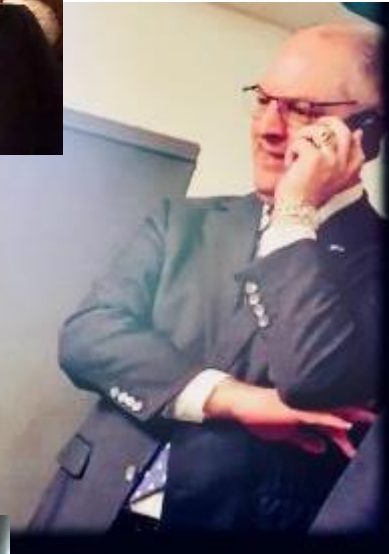


2019 ACECL Project Outlook

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Secretary**

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Today's Discussion

- The last 4 years
- Where Are We Today
 - Safety remains a priority
 - Innovative funding and delivery
- What is the Outlook
 - DOTD Budget
 - Long Term Implications

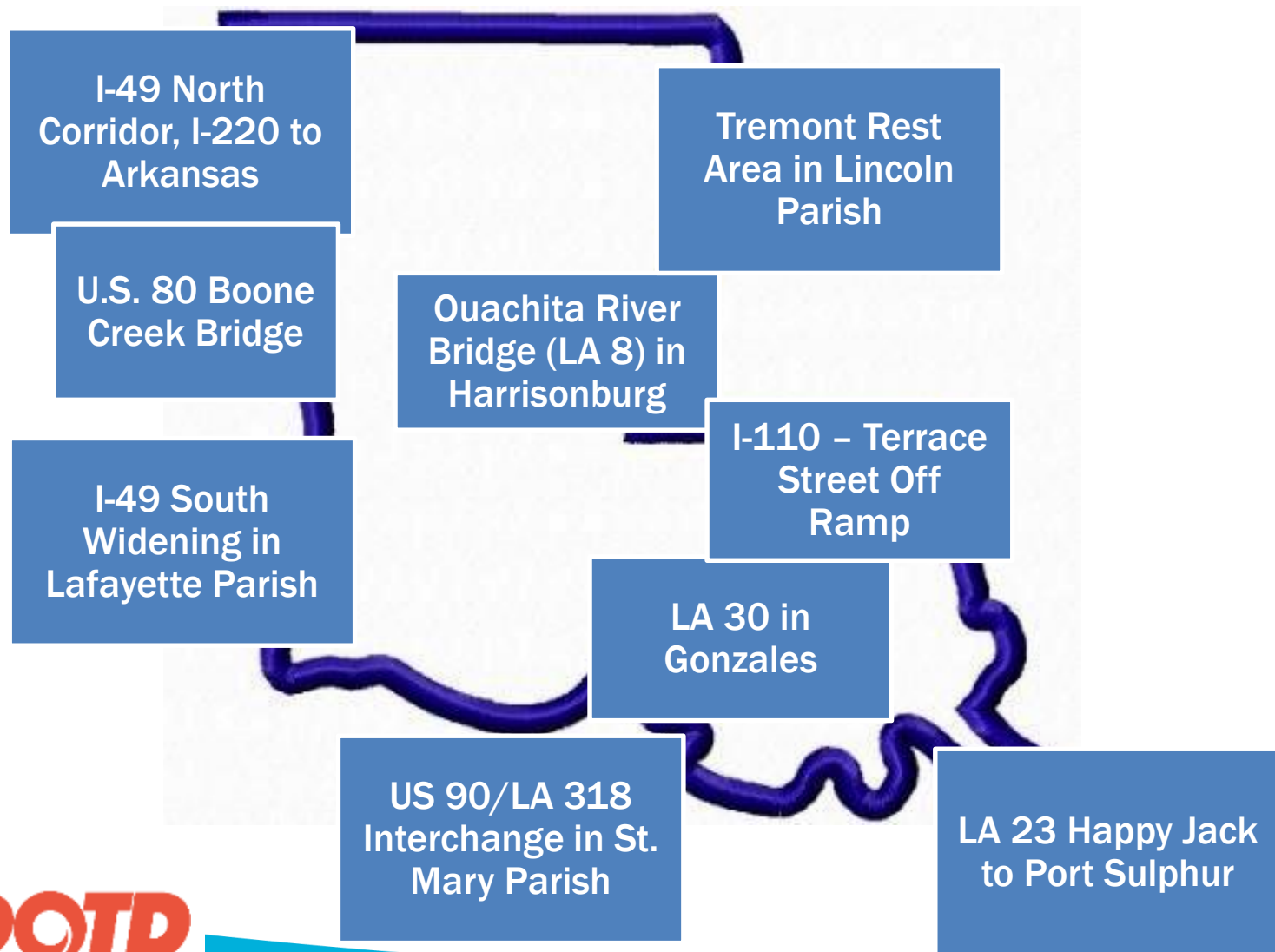
The Last Four Years

- We have invested \$2.6 Billion in 1,215 projects
- Gov. Edwards eliminated diversion, pre-constitutional amendment, and doubled the Port Priority Program
- Pushed dialogue on Transportation and shifted the narrative
 - DOTD can deliver when the tools are provided.
 - Utilized innovative approaches to find funding for projects
 - Secured the most federal funding in state history for projects.
 - Encouraged and received bipartisan support through committee for a fuel tax to generate over \$500M toward infrastructure projects.

In Spite of All The Good

- The current backlog of projects is \$14.3 billion and a sustainable solution is obvious, and accepted by citizens.
- Consumeraffairs.com ranked Louisiana as having the 2nd worst roads in the country. Factors were:
 - Dollars spent per mile - LA spends only \$39 per mile
 - Percent of total capital spending toward roads
 - Crash fatalities
 - Survey 1400+ people

Major Projects Completed



Major Projects under Construction



Where Are We Today



Moving in the Right Direction

➤ Safety

- DOTD has made significant progress in regards to safety:
 - Louisiana's safety numbers over the last two years have maintained – what we are doing is working
 - In 2018 DOTD saw a 40% increase in pedestrian fatalities. That number has shrunk in 2019 (awaiting stats)
 - Invested \$99 M in almost 700 miles of cable barriers along every major interstate and US190 corridors
- As the new administration takes shape, we will be rolling out additional safety initiatives I believe will offer value.

