
Office of Legislative Auditor

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Informational Report: Crescent City Connection Division - House Resolution No. 114



February 2010

Audit Control # 80090122

BACKGROUND

Crescent City Connection Division Administration Building Expansion, Surplus Insurance, and Fund Balances

The information contained in this report was developed in response to House Resolution No. 114 of the 2009 Regular Session. The resolution requests the legislative auditor to audit certain aspects of the Crescent City Connection Division (CCCD) of the Louisiana Department of Transportation and Development (DOTD). The Financial Audit Division considered the resolution and the information provided by DOTD and CCCD to prepare this report.

We gathered information and performed certain tests, the objectives of which were to:

1. Examine all bids, contracts, change orders, and payments to vendors, contractors, and subcontractors for new construction and renovation of CCCD offices and to determine the purpose and need for such expansion and renovations
2. Examine the purpose, need, and requirements of surplus insurance and identify the amounts paid by the CCCD for such insurance since January 1, 2003
3. Identify all fund balances that pertain to the CCCD and its predecessor entity, the Mississippi River Bridge Authority

Construction and Renovation of Crescent City Connection Offices

Funds for the renovation and expansion of the CCCD Administrative Complex totaling \$5,375,000 were appropriated in Act 2 of 2004 (\$3,225,000), Act 27 of 2006 (\$1,200,000), and a supplemental appropriation to Act 27 of 2006 (\$950,000). According to CCCD management, the renovations and expansion were necessary for the following reasons:

- To increase the size of the work area for the customer service (tag office) personnel to eliminate any potential Occupational Safety and Health Administration (OSHA) violations
- To physically segregate employees with cash collection responsibilities from employees with no cash collection responsibilities
- To provide workspace for eight to 10 call center employees due to the relocation of the call center from Richardson, Texas to New Orleans

- To physically segregate human resources employees from training personnel
- To provide additional workspace for accounting and information technology staff
- To increase the size of the lobby to accommodate the customer lines

Several capital outlay projects are associated with the renovation and expansion of the Administration Building. DOTD was responsible for letting the projects. Construction contracts are awarded to the lowest bidder. Retainer contracts to provide engineering services for specific construction projects designated by CCCD are awarded to the entity with the highest rating. A task order indicating the maximum amount of compensation is issued for engineering services to be provided on each specific project. The following table shows the results of the bid tabulation for each of the projects. The company ranked no. 1 was selected.

Administration Building Renovations and Expansion Bid Information					
Project No.	Project Description	Bidder	Bid Amount	Rating	Rank
Construction					
610-01-0022	CCCD Administration Building Expansion	Jaroy Construction, Inc.	\$3,799,661.00	N/A	1
		Harris Builders, LLC	4,146,000.00	N/A	2
		The Gee Cee Co. of LA Inc.	4,472,469.00	N/A	3
		Shaw Constructors Inc.	4,541,581.00	N/A	4
		Ceres Environmental Services, Inc.	4,988,617.50	N/A	5
610-01-0023	Radio Tower Replacement	Solvation Services, Inc.	481,444.00	N/A	1
		C.E.C., Inc.	509,700.00	N/A	2
610-01-0029	Replace Air Cooled Chiller at CCCD Administration Building	Chillco, Inc.	48,720.00	N/A	1
		Gootee Construction, Inc.	55,954.00	N/A	2
		Lagarde Limited	73,800.00	N/A	3
		Lemoine Marine Refrigeration, Inc.	96,700.00	N/A	4
Engineering Services (Retainer Contracts)					
701-65-0453	CCCD Administration Building Expansion	Modjeski & Masters	N/A	87.0	1
		G.E.C., Inc.	N/A	78.3	2
701-65-0522	Radio Tower Replacement	HNTB Corporation	N/A	76.2	3
701-65-0614	Radio Tower Replacement - Construction Support Services				
701-65-0999	Construction Monitoring Services - CCCD Building Expansion	TRC Engineers, Inc.	N/A	85.3	1
		G.E.C., Inc.	N/A	82.2	2
		Modjeski & Masters	N/A	72.1	3
Note: Retainer contracts for engineering services have a maximum compensation limitation pre-determined by DOTD. No bid amount is required.					
Source: Prepared by legislative auditor's staff using bid documents provided by DOTD.					

We examined the contract and change orders for each project associated with the renovations and expansion of the Administration Building. We determined that CCCD incurred a total of \$396,397 in contract plan changes for all the contracts in the table below. The following table lists the original contract amount and information related to the plan changes for each contract. The project engineer approves the contract plan changes.

Administration Building Renovations and Expansion Contract Information				
Project No.	Contractor	Change No.	Description	Amount
610-01-0022	Jaroy Construction, Inc.		Administration Building expansion. Original Amount	\$3,799,661
		1	Replace carpet in the toll tag store.	3,643
		2	Removal of concrete pipe, removal of abandoned concrete duct bank, and compensation for down time and stand-by for pile driving operation.	18,562
		3	Additional pile needed to construct the generator foundation.	2,985
		4	Three pedestals needed to support building columns and rebar layout drawings.	4,515
		5	Revision of south stair case, generator cabin penetration, catch basin, and precast panel.	15,387
		6	Additional demolition of tower footing.	10,033
		7	Change in model of Digital Projection projector.	4,491
		8	Add partition in room 127, conference room changes, and locks for cabinets in conference room.	7,310
		9	Addition of four fire dampers inadvertently omitted from the initial plans.	2,738
		10	Addition of 2 hour fire rated wall separating the existing building from the addition.	909
		11	Repair sunken concrete slab and level the area.	20,407
		12	Redesign breakers and panels that were found to be undersized during installation.	31,428
		13	Caulking of the hallway wall, which was inadvertently omitted from the initial plans.	4,274
		14	Install communication backboard and terminate 100 pair cable.	1,227
		15	Alternate light fixtures due to an error in measurement on the light fixture specifications.	440
16	Installation of guard rail on handrail that was omitted in the specifications.	2,164		

