, applied a toll to it, and developed our 10 traffic and revenue forecast with a whole bunch of 11 assumptions that we made for the type of facility 12 and the demographics that the Baton Rouge BUMP 13 fits. So the results of this was a long-term 14 revenue forecast. 15 A quick slide on some of the 16 methodology. You know, we did use the Baton Rouge 17 MPO model. It spits out numbers for 2017 and 18 2037. That's the framework for it. We have a 19 whole bunch of factors that go into that analysis. 20 But we did look at travel time savings in the 21 morning peak, the afternoon peak, midday, as well 22 as overnight. Willingness to pay and value of time 23 are two driving factors to how often and how often 24 -- or how much people are willing to pay for this 25 facility. Remember, this facility has free lanes</p>	Page 16	
Page 15	<p>1 directly next to it, so we did apply some 2 conservatives in the forecast to make sure we 3 accounted for that. 4 Here is a summary of our 5 results. We used 20 cents a mile to get to the 6 toll rates. That's what you're going to pay every 7 time you go a mile. Basically you're going to pay 8 20 cents. The whole mile is 21 miles, only 18 of 9 those are tolled. So if you're going from one end 10 to the other, you're going to pay a total of 11 approximately \$3.60. 12 When you look through this 13 table, if you look at these middle rows, this is 14 your travel time savings. So as you can see here 15 is because the existing lanes along Airline and 190 16 are so signalized, the free-flow traffic produces 17 significant time savings in the peak periods, you 18 know, 21 minutes, 26 minutes, 25 minutes. So the 19 people that are using the facility are definitely 20 getting an advantage over sitting in signalized 21 traffic. 22 A couple of comments from the 23 report that we -- of the analysis that we did. The 24 majority of the users along this facility are on 25 the I-12/Airline Highway corridor. We did not see</p>	<p>1 a substantial amount of folks bypassing I-10 and 2 using this facility. And one thing about the 3 traffic is there was strong midday traffic, so 4 there's a lot of bidirectional traffic all day 5 long, which is not a commuter facility, where you 6 see everybody going to work in the morning and 7 everybody in the afternoon. So there will be 8 demand on the corridor throughout the day. 9 REPRESENTATIVE ST. GERMAIN: 10 On I-10 or -- 11 MR. GUILMINO: 12 On the BUMP. 13 REPRESENTATIVE ST. GERMAIN: 14 On the BUMP. 15 MR. GUILMINO: 16 On the BUMP. 17 Here's our gross revenue 18 stream. I have it graphically on the slide below 19 because these numbers are way too small. 20 But basically you see, we have 21 a couple years of ramp-up where people are getting 22 used to the facility, and then it quickly gets into 23 the full revenue line. I'm going to present it to 24 you in two ways, right. 25 The first one is the lower blue</p>	Page 17
Page 15	<p>1 line. This is 2014 dollars. So as you see, you 2 know, it starts out at 27 million and gets to 40 3 million in a few years. When we assume inflation 4 of two-and-a-half percent, that's the red line, 5 that's what we're actually looking to finance 6 against, is the inflation-based revenue curve. 7 REPRESENTATIVE ST. GERMAIN: 8 You're going to give us numbers 9 out loud because -- 10 MR. GUILMINO: 11 Sure. 12 REPRESENTATIVE ST. GERMAIN: 13 -- you're talking to a first 14 grader here. 15 MR. GUILMINO: 16 Yes. 17 In 2022, the annual revenue 18 number is \$27 million, next year, 2023, 31, then 35 19 million. By the time you get to year five, you're 20 at \$39 million. And then it grows slightly, as 21 there's a small amount of growth, organic traffic 22 growth on the corridor, and then we apply inflation 23 on top of that as well. 24 Since HNTB did come up with 25 this traffic and revenue report, we wanted to make</p>	<p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p>	Page 17

Page 18	<p>1 sure that we had a peer review of the report. So</p> <p>2 we used Baez Consulting, whose, you know, core</p> <p>3 members have done a whole bunch of investment grade</p> <p>4 for traffic and revenue forecasts for various of</p> <p>5 the major firms. So we basically discussed all of</p> <p>6 the assumptions inside of our report. We wanted to</p> <p>7 make sure that all of our assumptions were</p> <p>8 reasonable, our methodology was sound, and the</p> <p>9 results looked appropriate.</p> <p>10 The key items for discussion</p> <p>11 are these ones that are all bulleted down below.</p> <p>12 You know, what are you traffic capture rates,</p> <p>13 what's your value of time, what are the appropriate</p> <p>14 toll rates, the truck percentages along the</p> <p>15 corridor. So we did -- as part of our report,</p> <p>16 there is a separate report in the back of it that</p> <p>17 basically has the independent reviews, discussion</p> <p>18 of our report and findings. So the report that we</p> <p>19 give you has been vetted by at least one source.</p> <p>20 Financial feasibility: So we</p> <p>21 talked about the capital costs, the ongoing costs</p> <p>22 and the revenue. So now we're really trying to</p> <p>23 figure out is if you took this project to finance,</p> <p>24 or if a P3 investor came in to finance the project,</p> <p>25 how much money can they produce, up front, to cover</p>	Page 20	
Page 19	<p>1 construction costs in order to get this project</p> <p>2 undertaken.</p> <p>3 So what I did was I developed a</p> <p>4 financial model. My background -- I was a former</p> <p>5 investment banker for Citigroup for quite</p> <p>6 sometime. So I developed a financial model, I</p> <p>7 looked at transactions in the recent markets, and</p> <p>8 developed two different cases for the financial</p> <p>9 model. Obviously, the financial markets change a</p> <p>10 good bit, so the results of this I tried to create</p> <p>11 a range to show how the financing potential could</p> <p>12 be impacted, but these results are based on the</p> <p>13 assumptions that we used to develop it. If the</p> <p>14 capital costs or T&R change over time or get</p> <p>15 refined, clearly, the financial capacity and the</p> <p>16 feasibility will also be modified.</p> <p>17 The approach that I used to</p> <p>18 develop this financial was a 50-year toll</p> <p>19 concession. This is where the private sector will</p> <p>20 come in, design, build, finance, operate, maintain</p> <p>21 your road. They won't need any assistance</p> <p>22 ongoing. They will have all the risks of the</p> <p>23 traffic and revenue, the equity that they put in,</p> <p>24 as well as the debt holders. So there will not be</p> <p>25 any ongoing monies required from the state.</p>	<p>1 We used 40-year tax exempt</p> <p>2 debt, we used a federal TIFIA loan, and, like I</p> <p>3 said, I developed two different scenarios.</p> <p>4 The first one is the market</p> <p>5 stabilize case. Right now we're in a very</p> <p>6 aggressive financing time. Interest rates are very</p> <p>7 low. It's attractive. Investors are hungry for</p> <p>8 yield, which basically means it's a great time to</p> <p>9 finance a project. Since we know this project is</p> <p>10 not going to -- still needs further development for</p> <p>11 the next few years, I wanted to present a more</p> <p>12 market stabilized case in case the fed raises rates</p> <p>13 or the market changes. So I wanted to give you a</p> <p>14 financing range, so I did present two separate</p> <p>15 cases, you know, for you.</p> <p>16 I'm not going to go into the</p> <p>17 reads on these, but I just wanted to make sure you</p> <p>18 know that, you know, we did model out senior debt,</p> <p>19 subordinate TIFIA debt, there's coverage, how much</p> <p>20 debt can the revenue stream -- how much debt can</p> <p>21 you structure against the revenue stream, and there</p> <p>22 is a private equity component for the project.</p> <p>23 Here's the summary results,</p> <p>24 right. So the top line is your capital costs.</p> <p>25 This is what you're trying to be able to finance.</p>	Page 21

Page 22	<p>1 project. When you switch the attractive case, it's</p> <p>2 \$593 million up front, which means that public gap</p> <p>3 is now 284 million, and, you know, the feasibility</p> <p>4 percentage is 68 percent. So this is the result of</p> <p>5 our preliminary analysis.</p> <p>6 So our findings: Capital cost,</p> <p>7 775 million, the feasibility range, if all of these</p> <p>8 assumptions hold true, is somewhere between 55 and</p> <p>9 68 percent. There's a gap of 284 million and 397</p> <p>10 million. If the project was refined or value</p> <p>11 engineered or anything changed, obviously, this</p> <p>12 would change, but this is our independent snapshot</p> <p>13 of our view of where the project is.</p> <p>14 REPRESENTATIVE ST. GERMAIN:</p> <p>15 And so can you give us a little</p> <p>16 background on what Baez said?</p> <p>17 MR. GUILMINO:</p> <p>18 Yeah.</p> <p>19 So they looked over analysis</p> <p>20 and in the report they actually have a few</p> <p>21 paragraphs on some of these major areas.</p> <p>22 The methodology was sound. All</p> <p>23 of our assumptions generally looked good. There</p> <p>24 was some discussion over a few of these. In some</p> <p>25 cases we slightly changed our assumptions to</p>	Page 24
Page 23	<p>1 reflect their view. So we did take the input that</p> <p>2 they've seen in recent projects. But, you know, as</p> <p>3 the report says, you know, our methodology and</p> <p>4 outputs, you know, look very reasonable.</p> <p>5 REPRESENTATIVE ST. GERMAIN:</p> <p>6 Okay. All right. I'm</p> <p>7 looking for -- Senator Adley?</p> <p>8 SENATOR ADLEY:</p> <p>9 Just to summarize what I've</p> <p>10 heard now. The project would move 1.9 percent off</p> <p>11 of I-10, but would be more relief for Airline and</p> <p>12 I-12; did I hear that correctly?</p> <p>13 MR. GUILMINO:</p> <p>14 Yes, our --</p> <p>15 (** Tape goes blank.)</p> <p>16 REPRESENTATIVE ST. GERMAIN:</p> <p>17 -- great projects out there</p> <p>18 and the BUMP is one of them.</p> <p>19 But at the end of the day, when</p> <p>20 we leave here, Senator Adley and I, both, are not</p> <p>21 going to be saddled with that responsibility. So</p> <p>22 doing anything going forward, we need to weigh in</p> <p>23 and make sure this legislature is ready for what we</p> <p>24 leave behind.</p> <p>25 Do we have any known sources of</p>	Page 25

<p>1 public funding that would put that gap in at this</p> <p>2 point? That's kind of general, but I just -- I</p> <p>3 need a general correct answer.</p> <p>4 MR. BURST:</p> <p>5 No, ma'am, not at this time.</p> <p>6 We don't have any other identified funding sources</p> <p>7 that would be sufficient to fund that gap.</p> <p>8 REPRESENTATIVE ST. GERMAIN:</p> <p>9 Okay. Because at the end of</p> <p>10 the day we, right now, don't have any extra money</p> <p>11 in DOTD for any of these wonderful projects. So</p> <p>12 just putting that out there for one simple reason,</p> <p>13 we need to raise funds for transportation and this</p> <p>14 is an important project. And whatever we decide</p> <p>15 today it is one of the most important projects.</p> <p>16 So, you know, we are leaving</p> <p>17 but Gary and Jim are not, and at this point in time</p> <p>18 we just need to have further discussion, because I</p> <p>19 need to feel a little bit better about things and</p> <p>20 we're going to have AECOM come to the table also.</p> <p>21 Any other questions from the</p> <p>22 members?</p> <p>23 Okay. All right. And then</p> <p>24 we'll have public comment right after that. And I</p> <p>25 do -- members of the East Baton Rouge delegation</p>	<p>1 want your public comment, especially from you all.</p> <p>2 Okay. Now it's your turn to</p> <p>3 give me some information.</p> <p>4 MR. SCHMIDT:</p> <p>5 Well, thank you --</p> <p>6 REPRESENTATIVE ST. GERMAIN:</p> <p>7 Introduce yourself again.</p> <p>8 MR. SCHMIDT:</p> <p>9 Thank you, Madam Chair.</p> <p>10 My name is Bob Schmidt, and I</p> <p>11 represent AECOM's practice in the state of</p> <p>12 Louisiana. And to my right is Dick Wolsfeld. He</p> <p>13 is AECOM's vice-chairman of transportation for</p> <p>14 North America. And so we're glad to be here before</p> <p>15 you and be able to speak to the BUMP project.</p> <p>16 The first thing I wanted to</p> <p>17 reinforce, I guess, is that there's three primary</p> <p>18 purposes of the BUMP, three reasons why we believe</p> <p>19 it's a good project and why we chose to invest in</p> <p>20 the development of the project.</p> <p>21 The first is to relieve the</p> <p>22 I-10, Mississippi River Bridge and the I-10</p> <p>23 approaches in East Baton Rouge Parish. Currently,</p> <p>24 there are no real good alternatives to get back and</p> <p>25 forth across the river. It funnels all the traffic</p>
---	--

Page 26	<p>1 through the heart of Baton Rouge on I-10. 2 Additionally, there are no good 3 routes for incident management. We see incidents 4 out on the I-10 system all the time. Each time 5 there's an incident, there's no way for traffic to 6 get around town, particularly to cross the 7 Mississippi River, because the system of arterial 8 streets just cannot process the load. 9 The second reason that the 10 project is good, and the HNTB report validated 11 this, is that it's going to relieve a lot of 12 existing congestion in the Airline Highway 13 corridor. Right now, in the afternoons, the 14 average travel speed along Airline, through 26 15 traffic signals, on the east side of the river is 16 12 miles an hour. And so there's just going to be 17 a tremendous relief of burden and quality of life 18 impact to East Baton Rouge Parish residents. 19 The third reason is that the 20 project has a real good chance to stimulate the 21 redevelopment of the older part of the Airline 22 corridor, north of Florida Boulevard, which has, 23 since the advent of I-10, seen a decline. And so 24 the project, the investment of the project into 25 that part of the corridor within the right-of-way,</p>	Page 28	
Page 27	<p>1 along with other legislative and ordinance things, 2 can serve to stimulate redevelopment. 3 Real quickly, HNTB did mention 4 the cost of the project at around 775 million to 5 800 million. I wanted to reinforce there's no 6 tolls on the old bridge. The first phase of the 7 project, what they call SIU 1, is 20 miles long. 8 And a motorist, just as they can today, can drive 9 those entire 20 miles for free, without paying a 10 toll. Or a motorist could -- and that would be 11 through the traffic signals and at the slower 12 speeds that we experience today. Or a motorist 13 could chose to pay a toll and travel from end to 14 end, those 20 miles, at 60 or 70 miles an hour, 15 nonstop. It would be an interstate-style roadway. 16 So really we have two corridors -- two roadways in 17 the same corridor. 18 One of the great things about 19 the BUMP is that there is existing right-of-way out 20 there. It's 200 feet wide in most cases, sometimes 21 300 feet wide in the developed areas. So that 22 there would be no significant additional 23 right-of-way acquisition needed, voiding business 24 displacements and residential displacements, 25 environmental impacts that you sometimes see on</p>	<p>1 other projects. 2 The project gives us a chance 3 to modernize our system. You know, I-10 and I-12 4 were constructed in the 1960s, as was the Airline 5 corridor before that even. And so the opportunity 6 of the BUMP is a chance to modernize. We modernize 7 our homes, we modernize other things in our lives 8 regularly. This is a great chance to bring that 9 system up to speed. 10 And then finally, and I think 11 this is so important, is that the investment into 12 the BUMP is \$800 million, of capital investment. 13 This is what AECOM proposes to do. With the value 14 of the system, when it's finished, from end to end, 15 is going to be somewhere in the neighborhood of 1.5 16 billion to 2 billion, that's because we can 17 incorporate existing assets that are out there 18 today. Such as the Old Mississippi River Bridge, 19 the four-level stack interchange with I-110 and 20 Airline Highway, all of the existing 21 rights-of-way. And so the value that we get is 22 going to be a lot greater than the \$800 million 23 investment. 24 We proposed a schedule to open 25 the project in 2022. By highway standards that is</p>	Page 29
Page 28	<p>1 light speed, and we acknowledge that. But one of 2 the things that the project has, that traditional 3 projects don't have, is the pressure of the toll 4 road and the public/private partnership process to 5 overcome hurdles and accelerate things. The reason 6 being that the investors in the project are going 7 to insist on recovering their investment through 8 tolls just as quickly as possible. And we can't 9 collect the tolls until the road is open. 10 So I'd like to turn it over to 11 Dick now. We really have a three-prong discussion 12 for you. The first is to talk about HNTB's 13 evaluation and revenue estimates and finance 14 analysis. The second is to talk about some system 15 traffic characteristics that I think are going to 16 be very helpful to understanding the value of the 17 BUMP, and then finally our conclusion and request. 18 REPRESENTATIVE ST. GERMAIN: 19 Yes, sir. 20 MR. WOLSFELD: 21 As was mentioned by HNTB in 22 order to do -- 23 REPRESENTATIVE ST. GERMAIN: 24 Please reintroduce yourself, 25 I'm sorry, just for the record.</p>	Page 29	

