

II. PURPOSE OF PLAN REVIEW AND STATUS REPORT

Since the completion of the 2003 Plan, devastating natural disasters have occurred, new policies have been enacted, and construction costs have escalated significantly. In August and September 2005, Hurricanes Katrina and Rita devastated a substantial amount of Louisiana's coastline, New Orleans, and other inland communities in the southern portion of the state. The impact of these hurricanes changed the demographics of the cities in the southern portion of Louisiana. The effects of these demographic changes are still being experienced today, as migration to and from the impacted areas continues. In August 2005, the Safe Accountable Flexible Efficient Transportation Act – A Legacy for Users (SAFETEA-LU) was enacted. This federal transportation bill advocates private investment in the surface transportation system and offers numerous innovative finance techniques. Another major change since the 2003 Plan is the dramatic increase in construction costs that has occurred nationwide over the last few years.

The main purpose and major elements of the *Plan Review and Status Report* include the following:

- Report the implementation status and update construction costs of the 2003 Plan recommendations;
- Consider the impacts of Hurricanes Katrina and Rita;
- Consider 2005 SAFETEA-LU provisions;
- Recognize other planning studies and efforts since 2003;
- Review 2003 Plan recommendations; and,
- Expand the Plan to include non-transportation programs under DOTD's purview, including flood control, hurricane protection, and water resources.

This *Plan Review and Status Report* is a *supplement only* and not intended to replace the 2003 Plan. The primary objectives are to review the status and costs of the numerous policy, programmatic, and project recommendations included in the 2003 Plan

and to determine if any minor revisions are needed. Also, major transportation studies that have been completed since 2003 were reviewed to determine if their findings justify changes to the previous Plan. The following sections discuss the primary impetuses for the Plan Update.

HURRICANES KATRINA AND RITA

Hurricane Katrina had a devastating effect on southeast Louisiana. The center of the storm passed over New Orleans on August 29, 2005 and two days later, much of greater New Orleans was flooded.

On September 25, 2005, Hurricane Rita, a Category 5 hurricane, made landfall between Sabine Pass, Texas and Johnson Bayou, Louisiana.

The storm surge of between 15 to 20 feet struck southwest Louisiana and in Cameron Parish, the communities of Holly Beach, Hackberry, Cameron, and Johnson Bayou were destroyed

or heavily damaged. The devastating impacts of this hurricane also affected Terrebonne and Vermilion Parishes.



Katrina: Flooded I-10/I-610 Interchange and Surrounding Area of Northwest New Orleans and Metairie, Louisiana (Source: Wikipedia)

Hurricanes Katrina and Rita resulted in significant damages to the transportation infrastructure throughout the southern coast of Louisiana. Further, these storms may have permanently altered the socioeconomic characteristics of South Louisiana.

SAFE, ACCOUNTABLE, FLEXIBLE, EFFICIENT TRANSPORTATION EQUITY ACT: A LEGACY FOR USERS (SAFETEA-LU)

The federal surface transportation act known as SAFETEA-LU (Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users) became law on August 10, 2005. SAFETEA-LU authorized \$286 billion in spending over federal fiscal years 2004-2009 for numerous transportation programs such as highways, transit, motor carrier, freight, safety, and research.

The new bill advocates private investment in the surface transportation system and offers a number of innovative finance techniques, including several pilot programs for tolling existing and new Interstate highways. Much of the program structure remained basically unchanged from previous bills; however, there were significant changes with respect to highway safety. A separate core formula program was established for safety, namely the Highway Safety Improvement Program. Further, states are now required to develop a Strategic Highway Safety Plan. With regard to goals, the number of planning factors was expanded from seven to eight by separating transportation system security from safety. The eight planning factors (i.e., goals) to be considered in the planning process are:

- “Support the economic vitality of the United States, the States, nonmetropolitan areas, and metropolitan areas, especially by enabling global competitiveness, productivity, and efficiency;
- Increase the safety of the transportation system for motorized and non-motorized users;
- Increase the security of the transportation system for motorized and non-motorized users;
- Increase the accessibility and mobility of people and freight;
- Protect and enhance the environment, promote energy conservation, improve the quality of life, and promote consistency

between transportation improvements and State and local planned growth and economic development patterns;

- Enhance the integration and connectivity of the transportation system, across and between modes throughout the State, for people and freight;
- Promote efficient system management and operation; and
- Emphasize the preservation of the existing transportation system.”