Administration Building Renovations and Expansion				
Contract Information				
Project No.	Contractor	Change No.	Description	Amount
		17	Removal of existing parking stripping, removal of existing glue down carpet, installation of glue down carpeting, and installation of three fire rated access panels in three rooms.	\$3,572
		18	Addition of 37 calendar days to the contract time due to approved plan changes.	0
			Total	\$3,933,746
610-01-0023	Solvation Services, Inc.		Radio tower replacement/relocation. Original Amount	\$481,444
		1	Construct a 6" haunch to elevate the communication building's concrete beams.	1,617
		2	Revise the backfill height from 2 feet to 4 feet.	3,186
		3	Concrete base with wire mesh for the stair system to be bolted to.	1,828
		4	Revision of center spacing of the generator support beams to the actual field measured spacing.	4,757
		5	Ceiling mounted cable trays.	6,811
		6	Additional work for increased safety.	20,076
		7	Change wire for all connections to the perimeter grounding grid from #6 AWG to 2/0 copper wire.	8,289
		8	Revise cable for DOTD equipment being relocated into the new radio tower.	12,305
		9	Suspend charge days to accommodate CCCD request to dismantle the existing tower on the weekend to lessen the inconvenience of its employees and customers.	0
		10	The plans inadvertently specified the use of a RG-8 cable instead of a Helix cable feed line.	2,185
		11	Addition of seven charge days due to a delay in installation of electrical main power by Entergy.	0
		12	Reduction of plan quantity for chain link fence and tree removal and extension of the ramp entering the gate to the building.	9,995
			Total	\$552,493

Administration Building Renovations and Expansion Contract Information				
Project No.	Contractor	Change No.	Description	Amount
610-01-0029	Chillco, Inc.		Replace air cooled chiller at CCCD Administration building. Original Amount	\$48,720
		1	Installation of two isolation valves and a loop filter system in the existing chilled water piping in the Administration Building mechanical room and insulation of 30 feet of pipe and the associated pipe fittings between the existing piping and the new chiller.	4,238
		Total		
701-65-0453	Modjeski & Masters		Engineering services for renovation of Administration building. Original Amount	\$128,909
		1	Provide all design services to provide additional office space for toll operations and reconfigure the schematic design of the building expansion due to the replacement of the radio tower.	50,677
		2	Provide additional engineering services for the preparation of plans and specifications for the renovation and expansion of the CCCD Administration Building.	136,348
		Total		
701-65-0522	Modjeski & Masters		Engineering services for replacement of radio tower.	\$47,179
		Total		
701-65-0614	Modjeski & Masters		Construction support services for radio tower replacement.	\$22,089
		Total		
701-65-0999	TRC Engineers, Inc.		Construction monitoring services for CCCD building expansion.	\$326,867
		Total		
Source: Prepared by legislative auditor's staff using contracts and task orders provided by DOTD.				

The contractors on the projects for the administration building expansion and the replacement of the air cooled chiller remained the lowest bidder, even after multiple change orders. The change orders for the contract for the radio tower replacement caused the contract amount to exceed the bid submitted by the second lowest bidder. We noted that the change orders were for items that were discovered after the projects started that were not included in the original specifications.

As can be seen from the following table, payments totaling \$4,688,167 have been made on the projects.

Administration Building Renovations and Expansion Contract Payments as of June 30, 2009					
Project No.	Contractor	Total Contract Amount*	Total Amount Paid	Difference	Contract Open or Closed
610-01-0022	Jaroy Construction, Inc.	\$3,933,746	\$3,541,007	\$392,739	Open
610-01-0023	Solvation Services, Inc.	552,493	552,493	0	Closed
610-01-0029	Chillco, Inc.	52,958	52,958	0	Closed
701-65-0453	Modjeski & Masters	315,934	250,983	64,951	Closed
701-65-0522	Modjeski & Masters	47,179	43,401	3,778	Closed
701-65-0614	Modjeski & Masters	22,089	8,018	14,071	Closed
701-65-0999	TRC Engineers, Inc.	326,867	239,307	87,560	Open
Total		\$5,251,266	\$4,688,167	\$563,099	

*Total contract amount is defined as the original contract amount plus or minus the dollar amounts of any change orders or supplements.

Source: Prepared by legislative auditor's staff using contracts, task orders, and invoices provided by DOTD.

