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To: The Honorable Cameron Henry, Chairman
Joint Legislative Committee on the Budget
The Honorable Members of the Joint Legislative Committee on the Budget

From: Colleen Gil, Fiscal Analyst
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Date: October 19, 2018

Subject: GREATER NEW ORLEANS EXPRESSWAY COMMISSION
FY 19 BUDGET ANALYSIS

The Greater New Orleans Expressway Commission (GNOEC) staff annually prepares its budget for approval by the Commissioners in accordance with its bond indenture. Upon approval by the GNOEC, the budget is then submitted to the Legislative Fiscal Office. The GNOEC approved the budget and submitted the approved budget to the Legislative Fiscal Office on August 22, 2018.

Prior to the submission of the annual operating budget to the Joint Legislative Committee on the Budget (JLCB) for its approval or rejection, the Legislative Fiscal Office reviews the submission of the budget for mathematical accuracy and content. In addition, the Legislative Fiscal Office prepares an analysis of the budget submitted by the GNOEC and provides this report to the Joint Legislative Committee on the Budget (JLCB) for its consideration.

BUDGET SUMMARY, FISCAL YEAR 2018-19
Greater New Orleans Expressway Commission

	Actual	Actual	Approved	Estimated	Requested	Approved	Page	Notes
	FY 16	FY 17	FY 18	Year End	FY 19	FY 18	No.	
				FY 18		vs. FY 19		
Means of Finance								
Tolls	\$16,543,981	\$16,130,365	\$15,938,076	\$16,341,000	\$16,422,000	3.0%	2, 7-9	
Tolls - Increase	\$0	\$4,077,080	\$8,359,465	\$7,890,000	\$7,930,000	-5.1%	2, 7-9	Toll Increases
Highway Fund No. 2	\$6,511,625	\$6,568,285	\$6,000,000	\$6,447,502	\$6,250,000	4.2%	2-3	
Bond Proceeds	\$0	\$98,890,000	\$0	\$0	\$0	0.0%	3,6	
Interest Income	\$29,911	\$156,519	\$50,000	\$209,052	\$150,000	200.0%	3	Project Funding Accruing Interest
Other Revenue	\$93,885	\$132,317	\$15,000	\$74,000	\$75,000	400.0%	3	
Total MOF	\$23,179,402	\$125,954,566	\$30,362,541	\$30,961,554	\$30,827,000	1.5%		
Expenditures								
Salaries	\$4,091,897	\$4,059,270	\$4,328,042	\$4,324,342	\$4,370,618	1.0%	4, 10-11, 23-26	Salary Increases
Related Benefits	\$1,808,218	\$1,797,704	\$1,982,620	\$1,630,324	\$1,908,264	-3.8%	4,11	Structural Health Insurance Change
Other Compensation	\$26,695	\$26,757	\$34,180	\$34,180	\$34,180	0.0%	11	
Personnel Svcs.	\$5,926,810	\$5,883,731	\$6,344,842	\$5,988,846	\$6,313,061	-0.5%		
Operating Services	\$2,778,385	\$2,644,460	\$3,203,000	\$3,032,659	\$3,050,000	-4.8%	4, 12	Decrease in Property Insurance
Supplies	\$1,211,529	\$1,253,144	\$1,268,950	\$1,293,634	\$1,302,450	2.6%	4, 13	Increased Fuel Prices
Operating Expenses	\$3,989,914	\$3,897,604	\$4,471,950	\$4,326,293	\$4,352,450	-2.7%		
Professional Services	\$242,205	\$223,544	\$247,000	\$272,088	\$262,000	6.1%	4-5, 14	
Debt Service	\$4,288,544	\$6,539,538	\$7,961,081	\$7,961,081	\$7,798,756	-2.0%	5, 15-16	
State Surplus-HPL	\$1,730,471	\$1,647,353	\$1,811,746	\$1,676,745	\$1,737,888	-4.1%	5, 17	
Other Charges	\$6,019,015	\$8,186,891	\$9,772,827	\$9,637,826	\$9,536,644	2.4%		
Acquisitions	\$501,885	\$556,501	\$360,739	\$360,739	\$309,577	-14.2%	5, 18-19	
Safety Bays/Rails Construction Fund 2017	\$0	\$100,718,580	\$3,499,716	\$3,030,250	\$3,234,500	-7.6%	5, 6, 18-19	Line Item for Span Improvements
Maj. Rep./Cap. Imps.	\$6,499,573	\$6,487,715	\$5,665,467	\$7,345,512	\$6,818,768	20.4%	5, 18-22	
Acquisitions/Repairs	\$7,001,458	\$107,762,796	\$9,525,922	\$10,736,501	\$10,362,845	8.8%		
Total Expenditures	\$23,179,402	\$125,954,566	\$30,362,541	\$30,961,554	\$30,827,000	1.5%		

Section 2 of Act 875 of 1988 requires the GNOEC to submit its annual budget to the Joint Legislative Committee on the Budget for its approval or rejection prior to the expenditure of funds contained in such budget. Act 842 of the 2008 Regular Legislative Session requires "...consideration of operating budgets shall be given in advance of the beginning of the subject entity's fiscal year." The GNOEC's new fiscal year begins on November 1, 2018; therefore, its annual operating budget is being presented at this time.

BUDGET SUMMARY

The Greater New Orleans Expressway Commission (GNOEC) is requesting approval of a FY 19 total budget that represents a 1.5% increase, or \$464,459 total means of finance, from the budget approved by the JLCB for FY 18. The Commission anticipates an increase in toll revenues of \$54,459 more than originally budgeted in FY 18.

*Note: The reason for the significant decrease from the Approved FY 18 budget and the Actual FY 17 expenditures is derived from bond proceeds that the Commission received in FY 17 for capital costs. These funds accumulated to the Construction Fund 2017 for the construction of the safety bays on the north and southbound spans, as well as increased rail height on the southbound span. (These capital outlay expenditures are not reflected in the operating budget).

MEANS OF FINANCING

Toll Revenues/ Toll Increase

Toll revenues are budgeted based upon historical collections and trends in traffic patterns. The FY 19 budget for toll revenues reflects a net increase of approximately 0.22% from FY 18 approved. Toll revenues are budgeted at \$24,352,000 (\$16.4 M + \$7.9 M from the toll increase) for FY 19, which is approximately \$54,459 more than the total approved in FY 17 (\$24,297,541).