Implementing Innovation

- GARVEE Bond Program Launched in April 2019
 - DOTD has now launched a GARVEE bond program of \$650 million for selected projects.
 - First series was sold in April 2019 - \$185,000,000 - 12-year level debt;
 - DOTD has advanced a number of projects to move Louisiana forward
 - LA 23, the State's first Public Private Partnership is in ongoing negotiations
 - I-220/Barksdale AFB interchange, constructing a new entrance into BAFB broke ground May 2019. Roadway construction will start near the top of 2020
 - The I-10 Loyola Interchange project, broke ground in early October, will be one of two Diverging Diamond Interchanges in the State
 - Last night completed the final public hearing on the I-10 corridor from LA 415 to the 10/12 Split

House Bill 578 Projects

➤ The \$689 BP settlement revenues will be applied to ~\$1B of projects as identified below:

- PH2 LA1 between Golden Meadow and Leeville- \$150,000,000.00
- LA415 Bridge at Intracoastal Canal - \$125,000,000.00
- I-49 South - \$150,000,000.00
- I-49 North Inter-City Connector - \$100,000,000.00
- LA 3241 to Bush - \$50,000,000.00
- Bridge Program – \$40,000,000.00
- Cameron Parish Ferry - \$20,000,000.00
- Sugarhouse Rd to LA43 - \$19,000,000.00
- Port of New Orleans cranes - \$20,000,000.00
- Hooper Rd widening from LA3034 to La37 - \$15,000,000.00

House Bill 578 Projects

- 2019 Legislative Session did not provide
 - Funding to cover construction inflation or contingency
 - Funding to cover finance charges associated with bonding
 - A clear timeline for projects in varying stages of project development
- DOTD is developing a plan for project delivery and financing that may leave a funding gap to be filled with TTF, capitol outlay, or other funding to be determined
- Projects are being advanced to optimize use of HB578 funds that takes into account:
 - Project readiness
 - Cost of time delay
 - Full Funding