Subcontractors were used on the project for the administration building expansion as follows:

Administration Building Renovations and Expansion Subcontractors			
Project No.	Contractor	Subcontractor	Payments to Subcontractors
610-01-0022	Jaroy Construction, Inc.	Gulf-South Piling & Construction	\$85,300
		Gate Concrete Products Company	53,674
		Lightweight Concrete Solutions	30,000
		M.C. Steele, Inc.	108,478
		Outlaw Industries, LLC	110,700
		Booth Architectural	48,000
		Roof-Technologies, Inc.	45,000
		Ace Glass & Mirror, Inc.	35,500
		M & B Painting Company, LLC	32,000
		Paul Sita Company, Inc.	31,905
		Lynch's Ceramic Tile Co.	19,431
		Partitions Inc.	18,600
		Decoustics	6,000
		Protective Structures, Ltd.	34,168
		Bernhard Mechanical Contractors, Inc.	577,000

Administration Building Renovations and Expansion Subcontractors			
Project No.	Contractor	Subcontractor	Payments to Subcontractors
		RKS Electric	\$15,000
		Riverbend Electrical	593,000
		Interstate Electronic Systems	54,841
		Arrow Fence	6,000
Source: Prepared by legislative auditor's staff using information provided by DOTD.			

Renovations on the customer service center and some offices have not been completed and some of the offices have not yet been occupied. However, according to management, there are no undesignated spaces in the building.

Surplus Insurance

In December 2002, CCCD issued \$19,900,000 of Mississippi River Bridge Authority Bridge Revenue Refunding Bonds Series 2002 (the "2002 Bonds") to refund all of the Mississippi River Bridge Authority Bridge Revenue Refunding Bonds Series 1992. The principal remaining on the 2002 Bonds as of June 30, 2009, is \$8,780,000 with three years and four months remaining until maturity (November 1, 2012).

The Amended and Restated Indenture and Deed of Trust (bond covenant), which secures the 2002 Bonds, requires the CCCD to carry insurance on the bridges and ferries and all authorized projects. Section 7.5 of the bond covenant requires the CCCD to carry policies of insurance for the benefit of the holders of the bonds and the CCCD with a responsible insurance company or companies, against liabilities for injury to persons and property.

The bridges are insured through the Office of Risk Management's (ORM) Louisiana Self-Insurance Fund. ORM is the primary insurer and provides a set amount of coverage. Every three years ORM seeks bids for coverage over the amounts provided by the Self-Insurance Fund. The insurance broker for the excess coverage for fiscal years 2004 through 2009 was Eustis Insurance, Inc. The insurance premiums are billed to DOTD annually. For fiscal years 2004 to 2009, bridge insurance premiums totaled \$17,963,758. The following table shows the insurance premiums paid by fiscal year.

CCCD Bridge Insurance Premiums Fiscal Years 2004 Through 2009					
Fiscal Year	Total Amount of Coverage	Premiums Paid to ORM	Premiums Paid to Eustis Insurance, Inc.	Total Premiums Paid	Excess Insurers*
2004	\$586,893,372	\$105,969	\$1,377,987	\$1,483,956	Ace American Insurance Co. Zurich American Insurance Co. The St. Paul Fire & Marine Insurance Co.
2005	611,654,094	164,228	1,467,504	1,631,732	Ace Fire Underwriters Insurance Co. Zurich American Insurance Co. of Illinois The St. Paul Fire & Marine Insurance Co.
2006	\$637,556,519	213,474	1,525,449	1,738,923	Ace Fire Underwriters Insurance Co. Axis Reinsurance Company The St. Paul Fire & Marine Insurance Co.
2007	100,000,000	238,764	3,937,500	4,176,264	Westchester Surplus Lines Lloyd's of London
2008	100,000,000	440,671	3,937,500	4,378,171	Illinois Union Insurance Co. Lloyd's of London
2009	100,000,000	538,462	4,016,250	4,554,712	Illinois Union Insurance Co. Lloyd's of London
Total		\$1,701,568	\$16,262,190	\$17,963,758	

*These insurance companies provided the excess coverage through the insurance broker, Eustis Insurance, Inc.

Source: Prepared by legislative auditor's staff using invoices provided by DOTD and ORM.

Before 2006, CCCD was paying approximately \$1.6 million in premiums for approximately \$600 million of coverage on the bridges. Only one bid, Eustis Insurance, was received in 2003 for the insurance broker services. After Hurricane Katrina, insurance rates increased significantly. Upon renewal of the insurance in 2006, only one bid was received, which again was Eustis Insurance. The premiums increased to approximately \$4 million for \$100 million of coverage.

Section 7.6 of the bond covenant provides that the required insurance may be omitted, or the amount of the insurance decreased to the extent that such insurance may be certified by the consulting engineers in writing to be unnecessary or unnecessarily burdensome. In February 2009, DOTD concluded that the cost of the bridge insurance was unreasonable because there was only three-and-a-half years remaining on the debt and approximately \$9.6 million in outstanding bonds, and no other bridge in the State of Louisiana is covered by a property insurance policy. As a result of this conclusion, DOTD requested an opinion from the bridge consulting engineer, TRC Engineers, Inc., as to whether the cost of the bridge insurance was unreasonable and burdensome. TRC Engineers provided a written statement in April 2009 that supported DOTD's position that the bridge insurance was unreasonable. DOTD requested that ORM cancel the bridge insurance effective April 24, 2009.

Fund Balances

According to Louisiana Revised Statute (R.S.) 47:820.5(B)(2)(b), after the maintenance and operation expenses of the bridges and ferries under the authority of the CCCD have been paid, DOTD shall dedicate the remaining toll proceeds to complete the following bridge projects before funding and prioritizing any other bridge projects included in the statute:

- Opening transit lanes for “HOV2” or “High Occupancy Vehicle 2” traffic on the Greater New Orleans Mississippi River Bridges
- Providing an additional toll tag lane for cars entering from the Algiers area
- Installing a video or photo monitoring system as defined in R.S. 47:820.5.1(C)(3)
- Repainting the upriver span of the Crescent City Connection Bridge

These projects have all been completed.