Toll Revenues (\$16.4 M) are used to pay for the Commission's operating expenses (\$10,702,512), and the excess toll revenues are encumbered in order to pay for future capital improvement projects. In FY 19 \$5,719,488 will be placed in to the Extraordinary Maintenance and Repair Reserve Fund for current and future projects. (See Pg. 18)

Toll Increases (\$7.9 M)

In FY 19, \$4,695,500 will be used to pay the 2017 debt service payment, and \$3,234,500 will be encumbered in the Construction Fund 2017 for future use on the safety bay and rail project. (See Pg. 18)

The total number of one-way crossings on the expressway is anticipated to be 6,488,129 in 2019 as opposed to 6,392,245 projected in 2018, or 95,884 more crossings. The full toll schedule is outlined on page 7, and toll revenue history is discussed on page 8.

State Highway Fund Number 2

State Highway Fund No. 2 revenues are derived from vehicular license taxes collected in Orleans, Jefferson, St. John the Baptist, St. Charles, Tangipahoa and St. Tammany parishes. These revenues are disbursed as follows: 1) fifty percent (50%) accruing to GNOEC; 2) all monies collected in Orleans Parish from vehicular registration license fees and taxes from trucks and trailers pursuant to LA R.S. 47:462 are deposited into the New Orleans Ferry Fund and; 3) the remaining funds are deposited into the Transportation Trust Fund (TTF-R). Based upon the Revenue Estimating Conference's latest adopted revenue forecast for FY 19 of \$13.1 M, the GNOEC's share of revenue is anticipated to total \$6.55 M in State Highway Fund No. 2 dollars for FY 19. However, GNOEC wanted to be conservative and the board has approved a reduced amount of \$6.25 M.

The GNOEC's budgeted expenditures from State Highway Fund No. 2 are anticipated to be greater than its debt service payment backed by resources from the fund, which is projected to be \$3,103,256 in FY 19. As stated in earlier reports, the Legislative Fiscal Office (LFO) previously requested and received an Attorney General opinion on this matter verifying that "surplus" funds from Highway Fund No. 2 are permissible to be utilized by the GNOEC in its budget for expenses

of the Huey P. Long Bridge and other local agencies, as well as capital improvements. The excess revenue from the Highway Fund No. 2 after the annual debt service payment is \$3,146,744 (\$6,250,000 - \$3,103,256 debt service). \$1,737,888 will go towards IAT for the HPL Bridge and Local agencies, and the remaining surplus of \$1,408,856 will be encumbered for bridge and facility repairs and improvements (\$1,099,279 for capital improvements and \$309,577 for acquisitions).

Bond Proceeds

FY 17 bond proceeds totaling \$98.9 M were dedicated to the Construction Fund 2017, and are non-recurred in the out years. These funds will be used for the addition of safety bays to the both the north and south bound spans, and increasing the rail height on the southbound bridge. During FY 17 the GNOEC issued bonds with a principal amount of \$87,495,000 and an interest rate of 5% with a completion date of November 1, 2047. The GNOEC paid \$4,374,750 towards the interest amount and \$485,000 towards principal for a total of \$4,859,750 in FY 18, and plans to pay \$4,350,500 towards interest and \$345,000 towards principal for a total of \$4,695,500 in FY 19. The GNOEC has begun the safety bay project and expects the increased rail height project to begin in the beginning of 2019 with a completion time frame of one and a half to two years.

Interest Income

Interest income is projected to increase by \$100,000 from FY 18's approved budget, from \$50,000 to \$150,000. According to the GNOEC, interest collection increases are due to enhanced construction fund investments.

Other Revenue

Other Revenue is projected to increase by \$60,000 from FY 18's approved budget, from \$15,000 to \$75,000. This category consists of monies received for copies of police accident and incident reports, plans for projects, records requests, and revenue generated from ATM fees. The Commission anticipates having a surplus auction during the year, where revenues generated from that event will go towards Other Revenue.

EXPENDITURES

Personnel Expense (Salaries and Related Benefits)

The total Personnel Services expenditure category is requested at \$6,313,061 or 0.5% less than the amount approved in FY 18, which includes a decrease of 0.5 fulltime equivalent employee (FTE) from a total of 109.5 in FY 18 to 109 in FY 19. This net decrease is primarily associated with a structural change in related benefits and offset by an average 2.8% salary increase. The FTE decrease is due to a reduction of a part-time dispatch/records position. The number of FTEs by category allocated to the Causeway Commission for FY 19 is 12 administrative and 83 non-administrative for a total of 95. In addition, the number of FTEs by category allocated to the Huey P. Long Bridge for FY 19 is 1 administrative and 13 non-administrative for a total of 14.

Traditionally, administrative and supervisory personnel of the GNOEC may receive merit increases as a flat percentage based upon individual job performances, as well as alignment to market rates and workload adjustments. Merit increases are approved each year through the Commission's budget approval process. For FY 19, the Commission authorized merit based pay increases for GNOEC personnel, which averaged 2.8%, and added a total of approximately \$117,448 to personnel expenses.

During FY 18, the GNOEC also increased the hourly wage floor for toll personnel by \$0.25 an hour, from \$10.75 to \$11.00 an hour. The increase of the salary floors is to make the GNOEC's salaries more competitive for employee retention purposes.

The GNOEC currently has 30 Peace Officer Standards & Training (POST) certified police officers (24 - Causeway, 6 - Huey P. Long Bridge). Act 664 of the 2008 Regular Legislative Session provides that these police officers are eligible to receive state supplemental pay, which is currently \$500/month or \$6,000/year for a total state supplement of \$180,000 as all Causeway police officers currently receive supplemental pay. This portion of the police officers' salaries is not included in the GNOEC's budget as the state pays this amount annually. However, the GNOEC is responsible for paying the related benefits costs associated with the additional \$6,000 state salary supplement, which equates to approximately \$54,000 of additional related benefits expenditures included in the operating budget over and above the base amount.

Salary information for filled positions can be found on pages 23-26.

The Related Benefits expenditure category for FY 19 is requested at 3.8% less than the approved budget for FY 18. This decrease is a result of a structural change made in 2017 regarding the health insurance policy offered by the Commission.