<p style="text-align: right;">Page 30</p> <p>1 MR. WOLSFELD: 2 No problem. I'm Dick Wolsfeld 3 with AECOM. 4 In order to do a financial 5 feasibility on a project, you have to make a myriad 6 of assumptions. And they've talked a little bit 7 about some of them. Trying to forecast interest 8 rates probably three to four years from now, that 9 would set the finances, but we have to forecast 10 over a 20-year period. What's going to happen to 11 inflation, how is traffic going to grow, how's the 12 region going to grow, and then what percent of that 13 can we capture. 14 And Baez report pointed out 15 many of those assumptions that we have to make. 16 We're in general agreement with 17 HNTB's analysis on the cost side of the equation, 18 in terms of the capital costs. And we're very 19 pleased that two engineers could come up with an 20 estimate that is relatively the same. That 21 shouldn't surprise anyone because you've got 22 history on what capital costs are and you've got 23 some, albeit, very preliminary drawings, you can do 24 a pretty good capital cost estimate. 25 On the traffic and revenue, or</p>	<p style="text-align: right;">Page 32</p> <p>1 surprise any of you as you drive that. 2 Other projects around the 3 country: Foreign Dallas used 335 days per year, 4 Austin, 327, Houston, 325. We used 325 days. 5 Does it make a big difference? 6 Not really, but it does add three percent to the 7 net present value of the analysis. 8 The second one, and probably 9 the key one, is how much is traffic going to grow 10 in the region, in the I-10 corridor, and in the 11 BUMP corridor? Well, traffic generates, based on 12 population and employment, plus two trips that are 13 going through the region and your regional planning 14 agency forecast that population is going to grow 23 15 percent over the next 20 years and employment is 16 going to grow 21 percent. 17 Historically, traffic has grown 18 a little faster than population and employment. 19 Recently that has not happened, but historically 20 that has happened. Probably has a lot to do with 21 the price of gasoline, which is another thing, who 22 can forecast that. 23 Historically, and you tend to 24 look back before you look forward, historically, 25 traffic has increased on I-10 at 2.7 percent per</p>
<p style="text-align: right;">Page 31</p> <p>1 the T&R side, it's significantly more difficult 2 because you're forecasting over a much longer 3 period. 4 I can say right now that if our 5 analysis indicated that after the ramp-up, the 6 revenue is going to be in the neighborhood of 35 7 million and then it's only going to grow at .35 8 percent over the next 20 years, we never would have 9 submitted the proposal that we did. We would have 10 come in and said we can fund 400 million of the 11 project, but the public sector is going to have to 12 put up 350 million. So the investment that we made 13 in doing this lead to a very different conclusion 14 about the project and is the reason that we 15 submitted what we submitted. 16 So what are the differences, 17 and I'd just like to go over a few of those. 18 First is you got to look at 19 annualization factors. That's what's the typical 20 number of weekdays that the roadway will function 21 as it would on a typical weekday. We looked at, 22 from the DOTD, hourly traffic volumes, seven days a 23 week is actually 12 months of data. The volume on 24 Saturday is almost equal to the weekday volumes for 25 eight to ten hours a day, which probably shouldn't</p>	<p style="text-align: right;">Page 33</p> <p>1 year. So to use .35 we would say is a little very, 2 very conservative. 3 Baez looked at all kinds of 4 traffic information, and their conclusion that I 5 read in their report says that the summation of the 6 traffic increases in the area are 1.3 percent per 7 year. That's their numbers, not our numbers. If 8 you use 1.3 percent, growth in traffic, versus .35 9 percent increase, that makes a pretty significant 10 17 percent increase in net present value of cash to 11 the project. And there's that graphically shown. 12 REPRESENTATIVE ST. GERMAIN: 13 Oh, I'm sorry. Hold on one 14 second. Senator Adley? 15 SENATOR ADLEY: 16 Take a moment to ask you a 17 question about this number, because you may have 18 heard me ask the staff a moment ago about going 19 beyond today and asking questions about the 20 project. So that being the case, I need to know is 21 it fair for me to assume that the difference that 22 we saw in the first report we got, that showed the 23 cost to the State around 400 million, is this, what 24 you've just presented us, would be the reasoning 25 why the cost would not be 400 million to the State,</p>

Page 34

1 because of a difference in the numbers that are
 2 used to calculate the return?
 3 **MR. WOLSFELD:**
 4 Yes.
 5 **SENATOR ADLEY:**
 6 So if I had asked you the
 7 question, would you present to me something in
 8 writing to show me the difference, this would be
 9 it?
 10 **MR. WOLSFELD:**
 11 It would include at least that,
 12 but, yes, it would include that.
 13 **SENATOR ADLEY:**
 14 Okay. Thank you.
 15 **MR. WOLSFELD:**
 16 All right. So the next one is
 17 the value of time. If I'm going to make a decision
 18 to go on the BUMP and pay a toll, I've got to say
 19 that's of some value to me. So how do I value that
 20 before I make the decision I'm going to pay the
 21 \$3.60 if I'm going from end to end?
 22 And a lot of people use \$10 an
 23 hour, some people use \$15 an hour. There's been a
 24 previous study in the region they used \$20 per
 25 hour. I just read a new piece of tollway from I-70

Page 36

1 assumed you could increase the toll rates one
 2 percent per year above the CPI Index. And that's
 3 the graphic of that.
 4 The last one is that probably
 5 contemporary toll policy is that you do dynamic
 6 pricing. What does that mean? I change the price
 7 of the toll based on the situation. If it's 2 a.m.
 8 in the morning and there's not a lot of traffic on
 9 I-10, it's going to be very hard to attract someone
 10 to use the BUMP project. So it might be cents per
 11 mile to get them to go. In the p.m. peak hour,
 12 when the congestion is the worse and the line is
 13 the longest, I think I could get more than 20 cents
 14 per mile in terms of the toll.
 15 So you dynamically price that
 16 based on time of day, level of congestion, and
 17 analysis indicates that you generate additional
 18 revenue over and above the fixed rate of 20 cents
 19 per mile. I think fairly conservative. In Dallas
 20 they're getting something like a 50 percent
 21 increase with dynamic pricing over a static rate.
 22 **REPRESENTATIVE ST. GERMAIN:**
 23 Let me just give you a little
 24 concern I have, just from what I'm listening to.
 25 So this is not an opinion. This is just, you know,

Page 35

1 from the ski areas down to Denver, they're going to
 2 price out at \$2.30 per mile for 11 miles. So I
 3 could pay up to \$30 to use that. So if I'm coming
 4 down from the ski area, they're saying people are
 5 going to value their time at a very, very
 6 significant rate.
 7 If you use \$15 per hour value
 8 for travel time savings, you get an additional
 9 eight percent net present value in terms of cash.
 10 And you can see that graphically.
 11 The next one is the basic toll
 12 rate. And historically, tolling revenue agencies,
 13 toll agencies, are able to increase tolls above
 14 inflation. And there's some examples there, SH 121
 15 in Dallas, SH 130 in Austin. And in our base
 16 analysis, which we put in our confidential
 17 proposal, we said that the basic toll of 20 cents
 18 per mile is a good starting point, but that that
 19 would increase at one percent per year above the
 20 CPI Index. If that assumption holds true, you get
 21 a 24 percent increase. And that's obviously the
 22 larger one. So that's a very important
 23 assumption. Can't, will, either, because people
 24 will value their time higher or the congestion will
 25 be so bad that people will use it. So we've

Page 37

1 I'm taking what you're saying.
 2 We talked about Denver, and, of
 3 course, if I'm going skiing, then I'm going to take
 4 the toll road. Absolutely. They have a lot of
 5 tourists. This is a little different, Airline
 6 Highway, so I know you --
 7 **MR. WOLSFELD:**
 8 Right.
 9 **REPRESENTATIVE ST. GERMAIN:**
 10 -- you've factored all that
 11 in.
 12 In Dallas, we're still in a
 13 part of town that this is work-related, people who
 14 live there all the time. So I just want to make
 15 sure we -- we know that -- we know you say you can
 16 charge more. I don't want you to get less --
 17 **MR. WOLSFELD:**
 18 Right.
 19 **REPRESENTATIVE ST. GERMAIN:**
 20 -- in my aspect of this just
 21 first grade analysis. Trust me, I'm listening.
 22 Okay. Thank you.
 23 **MR. WOLSFELD:**
 24 But just so you know, the
 25 assumption we used was 20 cents per mile, increase

Page 38	Page 40
<p>1 at one percent per year, over the CPI Index.</p> <p>2 REPRESENTATIVE ST. GERMAIN:</p> <p>3 Correct. I've been trying to</p> <p>4 get CPI attached to everything and they won't let</p> <p>5 me.</p> <p>6 MR. WOLSFELD:</p> <p>7 All right. So if you add that</p> <p>8 -- if you add all of those, the 42, 43 million in</p> <p>9 2050 jumps up to over double that amount. So that</p> <p>10 gap, our analysis is that there is a good chance</p> <p>11 there will be no gap, because maybe not all five or</p> <p>12 six of those will happen but three or four of those</p> <p>13 will happen. And in the composite I only have to</p> <p>14 go up about 70 percent and the project is then</p> <p>15 financially feasible to pay 100 percent of the debt</p> <p>16 of the project and to return a -- have a return on</p> <p>17 the \$100 million of private equity that's required</p> <p>18 for the project. So it was this analysis that we</p> <p>19 did that lead us to the conclusion that there's a</p> <p>20 high probability that the project can be supported</p> <p>21 with tolls.</p> <p>22 And we found it interesting,</p> <p>23 when you go into the Baez report, on page 11, they</p> <p>24 put three different scenarios, a conservative, a</p> <p>25 likely and an aggressive. Now, this is relative to</p>	<p>1 go to a comprehensive development agreement, which</p> <p>2 lays out the specifics in more detail, and then</p> <p>3 there's a financial close. But the CDA,</p> <p>4 comprehensive development agreement, may not go</p> <p>5 also. And you've got another up or down and then</p> <p>6 you proceed.</p> <p>7 So that is what your</p> <p>8 legislation allows, and our view is that this</p> <p>9 project has enough promise that it's appropriate to</p> <p>10 enter that PDA phase.</p> <p>11 REPRESENTATIVE ST. GERMAIN:</p> <p>12 From my standpoint, where I sit</p> <p>13 at, and my responsibility, the bottom line is do we</p> <p>14 have enough money to go forward, do we see enough</p> <p>15 in this feasibility study, do we have one yet, how</p> <p>16 much is that going to cost before we decide one way</p> <p>17 or the other? Do we have to have all of those</p> <p>18 things within the guidelines whether to go forward</p> <p>19 or not today if we chose to -- whatever decision we</p> <p>20 chose to make?</p> <p>21 So if I could have legal from</p> <p>22 DOTD. Where you at, Cheryl? I'll just have her</p> <p>23 answer that question, while you're on it, so we</p> <p>24 make sure we're all together.</p> <p>25 MR. WOLSFELD:</p>
Page 39	Page 41
<p>1 traffic. It's not relative to the funding</p> <p>2 scenarios. This is the traffic.</p> <p>3 And the point I want to make</p> <p>4 here is that the difference goes from 13,900 to</p> <p>5 46,300. That's a big range. So when someone says</p> <p>6 it's 42 million and we think it's closer to 70 or</p> <p>7 80 million, that's actually within the bounds of</p> <p>8 the analysis that they had.</p> <p>9 So going back to that list of</p> <p>10 assumptions, you don't have to change those</p> <p>11 assumptions very much, and the project turns from</p> <p>12 having a significant capital subsidy needed to be</p> <p>13 feasible to one that generates that.</p> <p>14 Now, I think I could say that</p> <p>15 -- and I wasn't here, that the legislation that</p> <p>16 was passed anticipates that. They say that you may</p> <p>17 have a pre-development agreement during which you</p> <p>18 would do those investment grade revenue studies,</p> <p>19 you would do better capital costs, you would do the</p> <p>20 feasibility of the project with your selected</p> <p>21 consultant -- and we fully expect there to be</p> <p>22 competing proposals, and if we don't win, we don't</p> <p>23 win -- and then at the end of that PDR, or</p> <p>24 pre-development agreement, you say yes or no. And</p> <p>25 if you say no, it's over. If you say yes, then you</p>	<p>1 Okay.</p> <p>2 REPRESENTATIVE ST. GERMAIN:</p> <p>3 I don't want a question 20</p> <p>4 minutes from now and -- so did you get my</p> <p>5 question?</p> <p>6 MS. DUVIELH:</p> <p>7 Would you repeat it?</p> <p>8 REPRESENTATIVE ST. GERMAIN:</p> <p>9 I can repeat it. He was</p> <p>10 talking about the stages we're in now, and what we,</p> <p>11 as an LTA, have the responsibility to do, we have</p> <p>12 to have before we make that final decision. And</p> <p>13 that's within the selection for PPP, which I love</p> <p>14 PPP, so --</p> <p>15 MS. DUVIELH:</p> <p>16 Right. I mean, what the LTA</p> <p>17 would have to decide is whether -- if they're going</p> <p>18 to go forward, they have to find the money and</p> <p>19 conduct a procurement process and advertise this</p> <p>20 proposal. Take other proposals, analyze those, and</p> <p>21 then they would decide which one to pick, and then</p> <p>22 start negotiating a pre-development agreement.</p> <p>23 REPRESENTATIVE ST. GERMAIN:</p> <p>24 Okay. So today, this is</p> <p>25 strictly about whether the proposal goes</p>