R.S. 47:820.5(B)(1) states that for fiscal years 1997 through 2012 and for the first half of fiscal year 2013, the money from the self-generated tolls shall be used for operation and maintenance of the bridges and ferries under the authority of the CCCD and to complete the bridge projects listed in the following table.

List of CCCD Projects According to R.S. 47:820.5	
	Project
1.	Funding of the required land use plan of the bridge(s) rights-of-way
2.	Completion of the bridge(s) project and its approaches
3.	Lighting of the east bank and west bank approaches to the bridge(s) project including the westbank expressway approach through ground level and the planning and construction of turn lanes, turn-arounds, and intersections, lighting, maintenance, grass cutting, and landscaping of the westbank expressway and connecting arteries
4.	Legally and structurally required control devices regulating traffic on the exclusive transit lanes constructed in accordance with federal laws and guidelines
5.	General DeGaulle Drive Parkway, Terry Parkway, and Shirley Drive Parkway landscaping and beautification project
6.	Extension of Peters Road south to an intersection with Louisiana Highway 23
7.	Four-laning of Lapalco Boulevard from Victory Drive to Highway 90
8.	Improvements on Barataria Boulevard and Terry Parkway
9.	Upgrading the General DeGaulle Drive/Burmester Avenue approach to the bridge(s) by extending LA Highway 18 from Huey P. Long Avenue in central Gretna along Fourth and/or Fifth Streets eastward to Burmaster Avenue

List of CCCD Projects According to R.S. 47:820.5	
	Project
10.	Upgrading Peters Road and its accompanying rail corridor; an additional toll tag lane for cars entering from the Algiers area
11.	A down ramp exit to Mardi Gras Boulevard to service the Algiers area
12.	Providing additional ingress and egress ramps along the elevated expressway to facilitate access to Destrehan Avenue
13.	Repainting the Crescent City Connection

Source: Prepared by legislative auditor's staff using R.S. 47:820.5.

Self-generated toll revenues to be used for completion of these projects are authorized in the annual capital outlay appropriation. Once appropriated, the funds are allocated to specific projects by DOTD or CCCD. Any amounts appropriated in the capital outlay appropriation but not yet allocated to specific projects are considered to be uncommitted balances within that capital outlay appropriation. Any amounts appropriated in the capital outlay appropriation that have been allocated to specific projects but not fully expended are considered to be committed balances.

At June 30, 2009, the uncommitted balance related to capital outlay appropriations is \$8,642,132.89 as noted in the following table.

Projects Funded With Toll Revenues Uncommitted Balances at June 30, 2009				
Authorization	Project	Self-Generated Appropriation Amount	Committed Amount	Uncommitted Balance
Act 315 of 1989*	Available Trust Funds - CCCD Tolls	\$107,307,697.47	\$107,057,661.95	\$250,035.52
Act 645 of 1993	Ferry Facility Rehabilitation	661,937.03	661,936.23	0.80
Act 1096 of 1995	Conversion of 2-Way Radio	322,639.00	322,638.64	0.36
Act 20 of 1999	Renew Paint Protect US 90 B Structures	19,788,000.00	19,788,000.00	0.00
Act 22 of 2001	Equipment Rehab for Ferry Boats	1,349,828.77	1,348,476.73	1,352.04
	Surface Road Settlement Repairs	120,000.00	73,059.90	46,940.10
Act 24 of 2003	Renew Paint Protect US 90 B Structures	3,000,000.00	2,893,736.83	106,263.17
Act 2 of 2004	Vehicle Servicing Facilities and Storage Yard	1,200,000.00	101,125.00	1,098,875.00
	Ferry Facilities Repairs and Renovations	1,142,000.00	897,046.05	244,953.95
	Ferry Dry Docking, Repairs and Equipment Replacement	1,000,000.00	999,999.99	0.01
	Reallocate Various Acts Intelligent Transportation System	614,787.00	614,787.00	0.00
	Renew Paint Protect US 90 B Structures	6,825,000.00	5,905,120.19	919,879.81
	CCCD Administrative Complex Renovation and Expansion	3,225,000.00	3,217,368.70	7,631.30
	Rehabilitate Decorative Lights	600,000.00	248,079.27	351,920.73