Operating Expenses (Operating Services/Material & Supplies)

The FY 19 budget request for Operating Expenses is \$4,352,450, which is a net decrease of \$119,500, or 2.7% less than what was approved in FY 18. Operating Expenses include advertising, publication of public notices and minutes, insurance, travel, telephone and radio expenses, utilities and other operating services. Other operating services include payout of unused vacation and sick leave, dues and subscriptions, trustee fees, bank and visa charges for toll deposits, and other miscellaneous expenses. The majority of this decrease is due to a projected reduction in property insurance expenses.

Professional Services

The Commission hires outside consultants and services under professional services contracts. These items include services for bond indenture requirements in the form of independent audit

and accounting services (\$75,000), engineering and traffic consultants (\$10,000), legal counsel (\$150,000), investment consultation (\$25,000) and accident investigation (\$2,000). The total projected professional services expenditure of \$262,000, a 6.1% or \$15,000 increase from what was approved in FY 19 is due to expenses related to the safety bay and rails project.

Other Charges (Debt Service/Huey P. Long Bridge/State Surplus)

The Commission's debt service payment for FY 19 will decrease to \$7,798,756 from \$7,961,081 a reduction of \$162,325 or 2%.

Per Act 875 of 1988, the Commission provides \$50,000 each fiscal year to the parishes of St. Charles, St. John the Baptist, and Tangipahoa for a total of \$150,000. Per Act 1227 of 1995, the Commission provides \$50,000 to Jefferson Parish, St. Tammany Parish, the Washington Parish Infrastructure and Park Fund and the City of New Orleans. The City of New Orleans allocates its funding for use by the New Orleans Recreation Department and the New Orleans Police Department. The total of all such payments is \$200,000. Transfers made pursuant to Act 875 of 1988 (\$150,000) and Act 1227 of 1995 (\$200,000) total \$350,000.

The Commission is responsible for the policing of the Huey P. Long Bridge and budgets \$1,387,888 for FY 19 expenditures paid from anticipated surplus revenues. Since Act 875 of 1988, the Commission has budgeted expenditures for the policing of the Huey P. Long Bridge. This represents a requested decrease of \$73,858, or 5.1%, below the level approved for FY 18. The decrease is primarily related to unfilled positions, and the retirement of a senior officer during the year.

Total Acquisitions & Major Repairs

This category includes capital acquisitions and the major repairs / capital improvement program. The Commission's budget request increased \$836,923, or 8.8%, in expenditures to a total of \$10.4 M for FY 19.

The GNOEC is required to have all funds available prior to the start of any capital improvement project. The budget summary reflects the receipt of any revenues designated for capital outlay projects. Acquisitions and repair expenditures reflect the dedication of the revenues into the Extraordinary Maintenance and Repair Reserve Fund and the Construction Fund 2017 for ongoing and future projects. (The actual project expenditures are not reflected in the operating budget).

The board approved budget for the capital improvements/ rehabilitation program includes fourteen (14) projects which will be paid for out of the Extraordinary Maintenance and Repair Reserve Fund. These projects include: North Channel Bascule Mechanical Maintenance (\$1.6 M), *Upgrade Closed Circuit TV System (\$1 M), *High Voltage Power System - Control System and Surge Protection (\$250,000), Upgrade 1700 AM Highway Advisory Radio (\$150,000), *Replace Call Boxes (\$750,000), *Replace Under Bridge Inspection Unit - Reachall Truck (\$1 M), *Monroe Street Overpass and Frontage Road Rehabilitation (\$750,000), *Road Rehabilitation at Monroe St and the West Approach, and Patching at the North Approach (\$1,250,000), *Northshore Maintenance Facility Improvements (\$375,000), Northshore Maintenance Facility Improvements – Canopy (\$800,000), *North Toll Plaza Canopy Roof and Lightning Protection (\$475,000), North Toll Plaza Site Work (\$1 M), Toll Tag Store Software Upgrade (\$725,000), and Toll Collection System - Violation Enforcement System (\$500,000). This project list includes new projects as denoted with an asterisk (*) above, as well as continuing projects started with funds accrued in prior fiscal years.

BUDGET ISSUES

Act 481 of 2016 -Toll Increases, Toll Bonds, Span Improvements

Act 481 of 2016, allows the GNOEC to carry out improvements to both spans of the bridge, including the addition of safety bays and higher safety rails. Act 481 allows the GNOEC to issue toll bonds up to \$133 M, the proceeds of which are being used to fund the higher safety rails and safety bays. The bond issuance is subject to approval of the State Bond Commission, as well as Jefferson and St. Tammany Parishes, the localities that the bridge directly serves. Act 481 also states that the bonds must be backed using revenues derived from tolls and cannot be supplemented by State Highway Fund No. 2, which the GNOEC uses to fund its current debt service payments. As a result, the GNOEC voted to increase toll schedules for use of the bridge in August 2016, allowing the Commission to back the bond issuance with increased toll revenues. During FY 17 the GNOEC issued bonds with a principal amount of \$87,495,000 and an interest rate of 5% with a maturity date of November 1, 2047. The GNOEC paid \$4,859,750 in FY 18, and will pay \$4,350,500 towards the interest amount and \$345,000 towards principal for a total of \$4,695,500 in FY 19.

Act 481 allows the GNOEC to fund higher safety rails on both spans at a cost of up to \$67 M. The GNOEC contracted with Texas A&M University to develop a rail that would fasten to the top of the existing rails on the southbound and northbound spans. Two options were tested. The option the GNOEC chose will increase the rail height of the southbound span by 21 inches for a total rail height of 46 inches (25 inch existing rail height + 21 inch addition) at a total estimated cost of \$40 M. It will include 2 bars spanning the length of the bridge on both sides and will be secured to the bridge by a bolt on the top and side of the existing rail. The project is currently out for bid and responses were due on October 18, 2018 (after the time of this writing). The commission anticipates the project to commence in the beginning of 2019 and take approximately one and a half to two years.