Page 42	Page 44
<p>1 forward --</p> <p>2 MS. DUVIELH:</p> <p>3 Right, whether the --</p> <p>4 REPRESENTATIVE ST. GERMAIN:</p> <p>5 -- not the BUMP, not the</p> <p>6 discussion of the project?</p> <p>7 MS. DUVIELH:</p> <p>8 No, this is whether to</p> <p>9 advertise AECOM's proposal, to get other proposals</p> <p>10 contrary to theirs or in support or -- and</p> <p>11 negotiate with different parties. So you're</p> <p>12 looking at a procurement process, which in itself</p> <p>13 costs a substantial amount of money.</p> <p>14 REPRESENTATIVE ST. GERMAIN:</p> <p>15 Okay. And we might need DOTD</p> <p>16 later to come up and give us that amount. But I</p> <p>17 want everybody to be on the same page so the</p> <p>18 members here that haven't heard everything, maybe</p> <p>19 missed a meeting or two, get all the information.</p> <p>20 So okay. Thank you, that's</p> <p>21 it.</p> <p>22 Yes, sir. Senator Adley? Hold</p> <p>23 on, Cheryl.</p> <p>24 SENATOR ADLEY:</p> <p>25 I'm not trying to repeat what</p>	<p>1 spend our money on that evaluation instead of</p> <p>2 spending our money on negotiation back and forth</p> <p>3 with parties right now before we get to the</p> <p>4 conclusion we really think this is the one we need</p> <p>5 to move with; is that correct?</p> <p>6 MS. DUVIELH:</p> <p>7 Yes, sir, you're correct.</p> <p>8 SENATOR ADLEY:</p> <p>9 Okay. Thank you.</p> <p>10 REPRESENTATIVE ST. GERMAIN:</p> <p>11 Darn, you do pretty good for a</p> <p>12 non-attorney. I don't.</p> <p>13 Senator Smith?</p> <p>14 SENATOR SMITH:</p> <p>15 Thank you, Madam Chair.</p> <p>16 Not so much for the legal, just</p> <p>17 before we get on to the next section and move to</p> <p>18 the next section, I have a few questions about how</p> <p>19 you went through some of the questions here. And</p> <p>20 one of them was on your dynamic pricing.</p> <p>21 I mean, of course, if you're</p> <p>22 going to increase the price of the tolls, depending</p> <p>23 on what time of day it is and traffic flow, you're</p> <p>24 going to lose some of that as well. And you're</p> <p>25 going to lose some of those individuals that may</p>
Page 43	Page 45
<p>1 we just heard, but I want to make this very clear.</p> <p>2 If today we made the decision not to move forward</p> <p>3 with the proposal and we have X amount of dollars</p> <p>4 at our disposal as I understand it to continue to</p> <p>5 evaluate this project, in lieu of getting in direct</p> <p>6 negotiations with different parties, we have the</p> <p>7 option to continue to evaluate the project itself</p> <p>8 based on all the information we gathered. And at</p> <p>9 that point, we could then turn around and open it</p> <p>10 up to all parties to participate; is that right or</p> <p>11 wrong?</p> <p>12 MS. DUVIELH:</p> <p>13 That is correct.</p> <p>14 SENATOR ADLEY:</p> <p>15 So if today you didn't move</p> <p>16 forward with this proposal, which limited us to</p> <p>17 this discussion, with this group, you could move</p> <p>18 forward, continue with this project -- now, I'm</p> <p>19 asking the question because what we've seen here,</p> <p>20 in all of our discussions, there's about four or</p> <p>21 five projects that are needed in this area to help</p> <p>22 solve this problem. There doesn't seem to be one</p> <p>23 that does it all. Each one of them has got merit,</p> <p>24 but the concept is, as I understand it, we could</p> <p>25 move forward, continue to evaluate the project, and</p>	<p>1 not want to be in the toll lanes because of the</p> <p>2 increased cost.</p> <p>3 How did you account for that</p> <p>4 when you were doing your dynamic pricing structure</p> <p>5 there and your numbers?</p> <p>6 MR. WOLSFELD:</p> <p>7 There's a pretty good -- it's</p> <p>8 not long. Dynamic pricing hasn't been with us very</p> <p>9 long, short numbers of years. But there's a</p> <p>10 building a pretty good database in terms of how</p> <p>11 people respond to those characteristics. And we</p> <p>12 can each have our own theory about it, but the</p> <p>13 theory is: When do you value your time more? And</p> <p>14 I may value my time more at 5:30 p.m. or at 8:00</p> <p>15 a.m., than I would at 1 o'clock in the afternoon or</p> <p>16 a Sunday morning.</p> <p>17 So what actually happens is</p> <p>18 it's dynamic and if you raise the toll to a rate</p> <p>19 that you drive everyone away and your revenue drops</p> <p>20 off and is lower than 20 cents a mile, guess what</p> <p>21 you do? It's pretty simple. You just drop it down</p> <p>22 and you can see what the response is.</p> <p>23 So it's a real-time</p> <p>24 environment.</p> <p>25 SENATOR SMITH:</p>

Page 46

1 Okay. Yeah.
 2 **MR. WOLSFELD:**
 3 So we modelled that and came up
 4 with the number that we did.
 5 **SENATOR SMITH:**
 6 Yeah, because I can certainly
 7 appreciate where you're coming from with it, and I
 8 think it's a realistic thing. I just didn't know
 9 -- you had mentioned some of the other markets,
 10 like Dallas and some others that use this dynamic
 11 pricing, so I figured they had to have some kind of
 12 statistics on you lose X percentage. Even though
 13 you're going to gain some revenue, you're losing a
 14 percentage of participants.
 15 **MR. WOLSFELD:**
 16 For the not very often,
 17 actually the revenue has been higher than most of
 18 us have predicted it would be. That's been the --
 19 that's been the experience.
 20 Another case is the Illinois
 21 toll road. They doubled their toll rates. It's
 22 not dynamic pricing. It's fixed. But they lost
 23 virtually none of their usage on the thing. So
 24 they're not -- now, Chicago is not Baton Rouge,
 25 Scary is not Baton Rouge, Dallas is not Baton

Page 48

1 explosion in population after Katrina. We've seen
 2 a leveling off of that -- it was my understanding
 3 that we've seen a leveling off in Baton Rouge, and
 4 now we are starting to see possibly some
 5 stabilization and slight decline.
 6 **REPRESENTATIVE ST. GERMAIN:**
 7 In traffic congestion?
 8 **SENATOR SMITH:**
 9 No, I'm talking about in
 10 population. In population, you know, people are
 11 moving to the outside areas --
 12 **REPRESENTATIVE ST. GERMAIN:**
 13 I got you. I agree with you.
 14 I'm just making sure the public understood that we
 15 don't think it got less in traffic congestion.
 16 **SENATOR SMITH:**
 17 So I'm wondering how you -- you
 18 based it on an increase in population because
 19 you're specifically saying "increase in
 20 population," not just --
 21 **MR. GUILMINO:**
 22 Right.
 23 **SENATOR SMITH:**
 24 -- an increase in traffic
 25 population, but an increase in population.

Page 47

1 Rouge.
 2 **SENATOR SMITH:**
 3 Exactly.
 4 **MR. WOLSFELD:**
 5 Right.
 6 **MR. GUILMINO:**
 7 One other thing about dynamic
 8 pricing, it's also called congestion pricing. And
 9 the goal is not only to maximize revenue during
 10 peak periods of the day, but to manage down the
 11 amount of traffic on the facility, so that you
 12 constantly have free flow --
 13 **SENATOR SMITH:**
 14 Yeah, I can appreciate that.
 15 **MR. GUILMINO:**
 16 -- as opposed to too many
 17 people trying to use the facility and you have
 18 congestion and it doesn't serve its purpose,
 19 so --
 20 **SENATOR SMITH:**
 21 Right. Going into that, one of
 22 the other things you did was you determine -- you
 23 were basing some of your numbers off of population
 24 growth. And I don't -- I'm not from the Baton
 25 Rouge area, but, I mean, we know we had the

Page 49

1 Because, you know, one of the goals of this
 2 corridor is to help Baton Rouge traffic, but also
 3 to help the I-10 traffic, which we're seeing it
 4 doesn't do as much as we'd hoped.
 5 But as these individuals move
 6 outside the areas, I mean, I can see where you
 7 maybe have population -- traffic population
 8 increase but not necessarily population increase.
 9 So I just wanted to --
 10 **MR. WOLSFELD:**
 11 Those numbers -- we did not do
 12 those. Those are done by the regional planning
 13 agency, which is done as the basis of the traffic
 14 model. So we're just reporting what they put into
 15 the traffic model, the 23 percent and the 21
 16 percent. Those are not our numbers.
 17 I want to go back -- a
 18 footnote --
 19 **REPRESENTATIVE ST. GERMAIN:**
 20 Absolutely.
 21 **MR. WOLSFELD:**
 22 -- when we say we raise the
 23 tolls, the word "gouging" will come up. I want to
 24 say that if you do a comprehensive development
 25 agreement, you have the right to specify a maximum

Page 50	Page 52
<p>1 rate, toll rate that you can charge. You can 2 negotiate anything into the agreement that you want 3 to. 4 So if the public policy says 5 this is the maximum we're going to charge, that's 6 part of the comprehensive development agreement, 7 which probably would be less than what the -- it 8 would be less than what you might do to maximize 9 revenue. Might not be, but might be. 10 SENATOR SMITH: 11 My last question, I believe 12 anyway, on the financing aspect of it is you made a 13 comment at the beginning that this really is a -- 14 you know, it's a great value because you're going 15 to spend 870 million, something in that range, for 16 a 1.5 to \$2 billion completed structure because of 17 the bridge. 18 Have you taken into account the 19 dollars that would be needed to increase or what do 20 we have to do to make this bridge ready to handle 21 the traffic that may be increased over the bridge, 22 and who's going to pay for that, is that in these 23 dollars? 24 MR. GUILMINO: 25 I'll speak to that and Dick may</p>	<p>1 desired to come out of service or nobody wanted to 2 maintain it. 3 So that's one of the reasons 4 why we, when we looked at this, feel very 5 comfortable about the sustainability of that old 6 bridge into the future to serve the term of the 7 finance plan that we would offer to build the 8 project. 9 And so right now, the bridge, 10 as it stands, has a capacity, and average daily 11 traffic is the lingo that the traffic engineers 12 use, of about 70,000 vehicles per day, roughly. It 13 could be a little more, it could be a little less. 14 REPRESENTATIVE ST. GERMAIN: 15 That's with the project as 16 proposed? 17 MR. GUILMINO: 18 That's the existing bridge, as 19 it stands out there today, it has that capacity. 20 REPRESENTATIVE ST. GERMAIN: 21 Okay. 22 MR. GUILMINO: 23 The traffic on the bridge today 24 is about 28,000 vehicles per day. So it has 25 tremendous reserve capacity to accept more traffic,</p>
Page 51	Page 53
<p>1 have some comments. 2 Right now that bridge is a 3 four-lane facility. It's two lanes in each 4 direction, without shoulders. And to kind of key 5 you into that, the I-10 bridge, at downtown Baton 6 Rouge, that bridge is three lanes each direction, 7 without shoulders. And so they're very similar in 8 that regard. 9 Currently, on the old bridge, 10 where the BUMP is proposed to utilize, the DOTD is 11 investing significant funds, I think it's about 80 12 million, to do some structural repair on that 13 bridge and to paint that bridge with the intent 14 that it's going to sustain for another 40, perhaps 15 more, years as a critical part of the Baton Rouge 16 transportation system. Certainly we need that 17 bridge. 18 The other thing to realize 19 about that bridge is it carries a railroad, a 20 mainline railroad. And it's certain -- I think 21 there's one thing that's certain. Either that 22 bridge will continue to function to serve these 23 mainline railroads, that will happen, or there will 24 be a new railroad bridge built across the river 25 somewhere, if that old bridge was ever to be</p>	<p>1 beyond what it's doing today, without doing any 2 additional enhancements to it other than what the 3 DOTD is doing under its significant maintenance 4 program that's going on right now. 5 If one was to say that we do 6 need more capacity across that bridge, at some 7 point in the future, I would suggest to you that 8 that's an exciting thing, that's a good thing. 9 Because what that means is that the usage of the 10 BUMP facility is even more than people would have 11 projected. And so, therefore, the revenue will be 12 more. There will be excess revenue that can be 13 used to fund a new bridge at that location. 14 And so the project, as it's 15 conceived, is designed to capture that excess 16 capacity in the old bridge. We paid for it a long 17 time ago. It's not getting full value. Let's 18 bring it into service, capture that. 19 And I'd like to -- as we move 20 into the next section, I think you can see, 21 Senator -- 22 SENATOR SMITH: 23 I just want to -- as we think 24 about all of this know that, you know, because if 25 you -- that increase traffic on it, I mean, we're</p>

Page 54	Page 56
<p>1 going to wear the bridge out quicker. And when we 2 wear the bridge out, we're not talking about any 3 kind of numbers in here or who is going to make 4 those major repairs or replacement of that bridge, 5 which would probably fall on the State at this time 6 as I can see it and so on. Just make sure we're 7 looking at the whole picture is all. 8 Thank you, Madam Chair. 9 REPRESENTATIVE ST. GERMAIN: 10 You're welcome. 11 Secretary LeBas? 12 SECRETARY LEBAS: 13 You were doing a comparison of 14 the new bridge versus the old bridge, so you talked 15 about the three lanes in each direction on the I-10 16 bridge, no shoulders, two lanes in each direction 17 on the old bridge, as we called it. But what about 18 the lane width? I believe there is a difference in 19 the lane widths between what's on the I-10 bridge 20 and what's on the old bridge. 21 MR. GUILMINO: 22 Yeah, the lane widths -- the 23 deck surface on the old bridge is 24 feet from the 24 face of the curb on one side to the face of the 25 curb on the other side. And so I guess you could</p>	<p>1 done with regard to traffic flow on the system. 2 And the system in this case being the I-10/I-12 3 system as it exists and also the BUMP system when 4 it would come on-line. Because we've heard some 5 numbers about one point something percent on 6 traffic relief on I-10, and I just wanted to make 7 clear what our models are showing. 8 This is the current flow across 9 the two bridges at Baton Rouge right now, and the 10 125,000 on the I-10 bridge. I've actually seen 11 some numbers I think in DOTD's I-10 study that's 12 going on right now where they have assigned 133,000 13 on that bridge, coming out of the model. And our 14 guys, our modelers felt that when they ran the 15 model, 125,000 was an accurate number. 16 And then there's 28,000 on the 17 old bridge. So when you look at the share of 18 traffic across the river on these two bridges, it's 19 about an 82 percent on I-10 and an 18 percent on 20 the old bridge. 21 Some other important numbers 22 are the traffic that approaches on US 190, on the 23 west side of the river, and I-10 on the west side 24 of the river, how much traffic is on LA 415 and 25 connecting US 190 to I-10? Because what's</p>
Page 55	Page 57
<p>1 say that the lanes are 11 foot wide with a one-foot 2 offset to the face of the curb. 3 On the I-10 bridge, I believe 4 this to be true, the lanes are 12 foot wide, three 5 lanes at 12 foot wide with a one-foot offset to the 6 base of the barrier or the curb. 7 SECRETARY LEBAS: 8 Senator Smith, I just wanted to 9 bring that your attention, because when you do have 10 narrow lanes, there is -- people drive a little bit 11 differently on narrow lanes than they do the full 12 12 feet. And I wanted to point out that difference 13 in those two bridges. Thank you. 14 REPRESENTATIVE ST. GERMAIN: 15 I'll point out the difference 16 of it's just plain scary. In my -- (someone else 17 speaking, inaudible.) 18 No, actually they were bigger. 19 I have not figured that out when it was -- you 20 don't remember those big -- I'm older than you. 21 Okay, yes, sir, please go on. 22 MR. GUILMINO: 23 Yeah, one of the -- I think the 24 board and the public would be very interested in 25 some of the results of the modeling that we have</p>	<p>1 happening right now is that traffic comes eastbound 2 on US 190. And instead of going across the old 3 bridge and fighting 26 traffic signals on Airline 4 Highway, that traffic takes LA 415 down to I-10 and 5 then crosses on the existing I-10 bridge. And so 6 that's one of the dynamics that's happening out 7 there. 8 Another very critical traffic 9 number is on I-10 west of the I-10/I-12 split, and 10 that model number right now is 183,000. And then 11 east of the split on I-12 and I-10, 121,000 and 12 97,000, respectively. And then north of I-12, on 13 Airline Highway, 85,000. 14 And those are the key numbers 15 that I think are going to be important to 16 understand how traffic is affected. So if we go to 17 -- and that's existing. 18 If we go to the year 2037, and 19 we didn't do anything, we didn't do the BUMP, and 20 we look at those same numbers, we see that the 21 projection on I-10 is 184,000 and the projection on 22 the old bridge is 36,000. And so that split then 23 grows to 84 percent on I-10, from 82 percent, and 24 only 16 percent on the old bridge. 25 Looking at these other numbers,</p>

