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John Bel Edwards, Governor  
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October 07, 2021

Senator Mack “Bodi” White Jr.  
Chairman  
Joint Legislative Committee on the Budget  
State Capitol, 900 North Third Street  
Baton Rouge, LA 70802

Representative Jerome “Zee” Zeringue  
Vice Chairman  
Joint Legislative Committee on the Budget  
State Capitol, 900 North Third Street  
Baton Rouge, LA 70802

**SUBJECT: GARVEE PROGRAM UPDATE**

Dear Senator White and Representative Zeringue:

The Louisiana Department of Transportation and Development (DOTD) has been granted approval to issue \$650 million Grant Anticipation Revenue Vehicle bonds (GARVEE) to construct four (4) projects. The Joint Legislative Committee on the Budget (JLCB) in 2019 approved GARVEE bonds providing \$217 million and approved a second series of GARVEE bonds in 2021 providing \$182 million for a total of \$399 million in GARVEE bond proceeds. DOTD has currently expended \$182.1 million. GARVEE bond proceeds are available to provide the necessary funding to complete the current projects and provide funding for the I-10 reconstruction early works package requirement in East Baton Rouge Parish.

Currently all four (4) GARVEE projects have been awarded, however the I-10 reconstruction and widening project is divided into phases. The detailed update is as follows:

1. The I-220/I-20 Interchange Improvement and Barksdale Air Force Base Access Project in Bossier Parish was given the notice to proceed (NTP) on April 24, 2019 with \$78.8 million in GARVEE bonds programmed. To date, \$62.4 million of GARVEE bonds have been expended and the expected completion date is July 2022. Project updates include the following:
  - a. Construction of the new loop ramps and connector distributor road continues.
  - b. Bridge construction is nearing completion.
  - c. Change order approved to include cleaning and painting of existing bridge structures. Cost will increase by \$5M and the project completion date extended from December 2021 to July 2022.
  - d. Issues: The I-220/I-20 Interchange will be completed along with the painting of the existing structure by July 2022 which is ahead of the completion of the connecting Barksdale AFB project. The USAF is waiting on the FY22 National Defense Authorization Act and Military Appropriations Bill to be signed. Once the USAF has the authorization and a notice to proceed is given the Barksdale AFB access project will take 486 days to construct.
2. The I-10/Loyola Dr. Interchange Improvement Project in Jefferson Parish was given an NTP on August 30, 2019 with \$138.8 million in GARVEE bonds programmed. To date,

\$93.1 million of GARVEE bonds have been expended and the expected completion date is November 2022. Project updates include the following:

- a. The project design is completed with the exception of several minor revisions to accommodate construction and decide specifics on aesthetics of the piers and noise walls.
  - b. The right of way acquisition is completed and the utility relocation currently does not show delays to project completion.
  - c. Portions of I-10, the 2 flyover ramps, Duncan Canal Bridge widening, Loyola Drive, and Terminal Drive are in the construction phase.
    - i. Phase 1 footings and flyover piers are almost all complete.
    - ii. Steel girders above I-10 have been erected. Deck forms and reinforcing steel for the decks are being installed.
    - iii. LG-36 Concrete Girders are erected and deck forms are being installed. Several of the LG Girder decks have been poured.
    - iv. Several of the slab span decks on the I-10 side of the flyover ramps have been poured.
    - v. The ramp approaches fill and surcharge are constructed.
    - vi. The embankment for the inside widening of I-10 is near completion.
    - vii. Pile driving, footing construction, and pier construction for bents for the flyover ramps along Loyola have begun. Several footings and piers have been constructed.
    - viii. Some striping modifications to terminal drive and Loyola drive have been completed in preparation for work on terminal drive and Loyola drive.
    - ix. Portions of Terminal Drive's fill and surcharge is constructed.
    - x. Embankment in the SE quadrant of Loyola for the DDI is near completion.
    - xi. Embankment and base course for the temporary at grade eastbound entrance ramp has been completed.
    - xii. Asphalt operations in the SE quadrant, temporary at grade eastbound entrance ramp, and I-10 widening should begin soon.
    - xiii. Many added and modified drainage structures have been constructed.
  - d. Hurricane Ida has caused minor damage to the project and has shutdown work for the past few weeks. The contractor is beginning to mobilize back to the project site in full force. In the downtime from the storm the contractor was able to begin minor repairs to project signage and temporary works.
3. The I-10; LA 415 to Essen on I-10 and I-12 Project in East Baton Rouge Parish due to the complexity of this project is being phased. The projects let or programmed to be let include the College Drive flyover, the KCS Bridge replacement at Acadian (Valley Street), and Segment 1 defined as the section in both directions of the I-10 mainline west of Washington Street to the on and off ramps at Perkins Road. Project updates include the following:
- a. The KCS Bridge replacement at Acadian (Valley Street) has been executed by all parties. \$6.9 million in GARVEE bonds has been budgeted and will be transferred to KCS in accordance with the standard railroad agreements. The KCS railroad will solicit bids and oversee construction.

- b. The College Drive Flyover NTP was given on August 25, 2020 with \$57.4 million in GARVEE bonds programmed. To date, \$13.8 million GARVEE proceeds have been expended and the project completion is expected by April 2023.
- c. The estimated Contract award for Segment 1 defined as the section in both directions of the I-10 mainline west of Washington Street to the on and off ramps at Perkins Road is expected to be 3<sup>rd</sup> quarter 2022. The estimated construction cost of Segment 1 is \$394 million.
  - i. The CMAR Construction Contract for pre-construction activities was awarded in November 2020 for the I-10 widening and reconstruction project and the CMAR team continues collaboration on the design.
  - ii. A value engineering proposal being considered would extend Segment 1 from Perkins Road through the Acadian Thruway interchange for an additional \$200 million with no time added to the construction schedule.
4. The LA 23 Belle Chasse Bridge and Tunnel Replacement Project in Plaquemines Parish was given the NTP on December 20, 2019 and the project cost is \$181.3 million. The \$12.5 million out of the \$17 million in GARVEE proceeds authorized by the JLCB for this project have been expended. Project updates include the following:
  - a. The design is on-going.
  - b. Utility relocation coordination is on-going.
  - c. Real Estate acquisition services are on-going.
  - d. There are currently no issues.

In summary the GARVEE Bond Program is proceeding on schedule and no significant issues have been identified. The first series of GARVEE bonds was issued in April 2019 and the second series of GARVEE bonds was issued in May 2021 for a total bond issuance of \$340 million resulting in \$399 million in GARVEE proceeds for project construction. To date, \$182.1 million has been expended and based on the anticipated project spend down it is expected that the third series of GARVEE bonds will be issued in May 2023.

If additional information is required please contact me or Undersecretary Barry Keeling at [barry.keeling@la.gov](mailto:barry.keeling@la.gov) or (225) 379-1270.

Sincerely,



Shawn D. Wilson, Ph.D.  
Secretary

SDW: BK: ygm

c: Joint Legislative Committee on the Budget