Projects Funded With Toll Revenues Uncommitted Balances at June 30, 2009				
Authorization	Project	Self-Generated Appropriation Amount	Committed Amount	Uncommitted Balance
Act 24 of 2005	Ferry Facilities Repairs and Renovations	\$660,000.00	\$0.00	\$660,000.00
Act 26 of 2005	Ferry Facilities Bridge Screw Jack Replacement	250,000.00	250,000.00	0.00
Act 27 of 2006	CCCD Administrative Complex Renovation and Expansion	2,150,000.00	1,924,748.39	225,251.61
	Ferry Facilities Repairs and Renovations	570,000.00	0.00	570,000.00
	Ferry Repairs and Equipment Replacement	480,000.00	460,631.00	19,369.00
Act 28 of 2007	Concrete, Structural and Drainage Repairs	660,000.00	247,355.82	412,644.18
	Ferry Facilities Repairs and Renovations	252,000.00	0.00	252,000.00
	Ferry Drydocking, Repairs and Equipment Replacement	1,020,000.00	1,020,000.00	0.00
Act 29 of 2008	Concrete, Structural and Electrical Repairs	657,000.00	0.00	657,000.00
	Ferry Facilities Repairs and Renovations	264,000.00	0.00	264,000.00
	Ferry Drydocking, Repairs and Equipment Replacement	2,100,000.00	73,984.69	2,026,015.31
	Maintenance and Police Building Repairs	528,000.00	0.00	528,000.00
Total		\$156,747,889.27	\$148,105,756.38	\$8,642,132.89
<p>* Act 315 of 1989 authorized a pay-as-you-build alternative and supplemental method of project financing by linking completion of construction to toll collections. The amounts listed are for numerous projects related to completion of the projects listed in R.S. 47:820.5 and are funded in part with toll proceeds and in part with bond monies.</p> <p>Source: Prepared by legislative auditor's staff using project status information obtained from DOTD.</p>				

DOTD management provided the following explanations for the six items in the previous table with zero committed amounts.

“We have \$0 committed balance in Act 29 of 2008 in the amount of \$657,000 for concrete structural and electrical repairs. The task order for this project has been prepared and is awaiting signatures to commit the funds.

We have \$0 committed balance in Act 29 of 2008 of \$528,000 for Maintenance and Police Building repairs because we are awaiting the completion of the design plans.

We have \$0 committed balance for Ferry Facilities Repairs and Renovations totaling \$1,746,000 [various acts]. We are required by the FTA to repair the escalators at the Canal Street Terminal and the elevators at the Jackson Avenue Terminal. The costs to repair the escalators increased significantly following Hurricane Katrina. We now have enough funds to have the escalators repaired. The Jackson Avenue Ferry terminal is not currently being used while we temporarily run the Gretna ferry to Canal St. on a 9-month trial (which will end June 1, 2010). If we make the decision to return to Jackson Avenue, we must also have the funds available to repair the elevators at that terminal.”

The balance for committed projects at June 30, 2009, is \$5,798,727.91. The following table identifies the specific projects for which the full amount of funds that were allocated has not yet been expended.

Projects Funded With Toll Revenues Balances for Committed Projects at June 30, 2009				
Project	Committed Amount	Expended Amount	Balance (Committed)	Project Status*
Public Parking Under US 90 Pontchartrain Expressway	\$172,446.13	\$172,445.13	\$1.00	C
Engineering Services for Specific Projects	228,000.00	141,600.67	86,399.33	C
Field Construction Monitoring & Environmental Monitoring for Repainting	6,653,781.00	6,030,208.11	623,572.89	C
Design of New Vehicle Service Facility and Storage Yard	101,125.00	99,823.66	1,301.34	C
Jackson Avenue Landing Pontoon	6,800.00	0.00	6,800.00	U
CCCD Intelligent Transportation System (ITS)	503,829.10	179,148.30	324,680.80	U
Computer Integration for CCCD ITS	37,555.66	19,922.46	17,633.20	U
Repainting Claiborne Ave Interchange - Contract Monitoring	1,175,451.00	992,084.30	183,366.70	C
Renovation of Administration Building - Engineering	315,934.00	250,983.19	64,950.81	U
Construction Monitoring Services - CCCD Building Expansion	339,946.00	239,307.43	100,638.57	U
CCCD Administration Building Expansion	3,829,367.10	3,299,117.27	530,249.83	U
Emergency Repair to Thruster on M/V Jefferson	15,937.00	9,083.00	6,854.00	C
Overhaul of Port Generator Engine on M/V Stumpf	38,047.52	2,171.41	35,876.11	U
USCG Drydocking and Modifications of M/V Armingier	166,759.61	166,749.01	10.60	C
Emergency Repairs to M/V Thomas Jefferson	10,891.00	0.00	10,891.00	U
Fourth Street Extension	3,000,000.00	572,343.72	2,427,656.28	U
CCC Intersection Improvements Earhart Blvd at Claiborne Ave Interchange	4,805,579.30	4,804,547.27	1,032.03	C

Projects Funded With Toll Revenues Balances for Committed Projects at June 30, 2009				
Project	Committed Amount	Expended Amount	Balance (Committed)	Project Status*
Integrated Electronic Toll Collection System (IETCS-II) Site Survey	\$126,486.00	\$86,657.00	\$39,829.00	U
Peters Road On and Off Ramp	2,572,524.58	1,770,771.11	801,753.47	U
Peters Road Upgrade & Extension Feasibility Study and Environmental Inventory	400,000.00	174,679.23	225,320.77	U
Implement an Interim Processing Services Solution	619,671.00	600,058.53	19,612.47	U
Operating the Interim Violation Processing Services Solution	500,000.00	498,092.80	1,907.20	U
Implementation of the IETCS-II System	4,579,921.12	4,380,521.99	199,399.13	U
Design of Electrical Power Supply for Toll Equipment	5,430.00	2,743.00	2,687.00	U
Calibration for Irrigation System	44,171.00	44,170.99	0.01	C
Computers & Equipment for the IETCS-II Base and IVPS Systems	1,323,659.26	1,237,354.89	86,304.37	U
Total	\$31,573,312.38	\$25,774,584.47	\$5,798,727.91	
*C = Complete; P = Proposed; U = Under Construction				
Source: Prepared by legislative auditor's staff using project status information obtained from DOTD.				