In addition to increasing the rail heights on both spans, Act 481 allows the GNOEC to add safety bays to both spans of the bridge at a cost of up to \$63 M. The safety bays will have a length of 1,008 feet each and will result in a partial lane being added to each span of the bridge at different intervals that will allow vehicles to pull off in case of mechanical failure or wrecks. There will be a total of 12 safety bays with the Northbound and Southbound bridges each having six. The safety bays on the Southbound Bridge require 12 of its 56-foot spans to be widened and the Northbound Bridge safety bays require 8 of its 84-foot spans to be widened. The safety bays will add up to an additional 14 feet of width to the corresponding spans. Volkert Inc. is the design engineer for the project and anticipates project costs to total approximately \$50 M. Test pilings were put into the lake at the beginning of September of 2018, and the Commission anticipates the full project will begin in December of 2018 and take approximately fourteen months.

The GNOEC intends for these projects to be done simultaneously. The guardrails on the southbound side of the bridge would be installed while construction of the safety bays for the northbound side of the bridge occurred. The GNOEC does not expect to have to close the bridge for any prolonged period of time at any point during the construction of the projects. However, depending on what is entailed in the bid response total construction time may be longer than anticipated if work cannot be done simultaneously.

TOLL RATES AND REHABILITATION PROJECTS

In February 1995, the Greater New Orleans Expressway Commission (GNOEC) increased tolls and charges on the Lake Pontchartrain Causeway. The revenues generated from the increase are dedicated for the purpose of funding major repairs/ capital improvement projects.

The GNOEC increased tolls during an August 2016 meeting. Proceeds from the increased toll revenues will be used to finance a bond issuance, the proceeds of which will fund higher safety rails on the southbound span and safety bays on both spans. The new toll schedule became effective on May 1, 2017. A table including the new toll schedule is below.

NOTE: The GNOEC began one-way toll collections in May 1999. Tolls have been collected only on the North Shore since that time.

TOLL SCHEDULE (Effective May 1, 2017)

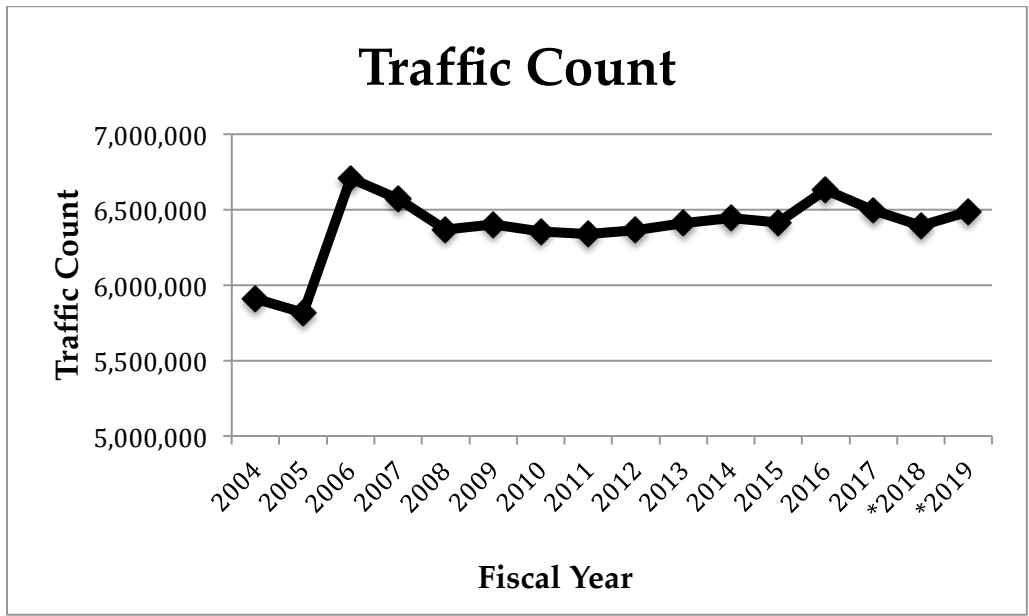
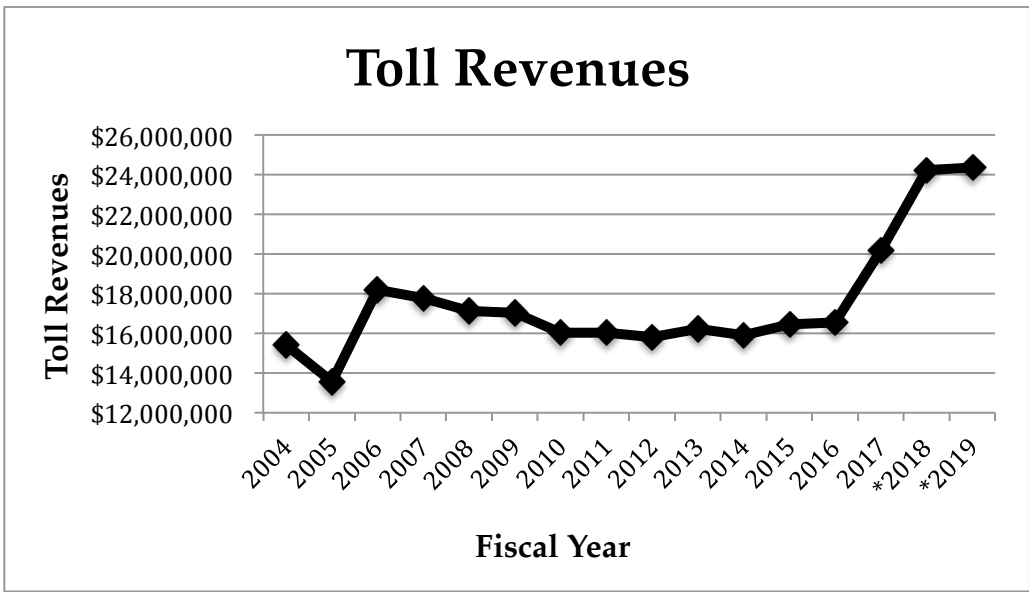
# of Axles	Toll Tag		Cash	
	Under 7'	Over 7'	Under 7'	Over 7'
2	\$3.00	\$9.00	\$5.00	\$9.00
3	\$6.75	\$13.50	\$7.00	\$14.00
4	\$9.00	\$18.00	\$9.00	\$18.00
5	\$11.25	\$22.50	\$12.00	\$23.00
6	\$11.25	\$22.50	\$12.00	\$23.00
7+	\$11.25	\$22.50	\$12.00	\$23.00

Toll Revenues

Toll revenues are budgeted based upon historical collections and trends in traffic patterns. The collections from toll revenues in FY 19 are projected to increase by approximately 0.2% from the amount approved for FY 18. Toll revenues are projected at \$24,352,000 for FY 19, or \$54,459 more than the \$24,297,541 approved in FY 18. The graphs on Page 9 illustrate toll revenue collections and traffic counts from FY 04 (pre-Katrina levels) to projected levels in FY 19. Notwithstanding the projected increase, the GNOEC's engineering contractor, Stantec, anticipates that the increased revenues from the higher tolls may be depressed by population growth and increased employment opportunities in St. Tammany Parish, which may impact traffic using the Causeway.