LOUISIANA: VISION 2020

Louisiana: Vision 2020 is the state’s long-term strategic economic development plan. Adopted in 1999 and updated in 2003, *Vision 2020* establishes specific benchmarks intended to develop Louisiana into a “vibrant, balanced economy; a fully engaged, well-educated workforce; and a quality of life that places it among the top ten states in the nation to live, work, visit, and do business.” The update of *Vision 2020* was subsequent to the completion of the 2003 *Louisiana Statewide Transportation Plan*. Therefore, it is important to review the updated *Vision 2020* document as part of the *LSTIP Review and Status Report*.

Vision 2020 is based upon three primary goals:

Goal One: The Learning Experience – To be a learning enterprise in which all Louisiana businesses, institutions, and citizens are actively engaged in the pursuit of knowledge.

Goal Two: The Culture of Innovation – To build a thriving economy driven by innovative, entrepreneurial, and globally competitive companies that make productive use of technology and the state’s human, educational, and natural resources.

Goal Three: A Top Ten State – To achieve a standard of living among the top ten states in America.

Each goal has an associated set of objectives. The State's transportation system is the focus of Objective 2.6: "To develop and promote Louisiana's transportation infrastructure." Six benchmarks are employed to track progress toward Objective 2.6 including:

1. Elements of the Louisiana Statewide Transportation Plan fully implemented or funded;
2. Elements of the Transportation Infrastructure Model for Economic Development (TIMED) fully implemented;
3. Percentage of state highway miles with pavements in poor condition;
4. Number of parishes with a public transportation system;
5. Number of Louisiana ports in top 10 US ports (based on total foreign and domestic cargo tonnage);
6. Direct air service between Louisiana airports and external locations (foreign cities, domestic hub cities, domestic non-hub cities).

A 2007 ARTBA study found that construction costs have increased more than 40 percent since 2003.

While not directly noted, the impact of transportation and public works infrastructure and services to the successful achievement of other *Vision 2020* goals and objectives is readily apparent.

CONSTRUCTION COST ESCALATION

During the last few years, state departments of transportation across the country have experienced significantly higher infrastructure construction costs, which resulted in higher bid prices. According to FHWA, the primary factors contributing to these higher construction costs and bid prices include:



Rita: Oil Storage Facility in Cameron, Louisiana (Source: Associated Press)

- Higher energy costs;
- Localized material shortages for construction;
- Consolidation in the highway industry (reduction/consolidation of prime contractors, etc.);
- Larger transportation construction programs with the same number of contractors;
- Increased construction market opportunities in other areas such as hurricane recovery

- reconstruction efforts;
- Downsizing of workforce due to instability of transportation funding prior to August 2005;
- Localized shortages of skilled labor;
- Regulatory restrictions;
- Increased technical requirements in contracts;
- Bankruptcies; and,
- Hurricane related impacts increasing non-highway construction demand.

The American Road and Transportation Builders Association (ARTBA) also conducted a study on increasing highway costs in October 2007. Overall, this study found that highway construction material prices have increased by a dramatic 42 percent since 2003.

RECENT PLANNING STUDIES

Several studies have been undertaken since the completion of the *2003 Statewide Transportation Plan*. Generally, the conclusions of the studies supported the findings and recommendations of the 2003 Statewide Plan.