<p style="text-align: right;">Page 58</p> <p>1 they're growing in the one to one-and-a-half 2 percent range according to the model. If you look 3 at that growth on 415, again it's people choosing 4 to go from 190, down to I-10, to cross I-10, 5 because the old system on Airline is not 6 functional.</p> <p>7 Tremendous growth at the heavy 8 section just west of the I-10/I-12 split, 239,000. 9 East on I-10 and I-12 continued tremendous growth. 10 And these growth numbers that we're seeing on I-10 11 system, they're ranging from 70 percent over 20 12 years, 22 years, to 31 percent, and actually 47 13 percent on I-10 at the existing Mississippi River 14 Bridge.</p> <p>15 The one interesting number, is 16 very interesting to me, is on Airline Highway, just 17 north of I-12. The model shows that in the year 18 2037, without the BUMP, you would have 91,000 19 vehicles per day. That represents only 6,000 20 vehicles or a 7.1 percent growth in traffic at that 21 location.</p> <p>22 So it's natural to ask, well, 23 why is traffic growing so fast everywhere else and 24 it's not growing at that location? And the answer 25 is the capacity of Airline Highway is saturated, it</p>	<p style="text-align: right;">Page 60</p> <p>1 north of I-12, on the BUMP corridor, where we were 2 seeing very low growth, because they didn't have 3 any capacity to grow, couldn't take any more cars, 4 we're seeing a 50,000 vehicle per day increase in 5 that demand right there.</p> <p>6 So what does that mean on the 7 I-10 bridge, and this is probably the most 8 important information that one could glean from 9 looking at these traffic numbers. On the I-10 10 bridge in the year 2037 the volume along that 11 bridge would be 21,000 vehicles per day less than 12 it is today, and that represents a reduction of 13 11.4 percent. The increase on the old bridge would 14 be 19,000 vehicles per day, representing an 15 increase of about 53 percent. On 415, the dynamic 16 there is not as many people are diverting down to 17 I-10, so there's a significant reduction of traffic 18 on that 415 link. On the Airline link, on the BUMP 19 link north of I-12, an additional 54,000 vehicles 20 per day, 59.3 percent growth.</p> <p>21 And what does that mean? When we're 22 able to capture those vehicles on the BUMP, as 23 opposed to forcing those vehicles basically to use 24 I-10 and I-12, what benefit does that -- what does 25 that get for us? On the section just west of the</p>
<p style="text-align: right;">Page 59</p> <p>1 can't grow anymore. There's just not enough room 2 to process any more traffic on that arterial 3 roadway system.</p> <p>4 So what does that mean when we 5 go to the 2037 projection with the BUMP? So the 6 BUMP is the blue line there, with the new lane 7 connecting I-10 to old US 190. And what we see is 8 that on the bridges traffic is reduced 9 significantly on I-10 and increased significantly 10 on the old bridge. The traffic split is a much 11 more favorable, 75 percent on I-10 and 25 percent 12 on the old bridge. The same numbers approaching 13 from the west on US 190 and I-10. New numbers 14 transferring from I-10 over to the BUMP corridor.</p> <p>15 But one of the interesting 16 things here is the model is saying that right now 17 the people that come on 190 and then take 415 down 18 to I-10 to go across, that number is going to be 19 reduced dramatically. Because they're going to 20 stay on 190, go across the old bridge, because when 21 they get to the east side of the river they have a 22 functional system, an interstate-style system to 23 receive and process that traffic.</p> <p>24 West of I-10/I-12, 211,000, out 25 east 142 and 133,000. And then very importantly,</p>	<p style="text-align: right;">Page 61</p> <p>1 split, the most heavily congested section, that's 2 not going to be able to handle the demand if we 3 don't do something, we have a 28,000 vehicles per 4 day reduction, representing 11.7 percent.</p> <p>5 And then we actually have some 6 value at, you know, east of the BUMP, on I-10 and 7 I-12, because people are on the BUMP, distributing 8 into the neighborhoods, the business areas from the 9 BUMP, as opposed to being able to -- being forced 10 to do that from I-10 and I-12 system.</p> <p>11 So when you look at that as a 12 whole, you can see the value of unloading the I-10, 13 Mississippi River Bridge, you can see the value of 14 relieving the I-10 system in East Baton Rouge 15 Parish, and then that third thing that I was 16 saying, using that -- the extra car count on 17 Airline Highway, the BUMP, to revitalize that older 18 part of Baton Rouge, that needs a stimulus and to 19 get the trend line moving back in the right 20 direction.</p> <p>21 One thing that's interesting to 22 me is when our modeler ran that and he reported 23 those numbers out, there's a general consensus with 24 the modeling that is being done on the I-10 25 Mississippi -- the I-10 widening project that's</p>

Page 62	<p>1 under study right now, in Baton Rouge, on the east 2 bank and on the west bank. And this chart shows 3 that if you just build a new bridge south of I-10, 4 you do some good. If you just build a BUMP, you do 5 some good. But what you really need is those 6 things working together to have the most good. 7 And so this one last thing I 8 wanted to show regarding traffic is if you think of 9 what our needs are as a system, then the first 10 piece in that system can be the BUMP from I-10 and 11 West Baton Rouge Parish, onto US 190, across the 12 old bridge, and back to I-12 and south of I-12. 13 The second piece, as the BUMP 14 is going, manageably financed with tolls, the west 15 side expressway and the new bridge south of I-10, 16 we can work together and craft a finance plan with 17 new public funding revenues to go along, perhaps, 18 with toll revenues that could be generated on those 19 facilities. 20 And so with that, that's all 21 the traffic I had. But I did think it important to 22 clarify the one point something percent reduction 23 in traffic on I-10. If you look at the I-10 24 bridge, it's actually 11 percent in our analysis. 25 I've seen some that say 10 percent. If you look at</p>	Page 64
Page 63	<p>1 the reduction at the I-10/I-12 split, the most 2 heavily traveled section, our analysis says it's 12 3 or 13 percent. I've seen some analyses that have 4 it up the 18 percent. 5 And so with that -- 6 MR. WOLSFELD: 7 Conclusions: Our view -- 8 question? 9 REPRESENTATIVE ST. GERMAIN: 10 She does. Okay. Yes, ma'am, 11 Mandi. 12 REPRESENTATIVE MITCHELL: 13 Thank you, Madam Chairman. I 14 just want to make sure that I'm understanding these 15 percentages from an apples-to-apples perspective. 16 HNTB's number is showing a projection of a 17 diversion of only 1.9 percent. I'm not sure of the 18 timing of that, but your projection is showing in 19 year 2037 an 11 percent reduction. 20 So can you put those diversion 21 percentages into an apples-to-apples so that we 22 know what time frame we're looking at, and are we 23 looking at some of the same assumptions that went 24 into the analysis? 25 MR. SCHMIDT:</p>	Page 65
	<p>1 Yeah, I will speak to that, and 2 then HNTB may want to speak to that as well. 3 Our time frame is the year 4 2037, which is the out year of the model. And what 5 we did was look at the traffic on the I-10, 6 Mississippi River Bridge if you didn't have the 7 BUMP, which the model reports out, and then the 8 traffic on the I-10, Mississippi River Bridge if 9 you did have the BUMP, which the model reports 10 out. 11 I have heard about one point 12 something percent relief of traffic on I-10, but I 13 did not see that in the HNTB literature that was 14 produced. I don't know where that number came 15 from. Believe me, when I heard it, I grilled and 16 questioned our modelers very closely and 17 carefully. And as we talked through it, again we 18 compared the outputs that we're getting very 19 favorably to some of the results that we're seeing 20 from other modeling efforts that are ongoing in the 21 region regarding combinations of projects that 22 might be done. If you just did the new bridge 23 south of I-10, if you just did the BUMP, if you 24 combined those projects together. 25 So I'm not sure, again, what</p>	
	<p>1 the one point something percent is or where that is 2 published, I don't know. 3 REPRESENTATIVE ST. GERMAIN: 4 Okay. We'll have HNTB come up 5 and I have a -- Mandi, go ahead and -- you good? 6 Okay. 7 And she knows how to turn off 8 her button. I have a couple of questions before he 9 starts. 10 Okay. So I know a big factor 11 in a lot of this, we've had so many issues over the 12 years, environmental. Where is that in the 13 process? 14 MR. SCHMIDT: 15 Well, in our vision for the 16 project, as we expressed in the public part of our 17 proposal, we noted that the construction of the 18 road itself, on the east side of the river, would 19 in almost all cases fit within the existing 20 right-of-way, either 200 feet or 300 feet of 21 right-of-way. 22 REPRESENTATIVE ST. GERMAIN: 23 But we're going to have to 24 conduct an environmental study -- 25 MR. SCHMIDT:</p>	

Page 66	Page 68
<p>1 That's correct, there would --</p> <p>2 REPRESENTATIVE ST. GERMAIN:</p> <p>3 -- federally-mandated.</p> <p>4 MR. SCHMIDT:</p> <p>5 Yeah, but -- yeah, that's</p> <p>6 correct, it's federally-mandated.</p> <p>7 But we noted that there's -- a</p> <p>8 lot of the hurdles that you normally face in</p> <p>9 conducting an environmental assessment like that,</p> <p>10 those are not present on this facility.</p> <p>11 REPRESENTATIVE ST. GERMAIN:</p> <p>12 Okay. Who would be the person</p> <p>13 to pick up that part of it? Would that be you all,</p> <p>14 would it be the DOTD?</p> <p>15 MR. WOLSFELD:</p> <p>16 It needs to be a third party.</p> <p>17 I mean, we have a vested interest in the project,</p> <p>18 so we can't do the environmental --</p> <p>19 REPRESENTATIVE ST. GERMAIN:</p> <p>20 Well, I know at one point you</p> <p>21 could, at one point in time, but now you cannot.</p> <p>22 MR. WOLSFELD:</p> <p>23 Even if there was -- there's</p> <p>24 actually been some cases recently where state DOTs</p> <p>25 have allowed the proponent to do the environmental</p>	<p>1 MR. WOLSFELD:</p> <p>2 May I ask a follow-up</p> <p>3 question?</p> <p>4 Is that the total reduction in</p> <p>5 volume or just the reduction from I-10 to I-10?</p> <p>6 MR. GUILMINO:</p> <p>7 It's folks diverting from I-10</p> <p>8 as a bypass. Right, most of our traffic --</p> <p>9 MR. WOLSFELD:</p> <p>10 There's the difference. We see</p> <p>11 more traffic coming from I-12 to I-10 diverting</p> <p>12 than I-10 to I-10.</p> <p>13 MR. GUILMINO:</p> <p>14 When we looked at it, though,</p> <p>15 it was at the bridge. So either way, where they're</p> <p>16 coming from doesn't matter. It's the total</p> <p>17 movement across the bridge.</p> <p>18 And if I could comment one</p> <p>19 other thing. I don't totally disagree with a lot</p> <p>20 of your T&R assumptions that you put forward, but a</p> <p>21 lot of those were aggressive. Right? When you</p> <p>22 look at a facility, I think there was 12 points.</p> <p>23 They chose to look at six, which means roughly we</p> <p>24 agreed with six. Then they took a more aggressive</p> <p>25 view of potentially some of these six.</p>
Page 67	Page 69
<p>1 document. Our view would be as projects are tough</p> <p>2 enough, we don't need --</p> <p>3 REPRESENTATIVE ST. GERMAIN:</p> <p>4 Well, federal regulations are</p> <p>5 now a lot more stricter on our moneys.</p> <p>6 Okay, yes, sir. Go ahead,</p> <p>7 please, HNTB.</p> <p>8 MR. GUILMINO:</p> <p>9 Yeah, thanks. There's three</p> <p>10 different reports circulating around with different</p> <p>11 numbers, so I definitely understand the confusion</p> <p>12 for everyone up here.</p> <p>13 We independently came up and we</p> <p>14 based our modeling on the Baton Rouge traffic</p> <p>15 demand modeling. And our numbers came out that</p> <p>16 it's only a few percentage points are actually</p> <p>17 being deferred from I-10 to use the facility.</p> <p>18 After we came up with our</p> <p>19 analysis, this I-10 study here, right, they said</p> <p>20 1.9 percent is their number, so that was a second</p> <p>21 piece. And I believe there's a third study from</p> <p>22 the MPO that Stantec did that also was right around</p> <p>23 two percent. So my report didn't specifically say</p> <p>24 it, but anecdotally, our modelers have told us it</p> <p>25 was only going to be a few percentage points.</p>	<p>1 We don't deny that the private</p> <p>2 sector eventually could get to a lot of those</p> <p>3 points. But for our analysis, where we're at in</p> <p>4 the standpoint, you know, this is Baton Rouge.</p> <p>5 There's no tolling here. There's free route</p> <p>6 directly next to it. It's hard to compare it to</p> <p>7 high employment, high growth areas in Texas and</p> <p>8 other places.</p> <p>9 So I at least wanted to say</p> <p>10 while not wildly wrong, by any means, you know, you</p> <p>11 could have an investment group report where two</p> <p>12 folks would bicker about some of the assumptions,</p> <p>13 but a lot of those were on the aggressive side and</p> <p>14 we chose to stay more in the middle.</p> <p>15 REPRESENTATIVE ST. GERMAIN:</p> <p>16 Okay. Could I have someone</p> <p>17 from DOTD talk about the environmental a little</p> <p>18 bit? Jeff, that would be you?</p> <p>19 It's a big decision today and I</p> <p>20 need more information because -- we all need more</p> <p>21 information to make sure that whatever we decide,</p> <p>22 they have it.</p> <p>23 So I would ask you about</p> <p>24 environmental, cost to environmental, to DOTD and</p> <p>25 exactly how long of a process is that?</p>