<u>FY</u>	<u>Toll Revenues</u>	<u>Difference</u>	<u>Traffic Count</u>	<u>Difference</u>
2004	\$15,421,017	-	5,909,426	-
2005	\$13,566,529	(\$1,854,488)	5,814,832	(94,594)
2006	\$18,184,159	\$4,617,630	6,707,603	892,771
2007	\$17,768,414	(\$415,745)	6,571,180	(136,423)
2008	\$17,135,270	(\$633,144)	6,366,320	(204,860)
2009	\$17,047,947	(\$87,323)	6,400,327	34,007
2010	\$16,025,247	(\$1,022,700)	6,355,044	(45,283)
2011	\$16,018,853	(\$6,394)	6,337,597	(17,447)
2012	\$15,811,025	(\$207,828)	6,364,746	27,149
2013	\$16,212,070	\$401,045	6,409,719	44,973
2014	\$15,916,000	(\$296,070)	6,445,170	35,451
2015	\$16,455,022	\$539,022	6,413,600	(31,570)
2016	\$16,543,981	\$88,959	6,629,438	215,838
2017	\$20,207,445	\$3,663,464	6,495,401	(134,037)
*2018	\$24,231,000	\$4,023,555	6,392,245	(103,156)
*2019	\$24,352,000	\$121,000	6,488,129	95,884

*Figures are projected through end of FY 18 and estimated for FY 19.



*Figures are projected through end of FY 18 and estimated for FY 19.

PERSONNEL EXPENSES

SALARIES	Actual		Actual		Approved		Requested	
	FTE	FY 16	FTE	FY 17	FTE	FY 18	FTE	FY 19
General Manager	1	\$120,000	1	\$126,027	1	\$128,160	1	\$130,915
Office Personnel	18.5	\$615,747	18.5	\$578,658	12	\$502,406	12	\$517,583
<u>Less: HPL Adm.</u>	<u>(3)</u>	<u>(\$78,887)</u>	<u>(3)</u>	<u>(\$93,895)</u>	<u>(1)</u>	<u>(\$89,028)</u>	<u>(1)</u>	<u>(\$91,865)</u>
Total Administrative Salaries	16.5	\$656,860	16.5	\$610,790	13.5	\$541,538	12	\$556,633
Toll Collectors	15.5	\$475,656	15.5	\$424,771	17	\$600,515	17	\$610,974
Bridge Monitors	2	\$33,750	2	\$0	0	\$0	0	\$0
Maintenance	28	\$977,380	28	\$949,189	26	\$1,030,918	26	\$1,025,395
Bascule Operators	5	\$193,493	5	\$210,579	5	\$202,594	5	\$209,879
Dispatch	12	\$505,046	12	\$580,799	13.5	\$585,061	13	\$549,440
Police	32	\$2,001,174	32	\$2,022,479	35	\$2,219,860	35	\$2,220,382
<u>Less: HPL Operations</u>	<u>(13)</u>	<u>(\$751,462)</u>	<u>(13)</u>	<u>(\$739,337)</u>	<u>(13)</u>	<u>(\$852,443)</u>	<u>(13)</u>	<u>(\$802,084)</u>
Total Operations Salaries	81.5	\$3,435,037	81.5	\$3,448,480	83.5	\$3,786,505	83	\$3,813,986
TOTAL SALARIES	98.0	\$4,091,897	98.0	\$4,059,270	95.5	\$4,328,042	95	\$4,370,618
RELATED BENEFITS								
Parochial (Retirement)		\$748,550		\$681,881		\$711,782		\$707,022
Group Insurance		\$1,043,188		\$1,110,407		\$1,193,113		\$1,091,023
Retirees Group Benefits		\$227,006		\$198,454		\$300,000		\$300,000
Gov. Def. Comp. Plan		\$85,000		\$85,000		\$85,000		\$85,000
<u>Less: HPL Rel. Benef.</u>		<u>(\$295,526)</u>		<u>(\$278,038)</u>		<u>(\$307,275)</u>		<u>(\$274,781)</u>
Total Related Benefits		\$1,808,218		\$1,797,704		\$1,982,620		\$1,908,264
OTHER COMPENSATION								
		<u>\$26,695</u>		<u>\$26,757</u>		<u>\$34,180</u>		<u>\$34,180</u>
Total Personnel Expense		\$5,926,810		\$5,883,731		\$6,344,842		\$6,313,061

<u>Requested Adjustments to Full Time Equivalency Position (FTE) Count:</u>	<u>FTEs</u>
FY 18 FTEs Approved (Including HPL Personnel)	109.5
FY 19 FTEs Requested (Including HPL Personnel)	109.0

Salaries:

The GNOEC is requesting a 1.0% net increase in its salary budget due to salary increases, which average 2.8% and annualizes promotions awarded in FY 18, which are partially offset by vacancies and senior employees retiring. These pay increases are primarily associated with merit increases which are based on an individual's performance as well as aligning current salaries to market rates and workload adjustments.

Related Benefits:

The GNOEC is requesting a 3.8% decrease in its Related Benefits budget. This decrease is primarily associated with savings due to changes the GNOEC made to insurance payments in 2017, which are now beginning to show effects. Prior to 2017, the commission paid 70% of the total health insurance costs for employees, retirees and dependents, and in 2017 the commission began to pay 100% of the employee's rate and 40% towards the dependent's rates. Additionally, once retirees meet the eligibility age for Medicare, they must switch to Medicare and their dependents must be moved off of the GNOEC group plan.

Other Compensation:

The GNOEC is requesting the same amount in the Other Compensation category that was requested for FY 18. Other Compensation represents the salaries of the Greater New Orleans Expressway Commissioners. The five appointed commissioners are paid \$569.66 per month for Commission duties as provided by an amendment to the Articles of Incorporation of the Greater New Orleans Expressway Commission. The Parishes of Jefferson and St. Tammany executed the Articles of Incorporation on October 20, 1954, with the above amendment being approved on August 7, 1986.