A listing of the transportation studies considered in this *Plan Review and Status Report* include the following:

- *Louisiana Transportation Center* – Louisiana Airport Authority (1/2004);
- *Louisiana Transportation Center Analysis* – prepared for the Department of Economic Development and the Department of Transportation and Development – Wilbur Smith Associates (5/2005);
- *Rebuilding Louisiana – Special Appropriations Request* – Louisiana Department of Transportation and Development (10/2005);
- *Louisiana Statewide Transportation Plan Implementation Strategy* – Wilbur Smith Associates (7/2006)
- *Action Team Report* – Transportation and Associated Infrastructure Planning – part of the Louisiana Recovery Authority (10/2006)
- *Impact of Hurricane Katrina on General Aviation in Southeast Louisiana* – Interim Report – Prepared for New Orleans Regional Planning Commission – DMJM Harris and DMJM Aviation in association with Jacobsen/Daniel Associates (4/2007);

- *Louisiana’s Comprehensive Master Plan for a Sustainable Coast* – Coastal Protection and Restoration Authority of Louisiana (4/2007);
- *Louisiana Speaks Regional Plan – Vision and Strategies for Recovery and Growth in South Louisiana* – Louisiana Recovery Authority (5/2007);
- *Louisiana Transportation Centre* – Mid-Point Report – Canadian Commercial Corporation & SNC-Lavalin (5/2007);
- LA Rail – Recovery Rail Transportation System – DOTD – PowerPoint Presentation (6/2007); and
- *Louisiana Marine Transportation System Plan* – Shaw Environmental and Infrastructure, Inc. (9/2007).

TRANSPORTATION AND INFRASTRUCTURE SYSTEM GOALS

In addition to the need to review and assess the status of the Plan elements, it is also necessary to identify any revisions, deletions, and/or additions to ensure that the Plan continues to meet the goals and objectives approved by the Louisiana Investment in Infrastructure for Economic Prosperity (LIIEP) Commission, address the planning factors in the new Federal transportation bill (SAFETEA-LU), address applicable benchmarks in *Louisiana: Vision 2020*, incorporate the goals and objectives developed for flood control, water resources, and hurricane protection and to meet the goals and objectives of the Coastal Protection and Restoration Authority (CPRA).

The goals adopted by the LIIEP Commission were re-evaluated and examined in the context of the current issues facing the state.

After looking at the full spectrum of transportation needs and issues, the goals from the 2003 Plan were considered to still be valid and relevant. The goals for Louisiana’s transportation system are:

Goal 1: To develop and maintain an innovative, balanced, safe, equitable, integrated system of transportation facilities and services.

Goal 2: To provide essential passenger-transportation services at reasonable public expense, meeting the diverse needs of the people of Louisiana regardless of their geographic location, physical condition, economic status or service requirements.

Three new “non-transportation” goals were added to guide development of the Plan.

Goal 3: To provide a transportation system that fosters diverse economic and job growth, international and domestic commerce, and tourism through prudent investment in the facilities and services that improve mobility and access. The system should be responsive to free markets, to user needs and expectations, through flexibility and choice, in a competitive, multimodal environment.

Goal 4: To provide a regulatory and comprehensive policy framework that promotes partnerships, coordination, and cooperation among transportation users and providers in a competitive multimodal environment.

Goal 5: To improve safety in all transportation modes through timely maintenance of existing infrastructure, development of new infrastructure, enhancement of operational controls of both passenger and freight movements, and through expanded public education and awareness.

Goal 6: To develop an efficient transportation system that improves air, water and noise indices to acceptable levels as defined by regulatory standards, reduces dependency of foreign energy sources, preserves historic, cultural, and environmentally sensitive sites, promotes the natural beauty of the state, raises the quality of life for Louisiana’s citizens, uses land resources efficiently by incorporating smart growth development principles, and promotes and implements the context-sensitive design of transportation infrastructure.

Goal 7: To develop stable but flexible transportation financing that provides adequate funds for both the preservation of existing and the construction/implementation of new facilities and services.

Three additional goals were developed to guide the expansion of the Plan to include non-transportation programs under DOTD’s purview:

Goal 8: Ensure adequate water supply to sustain the existing economy and population, and to provide for economic growth.

Goal 9: Enhance flood control policies, programs, and infrastructure statewide to protect lives and reduce property damage.

Goal 10: Implement hurricane protection systems to protect most communities and economic assets from storm surge.

The overall framework of the *Plan Review and Status Report* is driven by the need to remain consistent with these goals.

