

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **SB 159** SLS 15RS 436  
 Bill Text Version: **ENGROSSED**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> April 30, 2015 8:16 AM	<b>Author:</b> HEITMEIER
<b>Dept./Agy.:</b> DOTD/DOA Facility Planning and Control	<b>Analyst:</b> Alan M. Boxberger
<b>Subject:</b> Authorizes design-build contracts for new ferries and bridge	

PUBLIC CONTRACTS EG SEE FISC NOTE SD EX Page 1 of 1  
 Authorizes design-build contracts for new ferries on the Mississippi River and bridges that replace tunnels. (gov sig)

Proposed law authorizes any regional transit authority created by law to let a single contract combining the design and construction phases for any new ferry project on the Mississippi River; provides for definitions; requires that the authority adopt a resolution establishing the design-build program and specifies the minimum contents; establishes certain procedures and limitations regarding the design-build contract; requires that legal challenges to the choice of the designer-builder must be filed within seven calendar days of contract award and provides for certain limitations; provides that a contract for a stipulated maximum total cost may be executed; authorizes the increase or decrease in the final cost of the contract to account for certain conditions; provides that proposed law supersedes conflicting provisions of law relative to bidding for public contracts; allows DOTD to give priority and advance to construction in an expedited manner; authorizes use of any source of funds; authorizes use of any contract method provided by law; authorizes DOTD to combine design and construction phases in certain instances; adds ferries and tunnels to the illustrative list of transportation facilities; requires DOTD to consider a design-build contract to replace a specified tunnel and for the department to report to the legislature no later than 2/1/16.

EXPENDITURES	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW					
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
<b>Annual Total</b>						

REVENUES	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
<b>Annual Total</b>	\$0	\$0	\$0	\$0	\$0	\$0

**EXPENDITURE EXPLANATION**

There is no anticipated direct material effect on governmental expenditures as a result of this measure. Proposed law authorizes any regional transit authority to let design-build contracts for new ferries on the Mississippi River. Proposed law allows DOTD to give priority and advance to construction as expeditiously as possible any bridge project where a bridge replaces a tunnel. Proposed law directs DOTD to consider a design build contract to replace the tunnel on LA23 and to submit a written report with recommendation to the legislature by 2/1/16.

Authorization for Design Build: DOTD does not anticipate any fiscal or programmatic impact as a result of proposed law.

Allowable Priority to Bridges that Replace Tunnels: This provision was switched from mandatory to permissive by Senate Committee amendment. Were DOTD to exercise the option to prioritize bridges that replace tunnels, this option would preempt the standard process associated with prioritization of projects in the highway priority program. According to DOTD:

- For FY16, the overall capital outlay budget for the bridge program is approximately \$130M.
- There are currently three tunnels in the state system: Houma, Harvey and Belle Chase
  - Houma - No current project underway for replacement
  - Harvey - A major rehabilitation project is in the final planning stage, but the tunnel will not be replaced by a bridge due to proximity of the West Bank Expressway.
  - Belle Chase - A replacement project is currently in Stage 1 (environmental process). The projected total cost, depending on the alternate site ultimately selected, could be in the range of \$125M-\$130M.

DOTD reports exercising the option to place the Belle Chase replacement project into a high priority category could consume all, or a significant portion, of the federal and state budget allocation for the bridge program for one fiscal year and potentially a portion of a second. Such action could delay bridge projects currently in the funding pipeline.

Report to legislature on LA23: DOTD routinely prepares analyses and reports to the legislature with existing resources.

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure.

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| <u>Senate</u>   | <u>Dual Referral Rules</u>   | <u>House</u>   |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}       | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}                    | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 Rev. Red. to State {H & S} |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |  |

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