OPERATING EXPENSES

<u>OPERATING SERVICES</u>	Actual FY 16	Actual FY 17	Approved FY 18	Requested FY 19	FY 18 to FY 19
Advertising (Motorist Safety)	\$3,554	\$1,870	\$20,000	\$20,000	0.0%
Publication of Public Notices and Minutes	\$2,417	\$767	\$1,500	\$1,500	0.0%
Insurance	\$2,020,805	\$1,798,430	\$2,325,000	\$2,100,000	-9.7%
Travel	\$1,430	\$3,844	\$3,000	\$5,000	66.7%
Telephone and Radio	\$225,154	\$228,484	\$235,000	\$240,000	2.1%
Utilities	\$180,894	\$195,290	\$195,000	\$195,000	0.0%
Bank/ Visa Charge on Toll Deposits	\$247,538	\$291,556	\$250,000	\$300,000	20.0%
Bank Trustee Fees	\$5,979	\$6,463	\$8,500	\$8,500	0.0%
Dues & Subscriptions	\$4,859	\$16,230	\$15,000	\$30,000	100.0%
<u>Unused vacation and sick leave</u>	<u>\$85,755</u>	<u>\$101,526</u>	<u>\$150,000</u>	<u>\$150,000</u>	<u>0.0%</u>
TOTAL OPER. SERVICES	\$2,778,385	\$2,644,460	\$3,203,000	\$3,050,000	-4.8%

There is a \$153,000 decrease, or 4.8%, from FY 18 Approved to FY 19 Requested due primarily to a projected decrease in property insurance costs. The property insurance decrease is a result of a change in insurance brokers which reduced fees as well as premiums. Bank / Visa Charge on Toll Deposits increased by \$50,000 as a result of automatic rebills on accounts. Additionally, the increase in dues and subscriptions is primarily associated with dues paid to the International Bridge, Tunnel and Turnpike Association. These dues are based off of revenues, and because the Commission's revenues have increased over the past couple of years, the associated dues increased.

SUPPLIES EXPENSES

<u>SUPPLIES</u>	Actual FY 16	Actual FY 17	Approved FY 18	Requested FY 19	FY 18 to FY 19
Office Expense and Supplies	\$252,042	\$249,005	\$260,800	\$260,350	-0.2%
Operating Expense and Supplies	\$479,114	\$518,627	\$537,850	\$590,450	9.8%
Repair and Maintenance Supplies	\$480,373	\$485,512	\$470,300	\$451,650	-4.0%
TOTAL SUPPLIES	\$1,211,529	\$1,253,144	\$1,268,950	\$1,302,450	2.6%

Office Expense and Supplies:

The GNOEC is requesting a 0.2% decrease in its office expense and supply budget attributable to a reduction in computer expenses. Included in this general ledger account are the costs related to leased office space, disposal services, postage, extermination and termite control, office machine repairs and maintenance contracts, and other general administrative office supplies.

Operating Expenses and Supplies:

The requested budget for FY 19 is \$590,450, or a 9.8% increase from the previous approved budget attributable to increased auto and truck fuel expenses. Included in the Operating Supplies general ledger account are the costs associated with vehicle and truck repairs and routine preventative maintenance. Gasoline, oil, auto parts, tires, lubricants, diesel fuel and any similar costs are in this account. All police equipment mounted on the vehicles and related maintenance is in this account. Also included in this account are all police uniforms, protective equipment and any expenditures for police car retrofitting.

Repair and Maintenance Supplies:

The requested budget for FY 19 is \$451,650, or a 4.0% decrease from the amount budgeted in FY 18. The reduction is primarily associated with the utilization of sticker toll tags, as opposed to the plastic hard-case models, and reimbursements for damaged railings and attenuators.

Included in this account are the costs for general maintenance and supplies needed on the bridge, toll tags, toll system software maintenance, computer and electronic repairs on all bridge equipment, plumbing and janitorial supplies for the entire operation, and air conditioning contracts and other miscellaneous items dealing with operations maintenance. Also included are the components of the crash attenuators used on the bridge, which must be kept in stock and used by maintenance personnel in repairing damages throughout the year.

PROFESSIONAL SERVICES

<u>PROFESSIONAL SERVICES</u>	<u>Actual FY 16</u>	<u>Actual FY 17</u>	<u>Approved FY 18</u>	<u>Requested FY 19</u>	<u>FY 18 to FY 19</u>
Accounting and Finance					
Independent Audit	\$17,460	\$16,300	\$20,000	\$20,000	0.0%
<u>Accounting Services</u>	<u>\$54,195</u>	<u>\$42,725</u>	<u>\$65,000</u>	<u>\$55,000</u>	<u>-15.4%</u>
Total Accounting and Finance	\$71,655	\$59,025	\$85,000	\$75,000	-11.8%
Engineering					
Engineering Traffic Consultant	\$9,000	\$10,000	\$10,000	\$10,000	0.0%
<u>Engineering Consultant</u>	<u>\$5,093</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0.0%</u>
Total Engineering	\$14,093	\$10,000	\$10,000	\$10,000	-46.0%
Litigation & Legal Representation					
General Counsel	<u>\$150,792</u>	<u>\$150,382</u>	<u>\$130,000</u>	<u>\$150,000</u>	<u>15.4%</u>
Other Professional Services					
Investment Consultant	\$5,665	\$4,137	\$20,000	\$25,000	25.0%
Other	\$0	\$0	\$0	\$0	0.0%
<u>Accident Investigation</u>	<u>\$0</u>	<u>\$0</u>	<u>\$2,000</u>	<u>\$2,000</u>	<u>-0.0%</u>
Total Other Professional Services	<u>\$5,665</u>	<u>\$4,137</u>	<u>\$22,000</u>	<u>\$27,000</u>	<u>22.7%</u>
TOTAL PROF. SERVICES	\$242,205	\$223,544	\$247,000	\$262,000	6.1%

Accounting and Finance Expenses:

Beginning in FY 00, the Legislative Auditor began performing an annual audit of the Commission's financial statements, which is now being performed by an independent CPA firm. The Commission, with the recommendation of the Legislative Auditor, has budgeted \$20,000 for this activity. Accounting services include preparation of the financial statements, budget documents, and audit services.