Page 70	Page 72
<p>1 MR. BURST:</p> <p>2 Well, until the project is</p> <p>3 fully vetted and decided, these are just</p> <p>4 approximate estimates, but they're right -- well,</p> <p>5 what they did testify to earlier, it would be done</p> <p>6 by a third party at the expense of the Department.</p> <p>7 REPRESENTATIVE ST. GERMAIN:</p> <p>8 Okay.</p> <p>9 MR. BURST:</p> <p>10 And we are looking at no less</p> <p>11 than two years of an analysis to go through the</p> <p>12 federal and legal process. And we were looking at</p> <p>13 a cost no less than approximately a million</p> <p>14 dollars.</p> <p>15 REPRESENTATIVE ST. GERMAIN:</p> <p>16 Okay. And it's not the length</p> <p>17 of time it takes that bothers me, I mean that's a</p> <p>18 natural thing that it has to go through, but it's</p> <p>19 just more for the panel to understand.</p> <p>20 Any other questions? Senator</p> <p>21 Adley.</p> <p>22 SENATOR ADLEY:</p> <p>23 The part that has concerned me</p> <p>24 the most as I've looked at the project as the BUMP</p> <p>25 carries itself back through the city again, for all</p>	<p>1 people passing through the region, using the</p> <p>2 Airline Highway corridor, if I just look at it from</p> <p>3 that perspective, then if I live in that part of</p> <p>4 Airline Highway corridor, I ask what's in it for</p> <p>5 me, you know, what good does it do me to facilitate</p> <p>6 all of this increased traffic through my</p> <p>7 neighborhood.</p> <p>8 So we thought about that very</p> <p>9 carefully and we said, well, what's in it for me is</p> <p>10 that this is a chance for a stimulus to be</p> <p>11 provided, for those neighborhoods to be</p> <p>12 redeveloped. Because right now they're --</p> <p>13 SENATOR ADLEY:</p> <p>14 And I got that. Have you</p> <p>15 talked to the City, has the City of Baton Rouge,</p> <p>16 have you visited with them at all about their</p> <p>17 participation?</p> <p>18 MR. SCHMIDT:</p> <p>19 I have visited with the City,</p> <p>20 early on in the visioning process for this</p> <p>21 project. The City may speak publicly here</p> <p>22 shortly.</p> <p>23 But in addition to that, I</p> <p>24 visited with community groups, up and down the</p> <p>25 corridor, with legislators who represent that part</p>
Page 71	Page 73
<p>1 practical purposes, you've talked a great deal</p> <p>2 about the economic growth that would occur in Baton</p> <p>3 Rouge, and I can clearly see that. What concerns</p> <p>4 me the most is is that what's created the problem</p> <p>5 in Baton Rouge, it appears to me, more than</p> <p>6 anything else, is all of the traffic crossing the</p> <p>7 bridge into the city, that's creating this</p> <p>8 bottleneck coming into Baton Rouge.</p> <p>9 In finding a way to eliminate</p> <p>10 that traffic, to get it as quickly as you can back</p> <p>11 around to 10 or 12, seems to be the logical thing</p> <p>12 to do. Your argument for the BUMP, talking about</p> <p>13 the economic development, makes sense to me, but it</p> <p>14 makes more sense to me from a Baton Rouge</p> <p>15 perspective than possibly a state perspective.</p> <p>16 So I'm curious, what</p> <p>17 conversations have y'all had with the City of Baton</p> <p>18 Rouge in their participation in your project?</p> <p>19 MR. SCHMIDT:</p> <p>20 That's a great question.</p> <p>21 One of the things on a project</p> <p>22 of this magnitude -- and there's a lot of interest</p> <p>23 groups, believe me, you know, in the community.</p> <p>24 But if I'm just a traffic engineer and I look at</p> <p>25 this strictly from what are the traffic benefits to</p>	<p>1 of the corridor. And one of the things I find very</p> <p>2 interesting and very unusual on this project is</p> <p>3 that if you go from 20 miles, from one end to the</p> <p>4 other, on the west side of the river you have a</p> <p>5 rural environment, with those legislators. On the</p> <p>6 east side of the river, you pass through the older</p> <p>7 part of the corridor, that's a little bit</p> <p>8 depressed. And on the south end of the corridor,</p> <p>9 you have a very affluent area, and legislators</p> <p>10 representing each of those three areas. Those</p> <p>11 legislators have banded together, 30 strong, and</p> <p>12 made this project their number one capital outlay</p> <p>13 request for planning seed money for the last three</p> <p>14 years. And so it's unusual that you find such a</p> <p>15 diverse group that would band together to do that.</p> <p>16 SENATOR ADLEY:</p> <p>17 Well, the fact that they have</p> <p>18 come together to get those dollars to plan the</p> <p>19 project, there's clearly a difference at this stage</p> <p>20 of the game from what we heard early on between the</p> <p>21 project and this proposal. There is a difference.</p> <p>22 And these guys, men and women, that got that money</p> <p>23 -- I mean, there's limited amount of dollars to</p> <p>24 finish this study of this particular project.</p> <p>25 So I think it's going to be</p>

<p style="text-align: right;">Page 74</p> <p>1 difficult for the Department to sit down and say, 2 look, I'm going to do a deal with you and I'm going 3 to start spending my money, working on that deal, 4 then I'm going to open it back up to the public 5 again because they're going to run out of money. 6 And these guys that work for that money, they not 7 going to get there. They're not. Unless they move 8 forward just to evaluate the project. There is a 9 difference.</p> <p>10 I just wanted to say as one who 11 lives outside of Baton Rouge, but who has lived in 12 it now for almost 40 years, dang near all year 13 long, every year, it always astounded me that all 14 the traffic flow -- the problem that got created is 15 you moved everything into the city, everything. 16 Everything comes from that bridge into the city. 17 And it's created a horrible mess.</p> <p>18 And I point out to you that 19 Airline was the -- at one point, the road. It was 20 it before the interstates. And then we ran into a 21 problem, and they built the interstate. Now we got 22 another problem.</p> <p>23 But until you get around that, 24 you're never going to move that interstate 25 traffic. You're not. I mean, you can move some</p>	<p style="text-align: right;">Page 76</p> <p>1 why we have Madam Secretary and those engineers. 2 But it is definitely the 3 project is needed. We have some -- I think, 4 personally, we have some things that we have to 5 take care of, like the old bridge, and that's not 6 -- with an engineering degree, that's just 7 knowing that that bridge has its problems today, 8 with traffic.</p> <p>9 If I try to diversify my 10 driving habits and go through 190 at the same time 11 in the morning that I know I cannot get over the 12 bridge, it's stopped, right now, on both sides. 13 And so most of the time I just tell them I will be 14 late. Or don't set it for 8 o'clock, because I can 15 tell you now I'll be there for 7:00 or 9:00 but not 16 8:00.</p> <p>17 So, all right, I think that's 18 all the questions that we have. So appreciate --</p> <p>19 MR. SCHMIDT: 20 Okay.</p> <p>21 REPRESENTATIVE ST. GERMAIN: 22 You're more than welcome to 23 close. If you have anything you want to add, 24 please.</p> <p>25 MR. WOLSFELD:</p>
<p style="text-align: right;">Page 75</p> <p>1 inner city traffic. And that's why I'm very 2 interested to find out what the City proposes what 3 their part in this might be. Thank you.</p> <p>4 REPRESENTATIVE ST. GERMAIN: 5 You're welcome.</p> <p>6 And I absolutely never speak 7 for the entire East Baton Rouge area delegation, 8 but we have promoted this project. This project is 9 very needed and very wanted.</p> <p>10 The problem is that we have a 11 list of those that make that big puzzle piece that 12 I talk about all the time, and we have to make sure 13 they all fit together. And this is a vital piece, 14 bottom line. But the amount of money that we need 15 to be necessary to continue going forward may or 16 may not be enough.</p> <p>17 I don't have that answer. 18 That's an answer I hope to get from somebody going 19 forward. But this has -- this is strictly just 20 about a very new, first-time process we're going 21 through right now. And we want to make sure that 22 the future of the legislature has in its hand the 23 most strategic, best way to handle the traffic, 24 whatever -- whatever way we set that forward. I'm 25 not smart enough to say which goes first. That's</p>	<p style="text-align: right;">Page 77</p> <p>1 Well, to me, the point here is 2 that your legislation set up a process to deal with 3 some of this uncertainty that you have, with a 4 pre-development agreement and then a comprehensive 5 development agreement and then financial close, so 6 there are a series of offerings.</p> <p>7 And the only way you're going 8 to find out what the private sector would 9 specifically propose to participate financially in 10 the next stage of the effort is to go out with 11 competing proposals. It's no secret, we did not 12 put everything we propose to do in our initial 13 proposal, because we knew -- we expected that there 14 would be competing proposals, and we, like everyone 15 else, will have a chance to update our proposal. 16 We felt we put enough in the proposal that said 17 this is a good project, it makes sense, and it has 18 a reasonable chance of paying for itself with 19 tolls.</p> <p>20 So we, obviously, would hope 21 you would proceed with soliciting competing 22 proposals.</p> <p>23 REPRESENTATIVE ST. GERMAIN: 24 And we appreciate all of your 25 time.</p>

Page 78	Page 80
<p>1 MR. SCHMIDT: 2 And I would just say one more 3 thing, Madam Chair. 4 When we -- you know, this has 5 not been used in Louisiana before, the -- 6 REPRESENTATIVE ST. GERMAIN: 7 Correct. 8 MR. SCHMIDT: 9 -- PPP legislation. So when I 10 started talking to our senior executives about the 11 opportunity of the project, to meet a need for 12 Baton Rouge and to be a good business proposition 13 for AECOM, we pulled out the legislation. That's 14 what we did. And the first thing we read in there 15 is that it's the intent of this legislation to 16 stimulate private investment in Louisiana's highway 17 system, because traditional funds just cannot keep 18 up with the need. 19 And so I would always request 20 that the board consider that intent of the 21 legislation in its deliberations. 22 REPRESENTATIVE ST. GERMAIN: 23 And trust me, if we can get 24 some stimulation of money into transportation, I'd 25 be happy to be a consultant for free, if we could</p>	<p>1 in -- 2 REPRESENTATIVE MORRIS: 3 Okay. Is that a high or low, 4 or just is that what we think it's going to cost? 5 MR. BURST: 6 We believe that's the range 7 that it's going to cost based on putting together 8 estimated man-hours of other procurements and steps 9 that have to be taken per the guidelines. 10 REPRESENTATIVE MORRIS: 11 Okay. Right now we have -- 12 MR. BURST: 13 -- 550,000, of the original 14 House Bill line item. 15 REPRESENTATIVE MORRIS: 16 Okay. Go ahead, or is that 17 it? 18 MR. BURST: 19 That was it as far as moving 20 forward for the competing proposals end. 21 REPRESENTATIVE MORRIS: 22 Okay. But just listening, 23 we're not going to have to have more money than 24 that, though, in moving forward. Now, this is 25 what's been set aside in the process of our budget</p>
Page 79	Page 81
<p>1 get some of this moving, which they probably 2 wouldn't hire me, anyway. 3 MR. SCHMIDT: 4 Thank you. 5 REPRESENTATIVE ST. GERMAIN: 6 Okay, Representative Morris, 7 you have a question for the gentlemen. 8 REPRESENTATIVE MORRIS: 9 Well, I'm not sure. Madam 10 Chairman, I was wondering on the competing 11 proposals, when are we going to get into the cost 12 factor of that, as to where we're at, what money we 13 have and what that's going to cost and where we're 14 going to move? I need to get some type of outline 15 on that. Are we going to get that? 16 REPRESENTATIVE ST. GERMAIN: 17 Jeff, you want to come up and 18 give that now and then we'll have the elected 19 officials to speak afterwards. 20 MR. BURST: 21 If it was decided to move 22 forward and advertise for competing proposals, it 23 is estimated that the procurement process to do so 24 in evaluations of those proposals, would be in the 25 range of approximately \$750,000. What we have left</p>	<p>1 confinement. Now, we'd have to move into another 2 year to get more money. We would have to make some 3 type of provision for the 250,000, as I appreciate 4 it, which would take a vote of the legislature, 5 right? 6 REPRESENTATIVE ST. GERMAIN: 7 Correct. 8 REPRESENTATIVE MORRIS: 9 Which would be not in this 10 year's budget, but in next year. How long -- 11 MR. BURST: 12 That's right, it would not be 13 until the next year's budget, that it could 14 possibly have a conversion of other moneys. 15 REPRESENTATIVE MORRIS: 16 So I'm not sure that it would 17 happen with the 30 member strong delegation that we 18 have, but it is a possibility that we may not come 19 up with the 250,000 that we're lacking then. 20 Okay, thank you, Madam Chair. 21 REPRESENTATIVE ST. GERMAIN: 22 Thank you. 23 Representative Steve Carter, 24 the man who says I'm taking his chair today and -- 25 but you have some broken lights on this darn</p>

Page 82	Page 84
<p>1 thing.</p> <p>2 REPRESENTATIVE CARTER:</p> <p>3 I hope we're not here till 1:30</p> <p>4 a.m.</p> <p>5 Thank you, Madam Chair. I'm</p> <p>6 Steve Carter, Chairman of the Capital Regional</p> <p>7 Legislative Delegation. It has been mentioned --</p> <p>8 this has been discussed with our delegation with 30</p> <p>9 plus members strong, and we prioritize our</p> <p>10 projects, and this has been our top priority for a</p> <p>11 number of years.</p> <p>12 And let me just say this. I</p> <p>13 listened today and I applaud all of y'all and I</p> <p>14 appreciate very much your time and what you do, but</p> <p>15 here's what's frustrating. We allocated, I think</p> <p>16 it was originally, I'm not sure of my numbers,</p> <p>17 maybe \$3 million. It got pushed down to --</p> <p>18 REPRESENTATIVE ST. GERMAIN:</p> <p>19 One million.</p> <p>20 REPRESENTATIVE CARTER:</p> <p>21 -- 1.25, I think.</p> <p>22 But here's my point. We've got</p> <p>23 to do something. And here I am listening that</p> <p>24 we're going to study, we need more money to study,</p> <p>25 we need money for environmental. And we can</p>	<p>1 We need help.</p> <p>2 And so my point in saying what</p> <p>3 I'm saying is we got 1.25 and we've already spent,</p> <p>4 whatever it is, three-quarters of a million</p> <p>5 studying. And we're getting ready to study again,</p> <p>6 and we need more money to study. This is a sick</p> <p>7 process.</p> <p>8 REPRESENTATIVE ST. GERMAIN:</p> <p>9 Yes, sir.</p> <p>10 REPRESENTATIVE CARTER:</p> <p>11 Every person and every citizen</p> <p>12 is struggling. So I'm preaching to the choir, I</p> <p>13 know that, but my point is that we got to move</p> <p>14 forward. We can't not move forward with this</p> <p>15 project.</p> <p>16 We have a 19-point plan of which</p> <p>17 we're going to prioritize within the region. We've</p> <p>18 got everybody on board to do it. And this is one</p> <p>19 of the top priorities. And if we continue to sit</p> <p>20 back with the other 18 and say we need money to</p> <p>21 study, you know the answer.</p> <p>22 So I hate to preach to the</p> <p>23 choir, because I know y'all are trying, but some</p> <p>24 way, some how, Sherri, I'm pleading, we've got to</p> <p>25 find some way to solve the problem. I know you had</p>
Page 83	Page 85
<p>1 continue to study and we can continue to do</p> <p>2 environmental, and it gets worse and worse and</p> <p>3 worse.</p> <p>4 So my question is: How do we</p> <p>5 get off dead center? Senator Adley, you're good at</p> <p>6 getting people off dead center. You've been an</p> <p>7 extremely good senator and found ways to make</p> <p>8 things happen. So I'm pleading with you. I mean,</p> <p>9 we're in trouble.</p> <p>10 If I'm Adam Knapp, chairman of</p> <p>11 the -- with economic development and growth, and</p> <p>12 what have you, with the chamber here, I don't see</p> <p>13 how he gets any business to come here. We're</p> <p>14 talking about over on your side --</p> <p>15 REPRESENTATIVE ST. GERMAIN:</p> <p>16 We're talking about the whole</p> <p>17 region.</p> <p>18 REPRESENTATIVE CARTER:</p> <p>19 And not only are we talking</p> <p>20 about the whole region, but we're talking about Dow</p> <p>21 not wanting to expand because you can't get the</p> <p>22 work. Help.</p> <p>23 REPRESENTATIVE ST. GERMAIN:</p> <p>24 Welcome.</p> <p>25 REPRESENTATIVE CARTER:</p>	<p>1 a study -- we had a meeting on expanding coming off</p> <p>2 the bridge. We're studying? We know the answer.</p> <p>3 So again, please help us. We</p> <p>4 need this project to move forward. I appreciate</p> <p>5 very much your time and I'm sorry I got on a</p> <p>6 soapbox.</p> <p>7 REPRESENTATIVE ST. GERMAIN:</p> <p>8 It's okay because I understand</p> <p>9 that you understand our frustration, and myself,</p> <p>10 personally, because I know it --</p> <p>11 REPRESENTATIVE CARTER:</p> <p>12 I know it.</p> <p>13 REPRESENTATIVE ST. GERMAIN:</p> <p>14 The problem is that even the</p> <p>15 going forward has the -- has what -- or asks what</p> <p>16 we don't have. That doesn't mean I don't want it</p> <p>17 to go forward. The project is so essential in the</p> <p>18 growth of Baton Rouge and the help of the traffic</p> <p>19 congestion. But the end result is and hopefully --</p> <p>20 and I'm going to go on my soapbox for a second --</p> <p>21 Amendment 1 and 2 pass to be able to give us some</p> <p>22 of that moneys that wouldn't go into the fund till</p> <p>23 -- I'm not sure -- when is the effective date?</p> <p>24 REPRESENTATIVE CARTER:</p> <p>25 Soon.</p>