What is the Outlook

Department Overview FY 20 \$1.9B

Funding Breakout

by Type of Revenue

Legend	DOTD Means of Financing	Operating Budget 2019 - 2020	Capital Outlay Budget 2019 - 2020	Total Budget 2019 - 2020
	Fees & Self-Generated Revenue	\$26,182,415	\$30,000,000	\$56,182,415
	Interagency Transfers	\$13,067,597	\$4,000,000	\$17,067,597
	Other Statutory Dedications	\$1,550,144		\$1,550,144
	State General Fund	\$0	\$39,389,978	\$39,389,978
	Cash Lines of Credit	\$0	\$182,712,322	\$182,712,322
	GARVEE Bonds	\$0	\$185,000,000	\$185,000,000
	Reallocated Bonds	\$0	\$186,800	\$186,800
	State Hwy Improvement Fund (NFA)	\$5,000,000	\$36,000,000	\$41,000,000
	TTF-Federal	\$147,976,554	\$685,623,446	\$833,600,000
	Federal Funds	\$21,632,793	\$2,500,000	\$24,132,793
	TTF-Regular	\$410,453,970	\$152,546,344	\$563,000,314
	Total Means of Financing	\$625,863,473	\$1,317,958,890	\$1,943,822,363

Budget Partition FY 19-20

<input type="checkbox"/> System Preservation/Sustainability	\$380 M
<input type="checkbox"/> Operations/Motorist Services	\$ 52 M
<input type="checkbox"/> Safety	\$ 61 M
<input type="checkbox"/> Additional Capacity	<u>\$ 0 M</u>
Sub-total	\$493 M

<input type="checkbox"/> Quality of Life/Local Public Assistance	
✓ Transportation Alternatives Projects	\$ 4 M
✓ Intermodal Connectors	\$ 15 M
✓ Congestion Mitigation/Air Quality	\$ 6 M
✓ Federal & State Earmarks/Miscellaneous	\$ 21 M
✓ Road Transfer	\$ 21 M
✓ Other Local Public Assistance	<u>\$ 71 M</u>
Sub-total	\$138 M

<input type="checkbox"/> GARVEE Construction and Debt Service	\$184 M
<input type="checkbox"/> PPP Construction	<u>\$125 M</u>
Sub-total	\$309 M

Grand Total	\$940 M
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Budget Sub-Partition System Preservation

<input type="checkbox"/> Pavement Preservation (non-Interstate)	\$ 160 M
<input type="checkbox"/> Pavement Preservation (Interstate)	\$ 76 M
<input type="checkbox"/> Bridge Preservation (on-system)	\$131 M
<input type="checkbox"/> Bridge Preservation (off-system)	<u>\$ 13 M</u>
TOTAL	\$380 M

Second Term Focus - Delivering

- A firm commitment to moving major infrastructure projects
- Addressing state bridges
- Planning for the future of moving people
- Building our brand
- Improving the business processes within DOTD

Opportunities

- Become more innovative in project delivery
- New faces in the legislature
 - **64** new legislators who are unaware of how projects are selected, funded, the ramifications of certain stances (46/18)
- Put the “Commerce” in Multimodal Commerce
- Resource our Districts with equipment
- Recruit and Retain a knowledgeable staff at DOTD
- Finding funding to deliver on the needs of the State

The Identified Solution

- DOTD has done well with what we have been given, collaborating with federal and local partners to find innovative ways to fund and deliver projects.
- In 2017, we established sound policy and pushed for a fuel tax of 17 cents indexed with CPI, that would have moved the State away from relying on one time money.
- We have examples of what success looks like in other states where partisan politics are put aside and a fact based discussion is had.

At the End of the Day

➤ Opportunity Awaits

- Moving forward under this administration is our opportunity to capitalize on the ground we've made and for the first time in decades move Louisiana forward.

➤ What DOTD Wants

- To be able to say we delivered: overlay, safety, widening, road transfers, mega projects.
- To look back in 4 years and not recognize the state we are in because transformative projects are being built and people are moving.

Questions?