Engineering Expenses:

The traffic engineer provides information pertaining to annual traffic studies and toll analyses, which are used mainly for budget and operations planning. Engineering Consultant expenses are now reflected in Extraordinary Maintenance Expenses for projects in the Capital Improvement Program. These costs generally range from 5% to 6% of a total project cost.

Legal Expenses:

Litigation and legal representation includes general legal consultation and litigation. There is an increase for the general counsel expenses to reflect actual expenses based on prior years, and anticipation of increased activity due to the safety bay and rails project.

Other Professional Services Expenses:

The Investment Consultant expenses reflect a fee increase based on additional bond revenues. The Accident Investigation expense of \$2,000 is to hire a company to investigate a major crash, in the event there is one. An accident investigator was last hired in FY 12 at a cost of \$2,400.

OTHER CHARGES

Other Charges Expenditures	Actual FY 16	Actual FY 17	Approved FY 18	Requested FY 19	FY 18 to FY 19
Debt Service	\$4,288,544	\$6,539,538	\$7,961,081	\$7,798,756	-2.0%
Interagency Expense					
Act 875 of 1988					
St. Charles Parish	\$50,000	\$50,000	\$50,000	\$50,000	0.0%
St. John the Baptist Parish	\$50,000	\$50,000	\$50,000	\$50,000	0.0%
Tangipahoa Parish	\$50,000	\$50,000	\$50,000	\$50,000	0.0%
Total Act 875	\$150,000	\$150,000	\$150,000	\$150,000	0.0%
Act 1227 of 1995					
City of New Orleans*	\$50,000	\$50,000	\$50,000	\$50,000	0.0%
Jefferson Parish	\$50,000	\$50,000	\$50,000	\$50,000	0.0%
St. Tammany Parish	\$50,000	\$50,000	\$50,000	\$50,000	0.0%
Washington Parish	\$50,000	\$50,000	\$50,000	\$50,000	0.0%
Total Act 1227	\$200,000	\$200,000	\$200,000	\$200,000	0.0%
Huey P. Long Bridge	\$1,380,471	\$1,297,353	\$1,461,746	\$1,387,888	-5.1%
Total Interagency Expense	\$1,730,471	\$1,647,353	\$1,811,746	\$1,737,888	-4.1%
Transfer to State of Louisiana (excess GNOEC collections)	\$0	\$0	\$0	\$0	0.0%
TOTAL OTHER CHARGES	\$6,019,015	\$8,186,891	\$9,772,827	\$9,536,644	-2.4%

Other Charges expenditures consist of Debt Service, Interagency Expense, and State Surplus. Interagency Expense includes expenditures per Act 875 of 1988 and Act 1227 of 1995. These Acts provide, prior to the transfer of surplus funds to the State of Louisiana, funding for the policing of the Huey P. Long Bridge and for the transfer of funds to specific local agencies as detailed in the table above. The Commission last returned surplus revenues to the State of Louisiana in FY 94 in the amount of \$104,748. Act 875 of 1988 requires the Commission to use surplus funds to police the Huey P. Long Bridge.

The decrease in Other Charges is primarily associated with a reduction in expenditures for the Huey P. Long Bridge (see Page 17 for additional details).

*Act 892 of the 2008 Regular Legislative Session provides that of the \$50,000 distributed to the city of New Orleans, \$25,000 be allocated to the New Orleans Recreation Department and \$25,000 be allocated to the New Orleans Police Department.

DEBT SERVICE REQUIREMENTS
FY 19 and Forward

<u>Fiscal Year</u>	<u>Series 2013 Bonds Total Debt Service</u>	<u>Series 2014 Bonds Principal</u>	<u>Series 2014 Bonds Interest</u>	<u>Series 2014 Bonds Total Debt Service</u>	<u>Series 2017 Bonds Principal</u>	<u>Series 2017 Bonds Interest</u>	<u>Series 2017 Bonds Total Debt Service</u>	<u>Combined Total Debt Service Requirements</u>
2019	\$2,417,663	\$65,000	\$620,594	\$685,594	\$345,000	\$4,350,500	\$4,695,500	\$7,798,756
2020	\$2,415,713	\$70,000	\$618,569	\$688,569	\$185,000	\$4,333,250	\$4,518,250	\$7,622,531
2021	\$2,421,963	\$65,000	\$616,544	\$681,544	\$0	\$4,324,000	\$4,324,000	\$7,427,506
2022	\$2,413,963	\$75,000	\$614,444	\$689,444	\$0	\$4,324,000	\$4,324,000	\$7,427,406
2023	\$2,416,588	\$75,000	\$612,194	\$687,194	\$0	\$4,324,000	\$4,324,000	\$7,427,781
2024	\$2,404,713	\$90,000	\$609,719	\$699,719	\$1,905,000	\$4,324,000	\$6,229,000	\$9,333,431
2025	\$2,403,813	\$90,000	\$607,188	\$697,188	\$1,780,000	\$4,228,750	\$6,008,750	\$9,109,750
2026	\$2,402,966	\$95,000	\$332,585	\$427,585	\$1,585,000	\$4,139,750	\$5,724,750	\$8,555,301
2027	\$2,399,409	\$100,000	\$601,894	\$701,894	\$1,365,000	\$4,060,500	\$5,425,500	\$8,526,803
2028	\$2,392,650	\$110,000	\$598,744	\$708,744	\$1,120,000	\$3,992,250	\$5,112,250	\$8,213,644
2029		\$2,545,000	\$558,919	\$3,103,919	\$830,000	\$3,936,250	\$4,766,250	\$7,870,169
2030		\$2,625,000	\$479,728	\$3,104,728	\$525,000	\$3,894,750	\$4,419,750	\$7,524,478
2031		\$2,705,000	\$394,756	\$3,099,756	\$3,790,000	\$3,868,500	\$7,658,500	\$10,758,256
2032		\$2,810,000	\$294,600	\$3,104,600	\$3,595,000	\$3,679,000	\$7,274,000	\$10,378,600
2033		\$2,920,000	\$180,000	\$3,100,000	\$3,360,000	\$3,499,250	\$6,859,250	\$9,959,250
2034		\$3,040,000	\$60,800	\$3,100,800	\$3,090,000	\$3,331,250	\$6,421,250	\$9,522,050
2035					\$2,785,000	\$3,176,750	\$5,961,750	\$5,961,750
2036					\$2,440,000	\$3,037,500	\$5,477,500	\$5,477,500
2037					\$2,055,000	\$2,915,500	\$4,970,500	\$4,970,500
2038					\$5,845,000	\$2,812,750	\$8,657,750	\$8,657,750
2039					\$5,595,000	\$2,520,500	\$8,115,500	\$8,115,500
2040					\$5,290,000	\$2,240,750	\$7,530,750	\$7,530,750
2041					\$4,945,000	\$1,976,250	\$6,921,250	\$6,921,250
2042					\$4,560,000	\$1,729,000	\$6,289,000	\$6,289,000
2043					\$4,120,000	\$1,501,000	\$5,621,000	\$5,621,000
2044					\$3,640,000	\$1,295,000	\$4,935,000	\$4,935,000
2045					\$7,865,000	\$1,113,000	\$8,978,000	\$8,978,000
2046					\$7,440,000	\$719,750	\$8,159,750	\$8,159,750
2047					\$6,955,000	\$347,750	\$7,302,750	\$7,302,750
TOTAL	\$24,089,438	\$17,480,000	\$7,801,276	\$25,281,276	\$87,010,000	\$89,995,500	\$177,005,500	\$226,376,213