Page 86	Page 88
<p>1 REPRESENTATIVE ST. GERMAIN: 2 Yeah. Well, it's much sooner 3 than we have without them. 4 REPRESENTATIVE CARTER: 5 Right. 6 REPRESENTATIVE ST. GERMAIN: 7 So the bottom line is to have 8 money available to do those studies as many as you 9 and I and several of the East Baton Rouge 10 delegation voted to try to get that pay-as-you-go, 11 one percent tax on the normal, everyday, what we 12 pay now, I guess is the best way to say that. 13 And making this short and 14 sweet, I just absolutely think that why we're stuck 15 in this problem is because the general public 16 doesn't trust us, the members worrying, an election 17 year. But those who voted for it can make sure 18 they tell their individual constituents that you 19 were trying to pay as you go. You weren't trying 20 to stick the state or anyone else with those moneys 21 being owed. We want to pay as we go. 22 And all of those 18 projects 23 were great, so I'm looking to y'all to lead that 24 charge next year. Thank you. 25 REPRESENTATIVE CARTER:</p>	<p>1 construction money will need to be identified. And 2 then as well a new Mississippi River Bridge 3 crossing, we have that feasibility study going on. 4 And, you know, we want to make 5 sure that we're using -- that we're looking at data 6 to see what is the best solution for this region. 7 And we have numbers, we presented that at the I-10 8 meeting. So we believe that we are getting a good 9 handle, and you saw some of those traffic numbers 10 today. And so we are moving forward with those. 11 Again, construction money will need to be 12 identified. 13 But, you know, just to be 14 clear, even with a PPP, you still have processes 15 that you must go through, such as finishing or 16 completing a feasibility study, doing the economic 17 analysis for the tolls, doing the need for process, 18 the environmental process. Just because you do a 19 PPP, doesn't mean that you get to -- that you don't 20 do those steps. Those steps are still required. 21 So I just want to clear that 22 up, but do understand your frustration. And I 23 think all of these projects, if you look at the 24 data again, if you look at the data, it all -- they 25 all work together. So there's not just one</p>
Page 87	Page 89
<p>1 We will. And part of our 2 problem, to be honest with you is, you look at 3 Senator Adley and you look at Senator Morris, they 4 don't have one, they don't have two, they have 5 three loops around because they planned way ahead. 6 We are behind the time, and I don't want to 7 continue to be in the state legislature and say, 8 well, you're behind the time again. 9 REPRESENTATIVE ST. GERMAIN: 10 Trust me. 11 REPRESENTATIVE CARTER: 12 Okay. Thank y'all very much. 13 REPRESENTATIVE ST. GERMAIN: 14 Secretary LeBas, you wanted to 15 speak to Representative Carter? 16 SECRETARY LEBAS: 17 Oh, Representative Carter, I 18 just want to say, you know, I understand your 19 frustration. I live in Baton Rouge and drive the 20 roads every day, just like you and the other people 21 in this area. 22 So we at DOTD, as you know, we 23 do have the feasibility study underway for the 24 I-10, and we did have the public meeting. We're 25 going to move forward with that effort. Of course,</p>	<p>1 solution. And we know that, and so we just need to 2 continue working together to do what's best for the 3 area to improve the traffic. 4 But I'm optimistic that we are 5 going to come up and be able to get a project 6 complete and move forward with at least one or two 7 or three of these projects. We just need to keep 8 moving on it. 9 REPRESENTATIVE CARTER: 10 I'd like to be a little bit 11 like Nike. No more feasibility, just do it. 12 SECRETARY LEBAS: 13 I'm with you. Wish I could. 14 REPRESENTATIVE ST. GERMAIN: 15 Find me some money. 16 Senator Adley. 17 SENATOR ADLEY: 18 I might say the good news from 19 Nike is they build a pair of tennis shoes for \$3 20 and sell them for 100 bucks, it's easy for them to 21 do it. It's not so easy for us to do it. 22 I wanted to just make it clear 23 for everybody to understand. By law, by law, this 24 initial study of this P3 is required by law. That 25 law is passed by the legislature. That's what</p>

Page 90	Page 92
<p>1 we've had to do. Like it or not, that's the 2 process we've had to go through. 3 P3 is going to be an important 4 part of the future, in Louisiana and around the 5 country before it's over with. But you're going to 6 have to get through that initial one. And that's 7 what we're going through. And you have to follow 8 the law to get there. We don't have much choice in 9 that. And that's what the original study has 10 done. 11 Your decision today is simply 12 this: Are you going to actually move forward, 13 saying you think this project makes some sense and 14 finish the complete study, or you going to spend 15 your money to start negotiation back and forth with 16 one firm, and then open it up again to do the same 17 thing again. You're going to get the bigger bang 18 for your buck, in my opinion, Madam Chairman -- or 19 Chair Lady, if you move forward and, Steve, get it 20 over with, get the thing behind us, so that you can 21 ultimately move forward. 22 Now, I do want to respond to 23 what you said about Shreveport and Bossier. Jim 24 and I are lucky. We do have some loops up there. 25 We don't have all that we would like to have, but</p>	<p>1 If you can understand the 2 frustration expressed by Representative Carter, 3 think about myself sitting here in 1996, asking the 4 same questions and wondering when we were going to 5 get the roads and now it's 20 years later. So it 6 has been a very difficult process, it seems like 7 it, to improve the traffic in Baton Rouge. 8 The Mayor, in 2004 and '05, put 9 forth the Green Light Program here in Baton Rouge, 10 and we're building a lot of -- putting a lot of 11 local dollars into state routes. The Mayor asked 12 the question, when you're sitting in traffic 13 congestion, do you wonder whether it's a state or 14 local road? And the answer was: We don't think 15 anybody cared, we just want to get the traffic 16 moving. 17 Having said that, the Mayor is 18 a strong believer in the MPO process, and he thinks 19 that the region represented by the presidents and 20 mayors around the parish has come up with what they 21 think was a, you know, pretty good plan in 22 different projects to move forward in the Baton 23 Rouge area. And I think his -- while we're not 24 specifically opposed to the BUMP, his one objection 25 to the BUMP was it did not go through the MPO</p>
Page 91	Page 93
<p>1 we have loops. But we did not build -- we very 2 carefully tried to get around all of those 3 populated areas so that we didn't create that jam 4 in the city. 5 And that's why I asked the 6 question: What role does the City of Baton Rouge 7 want to play in this project in the future? 8 Because I think it's going to fall upon them as 9 much as it is the State to play some role in this 10 one, because this one is not going to solve all 11 your problems. It's not. It's going to get part 12 of it, but it ain't going to get all of it. 13 REPRESENTATIVE ST. GERMAIN: 14 We have someone here from the 15 City of Baton Rouge, if you'd like to hear him 16 speak now? 17 SENATOR ADLEY: 18 Yep. 19 REPRESENTATIVE ST. GERMAIN: 20 William Daniel, would you come 21 to the table. Ex-legislator understands the whole 22 darn thing -- former. I'm going to be an ex. 23 MR. DANIEL: 24 I wouldn't be an X if I 25 understood it as well as you said, Madam Chair.</p>	<p>1 process and, therefore, was never actually 2 modeled. He asked for -- he thought that there 3 should be meetings of the people along the 4 corridor, public meetings. Those were never held. 5 So he never specifically got behind the BUMP. 6 The other problem is, as 7 several people have suggested, is that the -- what 8 our priority is is to improve the traffic coming 9 into Baton Rouge across the bridge. And this 10 project specifically does not address that. So 11 while it may be a great project and have a lot of 12 very good, fine points going for it, it does not 13 address what we consider our -- the major issue in 14 Baton Rouge. 15 The Mayor has -- we spent a lot 16 of time looking at a loop. We do think that 17 developing in the outer part of Baton Rouge is a 18 very smart way to go. We -- and the north bypass 19 that the Mayor has proposed would take about ten 20 percent of the traffic off I-10 in addition to the 21 other benefits that it has. 22 So that's where we are on this 23 particular project. Like I said, we're not 24 specifically opposed to it, but it doesn't rise up 25 to the project that we are most interested in</p>

Page 94	Page 96
<p>1 seeing done.</p> <p>2 REPRESENTATIVE ST. GERMAIN:</p> <p>3 Okay, thank you.</p> <p>4 Representative Smith -- I mean</p> <p>5 Senator Smith.</p> <p>6 SENATOR SMITH:</p> <p>7 Thank you, Madam Chair.</p> <p>8 So just very clearly, y'all</p> <p>9 are, as a city, not interested in putting money</p> <p>10 into this project as a joint cooperative</p> <p>11 partnership? I mean, there's a \$400 million gap,</p> <p>12 roughly, however you look at it, that some public</p> <p>13 entity at this time would have to come up with or</p> <p>14 some funding would have to be found for it.</p> <p>15 MR. DANIEL:</p> <p>16 Right. And we've heard varying</p> <p>17 degrees of, you know, it would -- from it would pay</p> <p>18 for itself for a hundred percent to there would be</p> <p>19 some kind of gap. And today was the first time the</p> <p>20 gap was delineated.</p> <p>21 But, you know, at the risk of</p> <p>22 repeating myself -- and I'm trying not to be</p> <p>23 against any project that would help Baton Rouge --</p> <p>24 SENATOR SMITH:</p> <p>25 I understand.</p>	<p>1 MR. DANIEL:</p> <p>2 We have way too many worthwhile</p> <p>3 projects we need to do.</p> <p>4 SENATOR SMITH:</p> <p>5 Understood. Thank you.</p> <p>6 REPRESENTATIVE ST. GERMAIN:</p> <p>7 Okay. That's it, Senator</p> <p>8 Smith?</p> <p>9 SENATOR SMITH:</p> <p>10 Yes.</p> <p>11 REPRESENTATIVE ST. GERMAIN:</p> <p>12 Thank you, William.</p> <p>13 All right, Mr. Ken Perret. I'm</p> <p>14 just going in the order they gave them to me.</p> <p>15 Senator Rick Ward, did you fill</p> <p>16 out a little card? Yes, sir.</p> <p>17 My senator, I'm extremely --</p> <p>18 would have a problem if -- since I'm leaving, if I</p> <p>19 don't make him happy.</p> <p>20 MR. PERRET:</p> <p>21 Chairman and Members of the</p> <p>22 Committee, my name is Ken Perret. I'm the</p> <p>23 president of Louisiana Good Roads and</p> <p>24 Transportation Association, former DOTD assistant</p> <p>25 secretary, former division administrator of the</p>
Page 95	Page 97
<p>1 MR. DANIEL:</p> <p>2 -- believe me, I don't want to</p> <p>3 sound like that. However, the Mayor has to</p> <p>4 prioritize, just as we did in the Green Light</p> <p>5 Program, to try to get some connectivity within the</p> <p>6 surface streets of Baton Rouge. He's looking at:</p> <p>7 How do I get the traffic moving across the bridge?</p> <p>8 Because you're right, we've had meetings with</p> <p>9 industry, where they're saying we can't afford to</p> <p>10 expand, because the traffic is so horrendous going</p> <p>11 back and forth across the bridge, we're not going</p> <p>12 to be able to hire anybody.</p> <p>13 And so that's our first</p> <p>14 priority is to fix that problem. And I think that,</p> <p>15 you know, DOTD has come forward with some proposals</p> <p>16 that I think make a lot of sense in going forward</p> <p>17 with that. So that's where our priority is,</p> <p>18 Senator.</p> <p>19 SENATOR SMITH:</p> <p>20 Okay. Because, I mean, this is</p> <p>21 certainly a worthwhile project, but we have</p> <p>22 multiple worthwhile projects. And trying to get</p> <p>23 the best bang with the limited knowledge that we</p> <p>24 have, so wanted to see where the relationship may</p> <p>25 be with some --</p>	<p>1 Federal Highway Administration.</p> <p>2 I had some comments today</p> <p>3 because I've heard the whole presentation, and this</p> <p>4 is the first time I've seen the analysis that was</p> <p>5 provided as far as the feasibility. And I think</p> <p>6 there's been some great points made about, you</p> <p>7 know, getting the best project we can, and</p> <p>8 especially taking initiative for implementing a PPP</p> <p>9 project. And I think that's the key thing that the</p> <p>10 committee needs to think about, is that we hear a</p> <p>11 lot about that and the citizens ask about that all</p> <p>12 the time: Well, why can't we have toll roads? Why</p> <p>13 can't we get outside investment to come in and help</p> <p>14 us with our situation?</p> <p>15 Here's a great opportunity to try</p> <p>16 something, try something new, try something a</p> <p>17 little different. And I was impressed by the one</p> <p>18 analysis I think showed that we -- the tolls itself</p> <p>19 could pay for about 68 percent of the project.</p> <p>20 Now, that's pretty good, really, as far as taking</p> <p>21 care of the total cost of the project. Because</p> <p>22 when I was with the government, the best we could</p> <p>23 do was come up with about 50 percent on some of the</p> <p>24 projects that we looked at, the I-49 and some of</p> <p>25 the other possible projects. So 68 percent funding</p>

