



LA 3241: I-12 to Bush State Project No. h.004985 St. Tammany Parish

Project Report

This report and recommendation is prepared in compliance with La. 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: LA 3241: I-12 to Bush
Sponsoring Agency: LA DOTD
Project Concept: Public Private Partnership

BACKGROUND

Project Background: The LA 3241 project was planned as part of the Transportation Infrastructure Model for Economic Development (TIMED) Program, for which legislation was passed in 1989. The 30-year delay in delivering this project is attributable to poor financial forecasting that resulted in an overextended debt service extending to 2045 that, when combined with a prolonged permit process, caused an unacceptable delay to this very critical project.

Project Description: The LA 3241 project would construct two lanes of an ultimate four-lane principal arterial highway from I-12 to the southern terminus of LA 21 in Bush, Louisiana. Currently, LA 21 is a four-lane divided highway between the City of Bogalusa, in Washington Parish, and Bush, in St. Tammany Parish, ending at its intersection with LA 41. Most of the project is on new alignment with a maximum right-of-way (ROW) width of 250 feet; however, the initial section near I-12 would expand an existing two-lane highway, LA 434, to four lanes. Other than the initial section, the facility will be full Control-of-Access (COA) with the exception of two at-grade intersections with major east-west routes which can be grade-separated in the future. Therefore, the travel speeds, reliability, and safety will be far superior to that of conventional highways.

Purpose & Need: The LA 3241 project would provide an alternative north-south connection that would reduce congestion and delays for those traveling from northern St. Tammany Parish and Washington Parish to I-12. The proposed highway would increase safety by reducing the amount of traffic and congestion on existing routes (LA 41 and LA 21/LA 59/US 190), and thereby reduce

the potential for accidents. In addition, travel time savings could help support and enhance potential economic development in northern St. Tammany and Washington Parishes. LA DOTD is obliged to construct the proposed highway to comply with La. RS 47:820.2B(1)(e), which requires “[t]he Louisiana Highway 3241 project from Interstate 12 to Bush...shall be constructed as a [four]-lane or more highway.”

The proposed action is needed to:

- Fulfill the legislative mandate, Louisiana Revised Statute 47:820.2B(1)(e);
- Provide a logical, direct, modern, high-speed 4-lane arterial to I-12 from the southern terminus of the current, modern 4-lane arterial portion of LA 21;
- Provide a logical, direct, modern, high-speed 4-lane arterial to I-12 from the southern terminus of the current, modern 4-lane arterial portion of LA 21;
- Divert traffic from Washington and northern St. Tammany Parishes onto a 4-lane, modern, high-speed arterial to free capacity for local trips on segments of existing routes in southern suburban areas and reduce congestion during peak and some nonpeak periods; and
- Support and enhance the existing and developing economic activities in Washington and northern St. Tammany Parishes that rely on the highway network to reach their markets by providing a travel time savings. The proposed LA 3241 project is needed to provide an alternative north-south connection that would reduce congestion and delays for those traveling from northern St. Tammany and Washington Parishes to I-12. Continued growth in St. Tammany Parish is expected because of demand for affordable housing, developable land, a good local education system, and its location as a bedroom community to the New Orleans Metropolitan Area. Such growth has resulted in increased traffic volumes on the area’s roads, including north south routes LA 21 and LA 59, and local and secondary east-west roads.

To provide transportation planning context, it is noted that the project is included in both the 2015 Louisiana Statewide Transportation Plan as a Priority A Megaproject, and the 2018 Louisiana Freight Mobility Plan as a Priority A Megaproject that addresses freight transportation needs. It is also included in the Regional Planning Commission’s FY 2019-2022 Transportation Improvement Plan (Tier I). The Regional Planning Commission serves as the Planning Commission for St. Tammany Parish. Upon completion of construction, the route will be designated as part of the National Highway Freight Network and the National Highway System.

Status: FHWA issued a Record of Decision in 2016, and preconstruction activities are currently underway. The project is proposed as a public private partnership (P3) under a design-build-finance agreement to finance \$185,870,000 of a total project cost of \$246,864,434. An INFRA grant of \$111,522,000 has been requested for this project.

The current cash management of the project is limited to \$25M per year to construct six phases, which could take at least a decade to deliver what citizens have contributed to for three decades. The proposed project delivery schedule will be negotiated with the selected private partner, using a design-build-finance approach to construct the project sooner rather than later with annual

payments not to exceed what is currently allocated in the Transportation Trust fund. The highway could be open to traffic as early as 2024.

RECOMMENDATION

The Secretary of LA DOTD has determined that it is in the best interest of the taxpayers to solicit a proposal for a public private partnership to deliver the LA 3241: I-12 to Bush project for the following reasons:

- 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;
- Utilizes the efficiencies of a design-build delivery method and allows to partially or completely defer financing until the end of construction; and
- Design and construction of the new roadway alignment in compliance with the environmental document's record of decision.