The following projects funded with bond or toll revenue have been completed. All funds allocated have been expended.

Projects Funded With Toll Revenues Completed Projects	
Project	Expenditure Amount
Greater New Orleans Miss. River Bridge Approaches	\$1,546,388.35
CCC River Bridge Approaches - S Roman Street to Liberty Street	2,992,438.78
CCC River Bridge Approaches - Teche Street to Jefferson Parish Line	313,050.29
Graviar Street to Simon Bilivar Avenue	3,771,147.75
CCC River Bridge East Approach	12,474,824.19
CCC River Bridge No. 2 Approaches	5,506.45
Whitney Avenue - Terry Parkway	19,777,477.35
CCC River Bridge Approach No. 2	12,438.00
CCC River Bridge No. 2	47,427.10
CCC River Bridge No. 2 Approach Lighting System #1	739,926.45
CCC River Bridge No. 2 Approach Lighting System #2	648,377.97

Projects Funded With Toll Revenues Completed Projects	
Project	Expenditure Amount
CCC River Bridge No. 2 Approach Lighting System #3	\$282,189.32
CCC River Bridge No. 2 Approach Lighting System #4	309,322.05
CCC River Bridge No. 1 Redecking and Rehab	7,614,857.20
CCC River Bridge East Approach	1,871,800.67
CCC River Bridge No. 2 Victory Park Drive	759,185.99
CCC River Bridge Beautification and Joint Land Development	5,501,297.04
I-10 to CCC River Bridge Beautification and Joint Land Use	6,000.00
Brooklyn Street to Jefferson Parish Line Area 1A	3,537,604.90
Brooklyn Street to Jefferson Parish Line Area 1W	491,088.58
Repainting CCC Bridge No. 1 Segment II Main Bridge Pier 1 to Pier 4	11,174,788.85
Public Parking Under US 90 Pontchartrain Expressway	29,018.53
Structural and Drainage Repairs to CCC Bridge No. 1 and Approach	10,355.82
Reversible Configuration Transit Lanes, HOV-2	834,746.22
Installation of Toll Tag Readers for Transit Lanes	93,478.40
Integrated Electronic Toll Collection System	2,659,480.98
Installation of Basketball Court	198,333.04
Overlay of Settled Roadway at the CCC Toll Plaza	73,059.90
Construction of Toll Lane 15 from Mardi Gras Boulevard	44,546.95
CCC Intersection Improvements Magazine - South Peter	1,561,991.58
Protective Screen Replacement on CCC Bridge No. 1	61,333.95
Repainting CCC Bridge No. 1 Segment 3 Algiers Deck Truss Spans	2,080,558.40
Repainting Claiborne Avenue Interchange - CCC Segment 4	5,985,080.79
Emergency Repair to Drail Line in Service Road	12,652.94
Replace Decorative Lights on CCC Bridge No. 1	228,787.00
Expansion Bearing Repairs	237,000.00
CCC Bridge No. 2 Test Painting	234,875.00
Security System Upgrade for CCCD ITS Dispatch Center	36,333.00
CCC ITS	14,149.99
Integrated Electronic Toll Collection System North American Communication	118,434.30
Integrated Electronic Toll Collection System (IETCS-II) Graybar	7,878.03
Integrated Electronic Toll Collection System Vartech	58,500.00
Equipment Purchase for IETCS-II	91,500.00
Westbank Expressway Terry Parkway to Manhattan Boulevard	2,270,454.70
Westbank Expressway Manhattan Boulevard to Westwood Drive	2,094,410.65
Westbank Expressway Roadway Improvements	691,964.57

Projects Funded With Toll Revenues Completed Projects	
Project	Expenditure Amount
CCC Bridge and Approaches Beautification Peters Road to Orleans Parish Line	\$4,459,101.15
Westbank Expressway Roadway Improvements US 90 Business	2,746,022.99
Landscaping of Westbank Expressway Between Westwood Drive and US 90	646,209.67
Repainting CCC Bridge No. 1 Segment 3 Harvey Canal Bridges	12,000.00
Bayou Signette State Park to Ames Avenue Lighting	672,591.17
Westwego Welcome Signs	99,125.90
LA 428 Roadway Improvements (Westbank Expressway)	112,449.03
CCC Bridge and Approaches Beautification Monroe Street to Westchester Drive	356,281.18
CCC Intersection Improvements General DeGaulle at Whitney to Shirley	196,415.77
Replacement of Safety Deposit Boxes	14,468.00
Update and Complete the Security Management System at CCCD	12,299.20
Digital Video and Audio Recording System	93,006.00
Radio Tower Replacement/Relocation	552,493.37
Replace Air Cooled Chiller at CCCD Administration Building	52,958.00
CCC Administration Building Electrical Modifications	24,759.00
Sewer Line Repair at Lower Algiers Marine Maintenance Facility	36,292.00
Emergency Repairs to Water Line at Lower Algiers Maintenance Facility	2,627.59
Replacement of Air Conditioner/Heater at CCCD Marine Maintenance	3,420.00
Miscellaneous Repairs to Marine Maintenance Facility Building	13,272.20
Steel Repairs on the Marine Maintenance Vehicle Bridge	12,807.64
Install Metal Roof on Storage Shed	1,150.00
Replace Carpet at Marine Maintenance Facility	14,001.34
Roof Repairs at Gretna/Jackson Avenue Ferry Terminals	102,897.24
Repairs to Ferry Terminal Building at Jackson Avenue Ferry	49,495.00
Canal Street and Algiers Point Ferry Terminal Rehabilitation	185,736.23
Roof Repairs at the Canal Street Ferry Facility	241,246.80
Repair Sheetrock Ceiling at Canal Street Ferry Facility	4,050.00
CCC Approaches JCT I-10 to Jefferson Parish Line	2,858,391.28
Robertson Street to Camp Street	429,125.34
CCC Bridge #2 Approaches West Bank Section #5	44,572.84
Ramp to Barataria Boulevard	179,915.54
Widen Barataria Boulevard	129,102.12
CCC River Bridge Approaches	417,769.82
CCC River Bridge Approaches Intersection Design and Plan Preparation	73,932.00
CCCD ITS Design and Implementation	22,919.25