Page 98	Page 100
<p>1 without any state -- without any substantial state 2 investment other than the preliminary work is 3 pretty good. 4 And I think maybe with some 5 value engineering and other techniques that the 6 proposals can come up with and close that gap, 7 where maybe -- and with the projection of increased 8 tolling, maybe can get to the situation where the 9 tolls will actually pay for the total project. 10 So I think this project is a 11 very worthy project. And I have to say I agree 12 with William Daniel about the I-10 corridor, but I 13 can tell you when I was with the department, back 14 when I started in the year 2000, we were about this 15 close to having a solution and we were pretty close 16 to finishing the environmental process, 15 years 17 ago. And now we're back not even to the 18 environmental process. 19 So to expect something to be 20 done on I-10 here in Baton Rouge coming up the 21 bridge is a pipe dream as far as the next three or 22 four years. We're talking something probably in a 23 ten-year-time frame before anything is done in the 24 I-10 corridor, because of the price is going out of 25 the roof, you know, and we're still in the pre-need</p>	<p>1 proposal that you're going to accept, you know, as 2 a final proposal. 3 So I think, again, my 4 recommendation is for y'all to proceed. Let's try 5 something new. Let's try this as a 3P project and 6 get something going for Baton Rouge that I probably 7 will see completed before too long, because I can't 8 wait another 25 years. I probably won't be able to 9 drive on it, but -- 10 REPRESENTATIVE ST. GERMAIN: 11 I rented a wheelchair for the 12 bridge crossing the river, so I'm -- 13 MR. PERRET: 14 There you go. So I'm glad to 15 answer any questions as far as, you know -- but as 16 far as Good Roads, we certainly do know that we 17 need additional revenues. But if y'all listen to 18 the governor -- gubernatorial candidates last night 19 on TV, all three of them said, no, we're not going 20 to raise any additional revenues. We're going to 21 do smoking mirrors and try to move funds around, 22 you know, before -- we got to restore some trust in 23 the trust fund before we even try to get additional 24 revenues. So don't anticipate -- we going to press 25 them and keep asking him to consider additional</p>
Page 99	Page 101
<p>1 for process. 2 So -- and you can take a look 3 at the BUMP. They're saying that -- you know, if 4 we expedite the project, they can get something on 5 the ground within, what, five years, five to seven 6 years? That would be amazing. And I think there 7 would be -- there would be much more diversion off 8 of I-10 than is being projected. I think 9 especially when there's traffic incidents, which we 10 seem to have every day, the truckers will learn 11 that in rush hour, say, you know, for maybe six or 12 eight hours a day, you better use the BUMP rather 13 than trying to come through on I-10. So I think 14 there will be a considerable diversion and I think 15 it will be much more than the one or two percent 16 that's being projected. 17 So I think my recommendation to 18 the committee is to keep the process going, to go 19 ahead and solicit for competing proposals with the 20 idea of trying to close that 68 percent gap to 21 something that can be financed totally with tolls. 22 And, you know, you going to 23 have private companies competing against each 24 other, so they get pretty innovative when they have 25 to put the pencil to the paper and come up with a</p>	<p>1 revenues, but if you heard the debate last night, 2 they said no. 3 So we need to pass Amendments 4 No. 1 and 2, so we can get some relief, but then we 5 got to really work with the -- whoever wins the 6 gubernatorial race to show them that we do need 7 additional revenues. 8 Thank you. 9 REPRESENTATIVE ST. GERMAIN: 10 Thank you. They don't want me 11 on their doorstep as just Karen St. Germain. It 12 would be worse than being state rep. 13 Okay, Mr. Coleman Brown. 14 MR. BROWN: 15 Thank you, Committee Members. 16 I'm Coleman Brown. Senator Adley is hopefully 17 going to come back in a few seconds. 18 REPRESENTATIVE ST. GERMAIN: 19 He shouldn't be long. He said 20 he wasn't going -- 21 MR. BROWN: 22 Okay. I do appreciate -- give 23 y'all a little background on me. I'm an architect, 24 a life-long Baton Rougeon, and I'm 68-years-old. I 25 founded the Florida Boulevard Development District,</p>

Page 102	Page 104
<p>1 which extends from Airline Highway, extended down 2 basically to Acadian Thruway. That was about 20, 3 25 years ago. We have folded into MidCity 4 Merchants, which also extends from Airline Highway 5 and Florida Boulevard. It's a group of roughly 130 6 merchants in the Government Street/Florida 7 Boulevard area. It sounds like most of you know 8 those streets and are familiar with them.</p> <p>9 We have been very appreciative 10 of the recent work by the highway department, 11 re-paving Florida Boulevard. It's about an 8 or \$9 12 million job. It was very successful. They 13 coordinated it with our merchants. The highway 14 department staff was fabulous, a great contractor 15 that they used. The road is really good. That was 16 about two or three years ago. We're very, very 17 appreciative of that improvement.</p> <p>18 It has fostered new growth of 19 new businesses on Florida. It's helped Airline 20 Highway. There have been some transitions with 21 Vivid Printing and Vivid Ink.</p> <p>22 I'm the chairman of the 23 development committee for MidCity Merchants. We 24 meet monthly. The MPO director and assistant 25 director, the Capital Regional Planning Commission</p>	<p>1 \$13-and-a-half million. Barber Brothers did that 2 work. None of our friends and neighbors on Airline 3 Highway complained at all. That work was held with 4 minimal interruption to those businesses. The 5 highway department did that project in-house in 6 terms of design. There were no outside engineers 7 that did the work. That road had the distinction 8 of being a level of service "F" for almost -- over 9 30 years. It was the longest running level of 10 service "F," to my knowledge, anywhere in the 11 country, when it was finally widened for 12 \$13-and-a-half-million.</p> <p>13 Now, the highway department 14 also spent about \$2-and-a-half million, upgrading 15 the lights, from Florida Boulevard to Cedarcrest. 16 It went from a level of service "F" to a level of 17 service "B" and has stayed pretty much a level of 18 service "B" ever since.</p> <p>19 We are so grateful. We think 20 that that money spent is the best money that the 21 State of Louisiana has -- or the City of Baton 22 Rouge has ever done to relieve this chaos, which 23 has been the parking lot of Airline Highway.</p> <p>24 So we think and know from 25 talking to other engineers, contractors who've done</p>
Page 103	Page 105
<p>1 attends our meetings monthly, have been doing so 2 for the last eight or nine months. A lot of our 3 representatives, Alfred Williams -- like Alfred 4 Williams attended our meetings every other month. 5 Denise Marcelle, Donna Collins-Lewis, Tara Wicker 6 and Ryan Heck, those four council people in Baton 7 Rouge attend our meetings almost monthly. We have 8 Ingolf Partenheimer, our traffic engineer that 9 attends our meetings.</p> <p>10 I happen to also be friends 11 with and represent in this conversation Don's 12 Seafood, McClain's Trailer, and AAA Paint & Body 13 Shop, Bobby Lewis. All of those are opposed to 14 making Airline Highway basically a toll road with 15 service roads. We don't know any business that is 16 for service roads. In fact, several of the people 17 that we know at the highway department have all 18 pointed out that the highway department themselves 19 basically do not like service roads as far as 20 traffic ingress and egress.</p> <p>21 We are extremely happy with the 22 project that occurred about seven years ago with 23 the highway department six lanning Airline Highway, 24 from Florida Boulevard to Cedarcrest. That 25 project's cost was a basic price of about</p>	<p>1 this work in the past, we feel very confident that 2 you can simply widen Airline Highway, from the old 3 bridge, at a cost of about \$25, \$26 million to 4 Florida Boulevard, \$25 to \$26 million, somewhere in 5 there, and then you can widen it past where we've 6 done at Cedarcrest -- Senator Adley, I'm glad you 7 returned -- I think for under \$60 million, you can 8 get Baton Rouge connected with six lanes, which as 9 all of you know, if you do six lanes, as opposed to 10 four lanes, the four lanes -- the four lanes that 11 were built in 1932 by Huey Long are basically the 12 same road that's out there today, that we struggle 13 with. So from -- when you go from four lanes to 14 six lanes, you double the capacity of the road.</p> <p>15 Now grant it, we've got these 16 lights that Robert and others have talked about, 17 24, 25 lights, but those are being handled by the 18 city of Baton Rouge's traffic department now, a lot 19 of them, especially the ones on the road that the 20 State has done such a beautiful job of widening 21 four lanes to six lanes from Florida to 22 Cedarcrest.</p> <p>23 So our hope is that some of the 24 lights, or superfluous lights, if they are, can be 25 synchronized the way the city of Baton Rouge is</p>

Page 106	Page 108
<p>1 handling them now with Mr. Partenheimer's office. 2 It's a fabulous thing that he's done on Florida 3 Boulevard from downtown to Denham Springs, he's 4 coordinating those lights now. And he's also 5 coordinating these other lights on Airline 6 Highway. 7 So I don't mean to take up too 8 much time, but I see you nodding your head like you 9 want me to go home so -- but I could talk about 10 Baton Rouge and Baton Rouge traffic extensively. 11 REPRESENTATIVE ST. GERMAIN: 12 No, sir. It's a Cajun habit. 13 I nod my head, everything. It doesn't mean yes or 14 no. 15 MR. BROWN: 16 Let's talk about some 17 excitement on the old bridge, because I know that's 18 Senator Adley's problem. I'm glad he's with us as 19 much as he is. Forty years is a long time for him 20 to be going through our mess. But we're delighted 21 with -- in Baton Rouge we have a new MPO director 22 and capital region planning director, Jamie 23 Setze -- 24 REPRESENTATIVE ST. GERMAIN: 25 You might want to get down to</p>	<p>1 would only occur every two months that we would 2 have a meeting. And Robert made his pitch to our 3 committee about four years ago, three or four years 4 ago, at the chamber transportation committee. And 5 it was a good pitch, but I really didn't think it 6 would get to this day that I'd be talking to you 7 about it, because we have so many other problems in 8 Baton Rouge. The biggest problem that ever came 9 out of our Baton Rouge chamber transportation 10 committee was, as Senator Adley said, the old 11 bridge. 12 The old bridge -- around 1998 13 or 1999 -- I didn't know Governor Foster too well, 14 maybe met him once or twice. I wrote a letter to 15 the DOTD secretary at the time -- it was a 16 gentleman, I can't remember his name -- about '98 17 or '99. I said: Dear, sir, please remove the one 18 lane eastbound -- if you're coming from Lafayette, 19 you're eastbound, please remove the one painted 20 lane that you have and just go -- there's plenty of 21 room there to go to two lanes. So now you have two 22 lanes and he -- they got out there two days later. 23 I had on their hold, Linda 24 Lightfoot, she's a friend of mine, used to be the 25 editor of the newspaper, and I said, hold, Governor</p>
Page 107	Page 109
<p>1 what -- I know he kind of missed part of your 2 conversation -- 3 MR. BROWN: 4 Oh, okay. 5 REPRESENTATIVE ST. GERMAIN: 6 -- about the project itself. 7 MR. BROWN: 8 I'm not going to repeat 9 myself. 10 REPRESENTATIVE ST. GERMAIN: 11 I'd love for you to just go 12 over what you really think about the project 13 itself. 14 MR. BROWN: 15 In essence, Airline Highway can 16 be solved for \$60 million, Airline Highway. But 17 let's talk about Baton Rouge too, to make it real 18 exciting. 19 If I told you for \$130 million, 20 which is something that's very doable, and I think 21 William, when he listens to me for a few minutes, 22 will agree with a lot of these solutions. I served 23 on the chamber of transportation -- Chamber of 24 Commerce, Transportation Committee for about ten 25 years. I probably missed three meetings because it</p>	<p>1 Foster, for three days. Two days later the highway 2 department was out there sandblasting up those 3 lines -- 4 REPRESENTATIVE ST. GERMAIN: 5 Look, I appreciate -- you don't 6 even imagine how much I appreciate all of your 7 knowledge. The problem is we really need to stick 8 to this subject matter because -- 9 MR. BROWN: 10 Oh, I'm sticking to it. 11 REPRESENTATIVE ST. GERMAIN: 12 No, sir, we need to stick to 13 the problem. 14 MR. BROWN: 15 All right. Well, you can solve 16 that for \$2 million. I thought it would be \$2.8 17 million, you'd put another ramp -- let's solve 18 everything -- I just got a few minutes to solve all 19 of Baton Rouge's problems. 20 REPRESENTATIVE ST. GERMAIN: 21 Well, actually we've been here 22 two hours and fifteen minutes, so please don't -- 23 MR. BROWN: 24 Two million dollars you can 25 solve that bridge thing, another 500,000 you can do</p>

Page 110	Page 112
<p>1 the lighting and the -- what do you call it -- the</p> <p>2 stripes and the couple of signs and things like</p> <p>3 that. I've talked that over with Dennis Decker.</p> <p>4 He's not here today. I don't think he's here</p> <p>5 today. But he's a very competent person with the</p> <p>6 highway department. He's in charge of this region,</p> <p>7 I believe.</p> <p>8 So I'm here to work with you.</p> <p>9 Our MidCity Merchants people are here to work with</p> <p>10 you. We agree with everything that's basically</p> <p>11 been said today by William Daniel and others on the</p> <p>12 committee.</p> <p>13 REPRESENTATIVE ST. GERMAIN:</p> <p>14 As a person who grew up and</p> <p>15 only knew how to drive Florida Boulevard and</p> <p>16 Airline, I totally understand.</p> <p>17 MR. BROWN:</p> <p>18 Thank you, ma'am.</p> <p>19 REPRESENTATIVE ST. GERMAIN:</p> <p>20 Thank you.</p> <p>21 Okay, Senator Ward.</p> <p>22 SENATOR WARD:</p> <p>23 Thank you, Madam Chair. I</p> <p>24 appreciate y'all giving me a few minutes of your</p> <p>25 time. You know, I am part of the Baton Rouge</p>	<p>1 I know the best case scenario</p> <p>2 and the one that seems to move the most traffic is</p> <p>3 the bridge. I think we need to continue to push</p> <p>4 for that as well.</p> <p>5 But I know one thing that will</p> <p>6 not eliminate any traffic problem and that is to</p> <p>7 continue to do nothing. So --</p> <p>8 REPRESENTATIVE ST. GERMAIN:</p> <p>9 Well said.</p> <p>10 SENATOR WARD:</p> <p>11 -- I think that's where we're</p> <p>12 at. I hope we can get the wheels on something and</p> <p>13 roll it down the road until it's complete. So I</p> <p>14 know I appreciate all the work that you all have</p> <p>15 done. I know it's been a long tedious process, and</p> <p>16 it will continue to be that until we get</p> <p>17 something in place.</p> <p>18 REPRESENTATIVE ST. GERMAIN:</p> <p>19 That's right. And you have to</p> <p>20 carry that torch.</p> <p>21 SENATOR WARD:</p> <p>22 Yeah. And we're certainly</p> <p>23 going to miss you. You've done a fabulous job for</p> <p>24 the last four years. And I know I'll still be able</p> <p>25 to call on you. You'll probably call on me just as</p>
Page 111	Page 113
<p>1 region. I live in West Baton Rouge and I see every</p> <p>2 day -- not only do I see every day the traffic</p> <p>3 problem that we face, I sit it in almost every day,</p> <p>4 as my office sits on LA 1.</p> <p>5 So it is absolutely a regional</p> <p>6 problem. It's getting to the point where it's</p> <p>7 starting to affect how businesses look at the</p> <p>8 region. I've had many conversations with Dow and</p> <p>9 some of the plants that are on the west side of the</p> <p>10 river. And not only are they having trouble</p> <p>11 attracting people to come work, they're actually</p> <p>12 having people leave. You know, when you hire an</p> <p>13 engineer and you spend six months training them,</p> <p>14 and then three months after you're done training</p> <p>15 them, they leave and go somewhere else because they</p> <p>16 don't have to deal with the traffic. Not only do</p> <p>17 they lose the employee, they lose the money that</p> <p>18 they invested in that person.</p> <p>19 So, you know, I know this is</p> <p>20 only one piece of the puzzle. I know there was</p> <p>21 some mention that it may only move two percent of</p> <p>22 the traffic off of I-10. But I think as we move</p> <p>23 forward, as long as we continue to look at the</p> <p>24 traffic problem regionally, I think it's certainly</p> <p>25 a piece of the puzzle.</p>	<p>1 much as I call on you. So thank you for your</p> <p>2 service.</p> <p>3 REPRESENTATIVE ST. GERMAIN:</p> <p>4 That's a deal. Thank you. No,</p> <p>5 I'm going to hug him. He's old enough to be my</p> <p>6 child -- young enough to be my child, so I'm going</p> <p>7 to hug him.</p> <p>8 Representative Franklin Foil.</p> <p>9 When you get to be my age, you get to be</p> <p>10 everybody's mamma.</p> <p>11 REPRESENTATIVE FOIL:</p> <p>12 Thank you, Madam Chairwoman.</p> <p>13 I'm going to be very brief, because I've been where</p> <p>14 all of you have sat and I've heard the comments. I</p> <p>15 agree with the proponents. I think this is a good</p> <p>16 plan.</p> <p>17 There are two things about this</p> <p>18 plan that I like, that I find appealing. One is it</p> <p>19 diverts traffic off the existing Mississippi River</p> <p>20 Bridge. It would put traffic on a bridge that's</p> <p>21 already built. A new bridge in Baton Rouge is long</p> <p>22 overdue, and I totally support that. And I</p> <p>23 appreciate the secretary's efforts, working with</p> <p>24 the legislature to make that happen. But we have</p> <p>25 another bridge right now that's being</p>

