



Belle Chasse Bridge & Tunnel Replacement

State Project No. 700-38-0108

Plaquemine Parish

Project Report

This report and recommendation is prepared in compliance with R.S.48:250.4 to acknowledge the suitability and seek approval for delivering the project as a solicited Public Private Partnership.

PROJECT

Project Name: Belle Chasse Bridge & Tunnel Replacement

Sponsoring Agency: LADOTD

Project Concept: Public Private Partnership

BACKGROUND

Description: Belle Chasse Highway (LA 23) is approximately 1.4 miles from LA 3017 to LA 406. The corridor is four lanes with a divided section (raised median) except at the bridge and tunnel. The movable bridge was constructed in 1967 and the tunnel in 1955. The LA 23 corridor has a current traffic volume in excess of 33,000 vehicles per day.

A new mid-level fixed-span bridge is proposed to replace the existing moveable bridge and the tunnel. The project will span the Gulf Intracoastal Waterway on Louisiana Highway 23 in Belle Chasse, Louisiana. To the northwest, LA 23 connects to I-910 in the City of Gretna. To the southeast, LA 23 connects to the Belle Chasse Naval Air Station, the census-designated place known as Belle Chasse, and the Scarsdale Ferry crossing the Mississippi River.

Purpose & Need: The Belle Chasse Tunnel and Perez Bridge are the primary access point to the residents, businesses, and industries of western Plaquemines Parish. The purpose of the project is to improve the transportation system by reducing or eliminating delays associated with operations and maintenance of aged infrastructure subject to planned and unplanned closures. Replacement of the tunnel and bridge will support the Naval Air Station and improve efficiency in daily commutes and hurricane evacuation capacity alike, while providing opportunities for industrial growth dependent on reliable transportation infrastructure. Replacement of the existing tunnel and bridge will allow for more efficient allocation of resources by LADOTD as well as providing more dependable access for the military base, business and industry, and residents.

The need for the project is to replace unreliable and inefficient infrastructure. The tunnel and bridge are subject to frequent, costly and unpredictable operations for repair and maintenance. At times, breakdowns or scheduled maintenance activities result in the closure of one of the crossings requiring two-way traffic operation on the other structure leading to extensive delays.

Status: The project is to replace the existing tunnel and adjacent bridge with a fixed-span 4-lane bridge. Currently, the two southbound lanes use the tunnel and the two northbound lanes use the movable bridge. Both structures are nearing the end of their design life.

The total estimated cost of the project is \$122 million.

The project is currently in the environmental phase (EA) which is estimated to be complete in 2018. Topographic survey and subsurface utility engineering are underway. Plan development is not scheduled to commence until the environmental assessment is complete.

Improvements to LA 23 remain a top priority (Megaproject Priority A) in the 2015 Louisiana Statewide Transportation Plan and a Tier III implementation project (FY2029-2044) in the Metropolitan Transportation Plan adopted by the NORPC.

LADOTD studied the feasibility of tolling this project. The results indicate that tolling can be very successful. It is anticipated that, through a public-private partnership (PPP), bridge tolls will cover future operation and maintenance cost until the toll revenue bonds to construct the bridge are paid. At that time, LADOTD will assume responsibility operations and maintenance costs in the regular capital and operating budgets.

RECOMMENDATION

The Secretary of LADOTD has determined that it is in the best interest of the taxpayers to solicit a proposal for a public private partnership to deliver the Belle Chasse Bridge and Tunnel Replacement project for the following reasons:

In the areas identified, the private sector has the ability to leverage its financial, technical, and managerial resources to control the overall risk associated with the project and bring greater value.

- Design and construction of a tunnel and bridge in compliance with the environmental document's record of decision in a constrained area;
- Complex maintenance of traffic and sequence of construction requirements;
- Operation and maintenance of existing tunnel and bridge during construction;
- Potential tolling integration and back-office services;
- Ongoing routine and major maintenance expenses for the facility and tolling equipment;

- Coordination with federal agencies along the corridor, which will require specific permits for construction;
- Potential utilization and coordination of traditional financing mechanisms as applicable on the project; and
- Potential utilization of private sector financing, which may include private activity bonds, bank financing, and equity contributions.

Under a public private partnership delivery method, project efficiencies could be recognized in the areas identified:

- Utilizing a single contracting instrument for the financing, design, construction, maintenance, and operation of the facility would allow the Department to have a single point of contact with the private sector and not have to administer multiple contracts with varying levels of risk and liability.
- In addition, the Department could include the operation of the LA 1 toll facility under the proposed contracting instrument; and
- Due to private sector's higher appetite for revenue risk, advancing as a privately financed project could yield higher revenue projections and thus provide additional financial resources such as private sector equity investment, reducing the need for public funding.