Projects Funded With Toll Revenues Completed Projects	
Project	Expenditure Amount
Repainting CCC Bridge No. 1 Segment III	\$644,940.90
Trust Indentures Services for CCCE Task Order #4	315,806.33
Trust Indentures Services for CCCE Task Order #8	21,510.85
Modifications and Pontoon Repairs at Lower Algiers & Chalmette	24,614.23
Construction Support Services for 283-08-0146	8,006.50
Engineering Services for Preparation of Contract and Plans	132,059.83
Engineering Services for Preparation of Plans for Repainting Bridge	63,856.59
Engineering Services for Replacement of Radio Tower	43,400.59
Construction Support Services for 283-08-0143	10,595.66
Construction Monitoring of CCC Bridge No. 1 Decorative Lights	19,292.27
Construction Support Services for Radio Tower Replacement	8,018.03
IETCS-II Solution - Project Plan	295,407.88
Construction Monitoring of Timber Pile Repair at Chalmette Ferry Landing	11,600.00
Repairs to Chalmette and Lower Algiers Ferry Facilities	76,329.20
Rehab of CCCD Ferry Facilities	476,200.00
Purchase of Portable Radios and Accompanying Equipment	322,638.64
Repairs to Pontoon Barge Apron Pads at All Ferry Facilities	90,718.14
Vehicular Radio Modem Parts for a Data Radio System	338,340.20
Maintenance Barge Repairs	435,482.10
Replace Jacking System for the Algiers Pedestrian Bridge	255,417.44
Repairs to Port Main Engine M/V Jefferson	5,558.03
USCG Drydocking Repairs and Modification to M/V Stumpf	791,744.20
Emergency Repairs to Port Main Thruster on M/V Jefferson	21,423.29
Port Steering Rudder Replacement on M/V Levy	6,645.73
Emergency Repairs to M/V Porterie	9,178.07
Emergency Repairs to the M/V St. John	843.00
Emergency Repairs to Thruster Steering Valve on M/V Levy	1,767.25
Emergency Repairs to Starboard Main Engine on M/V Stumpf	10,612.56
Rebuild Starboard Main PTO M/V Jefferson	2,445.00
Emergency Repair of Propeller on M/V Armingier	8,078.00
Rebuild Port Main PTO on M/V Jefferson	6,413.85
Replace Fire Suppression System on M/V Stumpf	40,600.00
Repairs to Starboard Main Engine Governor on M/V Porterie	8,357.34
Emergency Repairs to Starboard and Main Engines on M/V Stumpf	57,787.32
Drydocking, Repairs, and Modifications of M/V Jefferson	101,362.00

Projects Funded With Toll Revenues Completed Projects	
Project	Expenditure Amount
Replace Sprinklers and A/C Units on M/V Levy	\$104,556.27
Replace Exhaust Blower and Ductwork on M/V St. John	8,362.00
Repair of Stern Thruster on Spare Unit	8,535.00
Dismantle of Bow Thruster on the M/V Stumpf	11,649.35
Drydocking, Repairs, and Modifications of M/V St. John	23,101.20
Replace Screw Jacks at Ferry Facilities	431,854.79
Emergency Repair to Port Main Engine on M/V Porterie	9,286.19
Rebuild Spare D-353 Engine	62,100.41
Emergency Thruster Repair on M/V Jefferson	23,523.00
Emergency Thruster Repair on M/V Porterie	10,625.00
Repair of Starboard Generator M/V Levy	12,415.72
Repair to Thruster on M/V Porterie	13,065.00
Rebuild 353 Engine	75,707.42
Refurbish Generators on M/V Stumpf and M/V Levy	50,857.05
Repair Starboard Thruster on M/V Jefferson	53,418.00
Repair Port Thruster on M/V Jefferson	21,142.00
Overhaul of Starboard Generator Engine on M/V Stumpf	98,028.72
Top End Overhaul of Two Main Engines on M/V Stumpf	70,184.32
Overhaul Generator and Main Engines on M/V Levy	121,884.86
Emergency Rudder Repairs on M/V Stumpf	110,736.00
Recondition Generators on M/V Jefferson	20,954.73
Replace Bow Thruster Drive on M/V Levy	13,815.49
Repair Stern Thruster on M/V Porterie	37,933.00
Generator Engine Alignment on M/V Stumpf	2,780.00
Thruster Repairs on M/V Jefferson	5,559.00
Emergency Bilge Cleaning on M/V Stumpf	27,000.00
Replace Port Gear Reduction on M/V St. John	30,985.00
Fuel Storage Tank Repairs on M/V Jefferson	22,307.00
Replace Vehicle Apron Hydraulic Piping on M/V Stumpf	18,323.00
Dismantle, Inspect, and Repair Schottel Thruster M/V Thomas Jefferson	17,326.00
M/V Lenoir Main Propulsion Overhaul	21,704.41
DC Drive Circuitry for Bow Thruster on M/V Thomas Jefferson	14,317.00
DC Drive Circuitry for Bow Thruster on M/V Stumpf	273.19
Dismantle, Inspect, and Repair Port Thruster on M/V Thomas Jefferson	41,760.00
Repair Thomas Jefferson Starboard Side Thruster	16,664.00