Page 114	Page 116
<p>1 under-utilized, and this would get traffic off the 2 new bridge and use that asset. 3 The second thing that I found 4 very appealing about this project when it was 5 presented to our delegation was the fact that a 6 contractor would potentially pay 100 percent of 7 this project. And that's something that I hope -- 8 today, I heard some of the testimony where there's 9 some issues in that respect for the first time. 10 But I've also heard from AECOM, their position that 11 they could potentially pay 100 percent of that 12 project. 13 So I hope that this committee 14 will continue to look at these proposals. I 15 believe that private/public partnerships are the 16 way of the future in our state for these mega 17 projects. And so I think this is a great 18 opportunity, and so I hope the committee would 19 evaluate all potential plans. And if there is a 20 plan where a contractor can pay for this and it's 21 not public funding, I think it's a win-win. 22 Thank you for your time. 23 REPRESENTATIVE ST. GERMAIN: 24 That was the truth of the last 25 statement. Thank you -- thank you, Representative</p>	<p>1 tomorrow. We need to do something, and I too agree 2 with -- standing here with our hands tied, studying 3 and studying and studying, we're not getting any 4 place. Something needed to be done. 5 REPRESENTATIVE ST. GERMAIN: 6 I know. And those of us that 7 are not engineers wish we could take study out the 8 proposal, but those of us who know what happens if 9 you do something negligently doesn't really help us 10 at all either. And that's being a non-engineer. 11 REPRESENTATIVE HONORE: 12 Right, and that is, but here 13 again, all I can say, is I'm a part of the capital 14 regional delegation and in favor of the BUMP. But 15 we got to move past what we doing today, and I 16 don't know how to do that. But we got to do 17 something to try to alleviate some of the problems 18 we got in Baton Rouge. 19 REPRESENTATIVE ST. GERMAIN: 20 And we can't solve them without 21 more money. 22 REPRESENTATIVE HONORE: 23 Right, I understand that. 24 REPRESENTATIVE ST. GERMAIN: 25 And we, absolutely, I am with</p>
Page 115	Page 117
<p>1 Foil, for always being on that transportation 2 side. 3 Mr. Kevin Durbin. 4 UNIDENTIFIED PERSON: 5 He had to leave. 6 REPRESENTATIVE ST. GERMAIN: 7 Oh, bless his heart. Okay. He 8 knows where to find me. 9 Representative Dalton Honore. 10 REPRESENTATIVE HONORE: 11 Thank you, Madam Chair. I 12 won't be very long either. 13 It appears, and I've sat here 14 as long as you have today, that we've reached an 15 impasse. We can't solve the problem today, but I 16 too -- the district I represent today as part of 17 the BUMP, proposed BUMP, take in that district. We 18 talk about the City of Baton Rouge that said it's 19 not feasible for them right now. They talking 20 about the BUMP -- I mean the loop. That reached a 21 dead end at one time looked like. 22 So I don't know. I'm here -- 23 I'm in favor of the BUMP, and I've gone on record 24 of that. Our delegation is in favor of it. But 25 we're talking about the BUMP today and the loop</p>	<p>1 you, need to solve -- unfortunately, right now, 2 it's going to be one step at a time. 3 REPRESENTATIVE HONORE: 4 Right, I totally understand 5 that. But again, I appreciate the opportunity to 6 appear before this -- 7 REPRESENTATIVE ST. GERMAIN: 8 Absolutely. I think it's a 9 great project too. 10 All right, Mr. Barry Huggins, 11 last but not least. I promise, since you from my 12 side of the river. 13 MR. HUGGINS: 14 Thank you, Madam Chairman, and 15 thank you members of the committee for the 16 opportunity to speak to you. And our parish 17 president couldn't be here today because he is part 18 of a group that's gone to St. Jude to do a benefit 19 for them and to cook for some of the families whose 20 children are being treated at St. Jude. 21 So I'm here to deliver a simple 22 message to you: Help. We're choking on the west 23 side of the river. And I listened to 24 Representative Carter, and I'm thinking, wow, some 25 of my folks have been calling him, because my folks</p>

Page 118	Page 120
<p>1 are frustrated. And hardly a day goes by that 2 somebody doesn't call me, email me, or stop me on 3 the street and say "when are you going to do 4 something," because we -- this is an intolerable 5 situation.</p> <p>6 I looked at all these proposals 7 that have been put forth. And will the BUMP solve 8 all of our problems? No, it won't.</p> <p>9 I don't think there's any one 10 single thing that's going to solve all of our 11 problems, but collectively, they're going to make a 12 big impact and they will make our problems a lot 13 better.</p> <p>14 So we're all for an 15 all-of-the-above solution. We'd like to see all of 16 these things implemented, and together I think that 17 they will improve our area dramatically. But if we 18 don't do something, then we're just going to sit 19 here in gridlock. And, you know, there's an old 20 saying that you eat an elephant one bite at a time, 21 and it's time for us to start taking a bite. And, 22 really and truly, we don't care if the bite is the 23 BUMP, we don't care if it's expanding I-10 through 24 Baton Rouge so that we can move traffic across the 25 river, it doesn't matter. But let's do something.</p>	<p>1 lack of money. And we have unsuccessfully in some 2 instances tried to help that, and maybe 3 successfully, coming up, we'll be able to put a 4 dent in it. But I'm with you on -- I'm tired of 5 talking about this. I'm with you on whatever the 6 next steps need to be to get -- look, the entire 7 state needs help, but the Baton Rouge region has 8 neglected -- not the legislators, not the governor, 9 not DOTD. But we had such a plan so many years ago 10 and it did not provide for the growth of the Baton 11 Rouge area.</p> <p>12 Because when I started coming 13 here -- everybody likes to give history -- in '89, 14 I promise you, I didn't have the problems that I 15 have had in the last eight years. And it's been 16 terrible. And we haven't funded transportation 17 like we should. And that's our fault.</p> <p>18 We need, as legislators, to 19 make this -- and finally, I think it is -- one of 20 the major top priorities, along with health care 21 and education. Because I say it all the time, you 22 can't go to the doctor and you can't go to school 23 without traveling on a road. And around here, 24 getting to either one of those is at least an hour 25 extra you leave just in case.</p>
Page 119	Page 121
<p>1 Let's not sit here and, as Representative Carter 2 said, study, study, study.</p> <p>3 I realize that there's a 4 certain amount of that that has to be done, but at 5 some point in time we just have to have the will to 6 move forward. And I thank you for an opportunity 7 to speak.</p> <p>8 REPRESENTATIVE ST. GERMAIN: 9 You are so quite welcome, and 10 please give Peewee my best.</p> <p>11 Okay, members, do we have any 12 other questions we need to be answered?</p> <p>13 My quick overview, since I know 14 Robert is about to chew me up. He's got to cancel 15 his -- usually he lengthens this meeting and then 16 he fusses me anyway.</p> <p>17 But all of this was important 18 today, on a serious note. This is not the least 19 amount of time or the most amount of time we've 20 taken. We took what we needed to take to listen to 21 everyone.</p> <p>22 And as, right now, the sitting 23 legislator, who, along with Senator Adley, have a 24 lot of information about all of the transportation 25 issues, the biggest problem that we have is the</p>	<p>1 I'm going to go ahead I think 2 -- do I have any opinions from the members? 3 Representative Smith -- I mean, 4 Senator Smith.</p> <p>5 SENATOR SMITH: 6 Where does this leave us? I'd 7 like to hear from the secretary a minute, because, 8 you know, I mean, as we make a proposal here -- we 9 make a motion and a proposal here, we know from the 10 staff a minute ago we're going to be short to go -- 11 if we go forward with this, we're going to be short 12 financially to make the obligations. We have 500, 13 approximately, left in the approximately 750, 775.</p> <p>14 How long is the study? I mean, 15 where does it leave us? I mean, and if we don't go 16 forward with this today, where does that leave us, 17 because we know -- we've heard one thing that's 18 consistent, that we have a problem. We all knew we 19 had a problem. That's why this committee is here. 20 We know we have to do something. But I haven't 21 totally heard anybody who said we are in love with 22 this. They just all said we need something.</p> <p>23 So if you could give us a 24 little bit of a -- and where we leave ourselves one 25 way and the other, knowing that we are -- we do</p>

Page 122

1 have some money, but we are short.
 2 **REPRESENTATIVE ST. GERMAIN:**
 3 Okay, Secretary LeBas.
 4 **SECRETARY LEBAS:**
 5 Well, Senator Smith, you know
 6 -- and the people in the audience, I mean, I think
 7 we have heard a lot of great comments and a lot of
 8 support for the project. And I think that's
 9 important to note that the project -- the project
 10 is the BUMP. And we all know that there's not one
 11 single solution for the region.
 12 So we need -- as a group, we
 13 need to either vote to continue the PPP process,
 14 okay, and you heard that that process would be
 15 about 750,000 just to get to the PDA. That doesn't
 16 include the cost of the PDA. Okay? That's an
 17 additional to the 750,000. And you've heard that
 18 we have 500,000 remaining in a cash line of credit
 19 in capital outlay money. So that's where we are on
 20 the financial part.
 21 But if this body votes to not
 22 continue with the PPP, that does not mean that we
 23 cannot continue with the project. Okay? So if
 24 this body chose not to continue with the PPP, one
 25 idea or option could be that the remaining \$550,000

Page 123

1 that we have remaining is that we could complete
 2 the feasibility study. HNTB has done a good part
 3 of it, and it could be completed with the 550,000.
 4 Okay?
 5 When that feasibility study is
 6 completed, there's nothing that prohibits the LTA
 7 coming together again and looking at this and
 8 having the option to go out with the solicited PPP,
 9 if this body so chose.
 10 So, you know, I do believe as a
 11 body, we do have options. So I just want to be
 12 clear that even if it's not decided to go with this
 13 PPP at this time, with solicitations, that we can
 14 finish the feasibility study and actually -- and
 15 have it deliverable for this body with the
 16 remaining money that remains in capital outlay.
 17 And just to be clear about
 18 studies and environmental assessments and all that,
 19 I do want to talk about that those -- you know,
 20 there's federal requirements that we go through.
 21 We follow the need for process and it's a federal
 22 requirement. So I understand the frustration with
 23 study, study, study. But we do need to --- we have
 24 a process and that is feasibility studies, and then
 25 we go into the environmental assessment, which is a

Page 124

1 federally-mandated process. So, you know, keep
 2 that in mind.
 3 But we've got to stay together
 4 as a group. And my humble opinion is that we need
 5 to keep looking again at the regional approach,
 6 because there's not one cure-all. And I've gone --
 7 I think Will Sentell wrote that in the paper there
 8 and used those exact words.
 9 So we've got to continue
 10 looking at the solution that -- solutions along
 11 I-10, a new Mississippi River Bridge, and the BUMP,
 12 and the west-side expressway.
 13 So, again, just because if --
 14 if we decide not to move forward with the BUMP,
 15 doesn't mean that we're not moving forward with
 16 this project. So I heard a lot of support for the
 17 project. I hope that helps. Okay.
 18 **REPRESENTATIVE ST. GERMAIN:**
 19 Okay. Any other comments?
 20 Okay. Any suggestions from the
 21 members?
 22 All right. Well, I'm going to
 23 -- I need to put this in my head and know how much
 24 I support all of the projects in East Baton Rouge.
 25 But at this point of the LTA -- and the bad news is

Page 125

1 the LTA goes forward just until the new
 2 administration takes over and the new legislative
 3 process. And we -- even with the money we have, we
 4 don't really have enough to do this right, and that
 5 would not be fair to the proposers, who have done a
 6 lot of work. And we appreciate that -- I can't
 7 tell you how much I appreciate the thought of PPP
 8 starting soon and everywhere in this state. But
 9 this is the LTA's pretty much final meeting of the
 10 year, so we need to make a decision.
 11 So I think my motion today is
 12 going to be to reject the unsolicited proposal for
 13 the PPP, not go forward with the advertising for
 14 competing proposals, and to recommend that the DOTD
 15 use the remaining money to complete the feasibility
 16 study on the BUMP, make recommendations to the LTA,
 17 and absolutely talk about when to advance the BUMP
 18 upon completion of the study.
 19 And I can give you -- I can
 20 give you that floor if you want -- you got it on
 21 record? Okay. It's hard to repeat that at one
 22 time.
 23 So that's my motion, I put it
 24 forward.
 25 Do I have any discussion? Any

<p style="text-align: right;">Page 126</p> <p>1 objections?</p> <p>2 With all the sorriness in me, I</p> <p>3 move that -- no objections, so moved.</p> <p>4 Okay. Now, that's the hardest</p> <p>5 -- that would be the hardest issue I've had to</p> <p>6 deal with for one simple reason only, we need to</p> <p>7 get funds, and we need to stop having to do this.</p> <p>8 But we need to thank the groups, the AECOM for your</p> <p>9 wonderful information and proposal, and we hope you</p> <p>10 don't go far when we're ready to move this process</p> <p>11 forward.</p> <p>12 Thank you. The meeting is</p> <p>13 adjourned.</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p style="text-align: right;">Page 128</p> <p>1 parties herein, nor am I otherwise interested in</p> <p>2 the outcome of this matter.</p> <p>3 This certification is valid only for a</p> <p>4 transcript accompanied by my original signature and</p> <p>5 original required seal on this page.</p> <p>6 Signed on November ____, 2015.</p> <p>7</p> <p>8</p> <p>9 Judy S. Diel, CCR</p> <p>10 CERTIFICATION NO. 91129</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>
<p style="text-align: right;">Page 127</p> <p>1 C E R T I F I C A T E</p> <p>2</p> <p>3 I, Judy S. Diel, Certified Court</p> <p>4 Reporter, Certificate No. 91129, in and for the</p> <p>5 State of Louisiana, do hereby certify that the</p> <p>6 foregoing 126 pages were transcribed by me from</p> <p>7 AUDIO ONLY (CD), and is a true and correct</p> <p>8 transcript to the best of my ability and</p> <p>9 understanding of only the AUDIO recording; that the</p> <p>10 transcript has been prepared in compliance with</p> <p>11 transcript format guidelines required by statute or</p> <p>12 by the rules of the board, and that I am informed</p> <p>13 about the complete arrangement, financial or</p> <p>14 otherwise, with the person or entity making</p> <p>15 arrangements for services; that I have acted in</p> <p>16 compliance with the prohibition on contractual</p> <p>17 relationships, as defined by Louisiana Code of</p> <p>18 Civil Procedure Article 1434 and in the rules and</p> <p>19 advisory opinions of the board; that I have no</p> <p>20 actual knowledge of any prohibited employment or</p> <p>21 contractual relationship, direct or indirect,</p> <p>22 between a court reporting firm and any party</p> <p>23 litigant in this matter, nor is there any such</p> <p>24 relationship between myself and a party litigant in</p> <p>25 this matter. I am not related to counsel nor the</p>	