Joint Transportation Committee

P3: Belle Chasse Bridge & Tunnel Replacement Project

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Today’s Discussion

- Belle Chasse Tunnel and Bridge Replacement
  - Project Status and Update
- INFRA Grant
- Public-Private Partnership (P3)
  - Lessons Learned
  - Statutory Authority and Process
- Comprehensive Timeline
Belle Chasse Bridge and Tunnel

- LA 23 access between Jefferson and Plaquemines Parishes
  - Principal arterial over the Gulf Intracoastal Waterway (GIWW)
  - Antiquated tunnel (1956) and moveable bridge (1968)
    - Congestion creator
    - Costly to operate and maintain; replacement overdue and inevitable
    - New structure to leverage revenue that would otherwise be used for scheduled maintenance

- Category A Megaproject and a Parish and MPO priority
Belle Chasse Bridge and Tunnel

- NEPA process initiated in 2012, est. complete Dec. 2018
  - Three Reasonable Alternatives
INFRA Grant
INFRA Grant

➢ On Nov. 2, 2017, DOTD submitted application for Infrastructure for Rebuilding America (INFRA) grant

- LA 23 Belle Chasse Bridge & Tunnel Replacement
- Total cost of approx. $125M
  • Requesting $50 million from USDOT
  • Received 21 support letters
  • Summer 2018 award announcement
INFRA Grant (Cont’d)

- INFRA grant was sought to leverage other funds for construction of a new four-lane bridge over the Gulf Intracoastal Waterway (GIWW) on LA 23

- This project was the most competitive:
  - Economic vitality
  - Leveraging federal funds
  - Innovation
  - Performance & accountability
Public Private Partnerships (P3)
Lessons Learned from DOTD’s RFI on P3s

- Interest exists – 25 respondents
  - developers/concessionaires (12), contractors (1), technical (7), financial (4), and legal (1)
- Preference for DBFOM
  - O&M can be bundled
  - Can be relatively short-term
- Public support important
- Clearly Identify:
  - Public policy objectives
  - Rationale for private sector involvement
- Financial focus on enhancing funding
- Continuous interaction between private-partner & stakeholders
Why Consider P3s For Infrastructure Delivery?

- Maximize value and use of transportation assets
- Generate new sources of revenue for transportation projects
- Utilize innovative contracting to transfer risk to private-partner
- Offer technological advancements
- Advance public policy consistent with national trends
- Leverage current investments and funding with outside sources
P3 Statutory Authority

- P3 Authority Established for Louisiana in 2001, More Defined Process in 2006
  - Solicited and unsolicited
  - Many P3s have since been executed across the nation

- Act 519 of the 2016 Regular Session
  - Statutory authority granted to DOTD for solicited P3s
  - Narrowed scope of unsolicited P3s to category A&B Megaprojects
Statutory Requirements (48:2084):
- Serves public purpose
- Public need for facility
- Interconnection with existing facilities and compatible with state transportation plan/local government
- Reasonable cost in comparison
- Timely development or more efficient operation of transportation facility
Statutory P3 Procurement Process

- Joint Committee Approval for Solicitation
  - Refer to Handout for DOTD Recommendation
Actions to Date

- DOTD Identified Project
- Communicated Intent to Community Leaders
  - Governor
  - Committee Leadership
  - Parish President, Council
  - Local legislators
  - PABI
- Seeking Committee Approval Today
Prior to P3 Selection

- Public engagement on impacts of P3
- Develop P3 Solicitation
  - Scope
  - Complexity of facility
  - Priority of facility
  - Risk sharing
  - Added value
  - Private debt/Equity investments
  - Dedicated revenue source
  - Other economic benefit
- Communicate the number of interested parties
Prior to a P3 Selection

- Presentation of draft RFQ and RFP to Joint Committee
  - Receive Comments
- Modify as needed
- Issue RFQ and RFP
Prior to P3 Selection

- Evaluate proposals
  - Price
  - Cost of facility
  - Reputation
  - Industry experience
  - Financial capacity
  - Design
  - Time
  - Local concerns
  - Efforts to assist minority business and employ contractors and residents

- Present “short-list” to Joint Committee
- Joint Committee meeting on selected proposal for public comment
Trilateral Timeline

- Expected to begin procurement process early 2018
- INFRA grant announcements summer 2018
- P3 proposals would be due 4th quarter 2018
- Environmental process complete Dec. 2018
- Contract would be awarded summer of 2019
- Project open to traffic 2022-2023
  - Contingent on P3 Partner
Questions/Comments/Concerns

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