Projects Funded With Toll Revenues Completed Projects	
Project	Expenditure Amount
Repair M/V St. John Starboard Engine	\$45,785.58
Repair Starboard Stern Thruster on M/V Porterie	10,080.00
Repair Starboard Unit on M/V Thomas Jefferson	13,420.00
Pontoon Barge and Pedestrian Gangway Structure at Gretna Ferry	57,775.00
Pontoon Barge and Pedestrian Gangway Structure at Jackson Avenue Ferry	57,775.00
Emergency Steel Repairs to Algiers Landing Pontoon	74,070.00
Replace Bridge Jacking System at the Chalmette Ferry	198,000.00
Repair Damage to Chalmette Ferry	34,500.81
Paint and Repair Hull on Chalmette Landing Barge	143,692.00
Temporary Timber Pile Repairs at Chalmette Ferry Facility	46,532.83
Paint and Repair Hull on Lower Algiers Landing Barge	138,511.00
Emergency Repair to Mooring Connection at Lower Algiers	3,816.73
Replace Bearing on Downstream Screw Jack	3,102.90
CCC Repairs to Pavement Marking	19,471.64
General DeGaulle Drive Beautification from Behrman to Woodland	435,999.85
CCC River Bridge and Approaches Beautification Area 5	140,590.40
Jefferson Parish Westbank Landscaping Enhancement on LA 45 and LA 23	11,167.44
General DeGaulle Beautification JCT LA 23 to Orleans Parish Line	180,671.04
General DeGaulle Beautification Woodland Highway to Intracoastal Waterway Bridge	158,729.96
Total	\$116,532,444.00
Source: Prepared by legislative auditor's staff using project status information obtained from DOTD.	

DOTD/CCCD management asserted that the discounts on tolls for toll tags passed by the legislature resulted in a significant loss of revenues that could have been used for CCCD projects.

Act 315 of 1989 gave the secretary of DOTD the authority to set the bridge toll rate not to exceed 50 cents per axle. The secretary of DOTD passed a resolution commencing July 1, 1989, that set the cash rate at 50 cents per axle and the toll tag rate at 35 cents per axle. So, from 1989 through September 1994, DOTD made the decision to discount toll tags.

In Act 36 of 1994, the legislature began setting the toll rates, and the rates were set at 50 cents per axle (cash) and 25 cents per axle (toll tag). Act 59 of 1998 set the rates at 50 cents per axle (cash) and 20 cents per axle (toll tag) to expire in 2012.

Toll Rates		
Effective Date	Cash Rates Per Axle	Toll Tag Rates Per Axle
January 1, 1989	\$0.50	\$0.50
July 1, 1989	0.50	0.35
October 1, 1994	0.50	0.25
June 25, 1998	0.50	0.20

The following table shows the approximate toll revenues lost as a result of toll tag discounts for the fiscal years 2005 through 2009. The following information was provided by DOTD/CCCD.

Fiscal Year End	AVI Axles (Toll Tags)	Assuming No Discount \$0.50	Actual Rate \$0.20	Toll Tag Revenues Lost
2005	31,750,670	\$15,875,335.00	\$6,350,134.00	\$9,525,201.00
2006	24,108,774	12,054,387.00	4,821,754.80	7,232,632.20
2007	31,610,268	15,805,134.00	6,322,053.60	9,483,080.40
2008	32,071,110	16,035,555.00	6,414,222.00	9,621,333.00
2009	30,932,650	15,466,325.00	6,186,530.00	9,279,795.00
Total		\$75,236,736.00	\$30,094,694.40	\$45,142,041.60
AVI - Automated Vehicle Identification systems Source: Information provided by DOTD/CCCD.				

FOR QUESTIONS RELATED TO THIS INFORMATIONAL REPORT,
CONTACT PAUL PENDAS, CPA, DIRECTOR OF FINANCIAL AUDITS,
AT (225) 339-3800.

A copy of this report is available at our Web site www.lla.la.gov.

Under the provisions of state law, this report is a public document. A copy of this report has been submitted to the Governor, to the Attorney General, and to other public officials as required by state law. A copy of this report has been made available for public inspection at the Baton Rouge and New Orleans offices of the Legislative Auditor.

This document is produced by the Legislative Auditor, State of Louisiana, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397 in accordance with Louisiana Revised Statute 24:513. Five copies of this public document were produced at an approximate cost of \$15.10. This material was produced in accordance with the standards for state agencies established pursuant to R.S. 43:31. This report is available on the Legislative Auditor's Web site at www.lla.la.gov. When contacting the office, you may refer to Agency ID No. 3483 or Report ID No. 80090122 for additional information.

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