HUEY P. LONG BRIDGE
Interagency Transfer

<u>Huey P. Long Bridge</u>	<u>Approved FY 18</u>	<u>Requested FY 19</u>	<u>FY 18 to FY 19</u>
Administrative			
Administrative Salaries	\$89,028	\$91,865	3.2%
Payroll Taxes	\$11,449	\$11,897	3.9%
Payroll Benefits	\$17,426	\$14,848	-14.8%
<u>Materials, Supplies, Contract Work</u>	<u>\$0</u>	<u>\$0</u>	<u>0.0%</u>
Total Administrative Function	\$117,903	\$118,610	0.6%
Operations			
Police Patrol	\$695,646	\$664,716	-4.4%
Dispatch	\$136,574	\$116,377	-14.8%
Payroll Taxes	\$116,636	\$108,533	-6.9%
Payroll Benefits	\$154,854	\$132,651	-14.3%
Materials, Supplies, and Maint.	\$90,000	\$90,000	0.0%
Telephone and Radio	\$40,000	\$40,000	0.0%
Unused Vacation and Sick Leave	\$10,000	\$10,000	0.0%
<u>Insurance</u>	<u>\$28,000</u>	<u>\$28,000</u>	<u>0.0%</u>
Total Operations	\$1,271,710	\$1,190,277	-6.4%
Maintenance			
Maintenance Personnel	\$20,223	\$20,991	3.8%
Payroll Taxes	\$2,652	\$2,718	2.5%
<u>Payroll Benefits</u>	<u>\$4,258</u>	<u>\$4,134</u>	<u>-2.9%</u>
Total Maintenance	\$27,133	\$27,843	2.6%
Capital Acquisitions			
	\$45,000	\$51,157	13.7%
TOTAL HUEY P. LONG BRIDGE	\$1,461,746	\$1,387,888	-5.1%

Since Act 875 of 1988, the Commission has budgeted expenditures for the policing of the Huey P. Long Bridge. A percentage of the Commission's administrative, police, and maintenance salaries and benefits, equipment, and acquisitions comprise total expenditures associated with the policing function.

Total expenditures for policing the Huey P. Long Bridge is projected to decrease by \$73,858, or 5.1%. This reduction is primarily due the structural change in the health insurance plan as well as senior employees retiring with lower paid employees taking over the positions. The requested budget also includes salary increases of approximately 3%.

FY 19 ACQUISITIONS, MAJOR REPAIRS AND CAPITAL IMPROVEMENTS

Acquisitions			Page No.
	Causeway Police	\$217,114	19
	Maintenance	\$7,381	19
	Operations & Administration	\$85,082	19
Total Acquisitions		\$309,577	3
Capital Improvement Program			
Major Repairs			
	Extraordinary Maintenance and Consulting Engineering	\$400,000	20
	Annual AASHTO Inspection	\$800,000	20
	Emergency and Periodic Repairs	\$100,000	20
	Preventative Maintenance of Mechanical & Electrical Systems	\$800,000	20
Sub-Total Major Repairs		\$2,100,000	20
Capital Improvements/Rehabilitation Program			
	North Channel Bascule Mechanical Maintenance	\$1,600,000	20
	Upgrade Closed Circuit TV System	\$1,000,000	20
	High Voltage Power System - Control System and Surge Protection	\$250,000	21
	Upgrade 1700 AM Highway Advisory Radio	\$150,000	21
	Replace Call Boxes	\$750,000	21
	Replace Under Bridge Inspection Unit – Reachall Truck	\$1,000,000	21
	Monroe Street Overpass & Frontage Road Rehabilitation	\$750,000	21
	Rehab at Monroe St & West Approach/Patching at North Approach	\$1,250,000	21
	Northshore Maintenance Facility Improvements	\$375,000	22
	North Toll Plaza Canopy Roof and Lightning Protection	\$475,000	22
	North Toll Plaza Site Work	\$1,000,000	22
	North Shore Maintenance Facility Improvements – Canopy	\$800,000	22
	Toll Tag Store Software Upgrade	\$725,000	22
	Toll Collection System – Violation Enforcement System (VES)	\$500,000	22
Sub-Total Capital Improvements/Rehabilitation Program		\$10,625,000	20
Total Major Repairs and Capital Improvements		\$12,725,000	20
Safety Bays and Rail Project			
	Safety Shoulder Expenditures	\$40,000,000	19
	Southbound Bridge Rail Improvements Expenditures	\$15,000,000	19
Safety Bays and Rail Project		\$55,000,000	19
Total Expenditures		\$68,034,577	
REVENUES FROM PRIOR AND CURRENT YEAR COLLECTIONS			
<u>Acquisitions:</u>			
	FY 19 Highway Fund #2	\$309,577	3
<u>Extraordinary Maintenance and Repair Reserve Fund:</u>			
	Funds carried forward from Prior Year (Beginning Balance)	\$17,354,825	19
	FY 19 Toll Revenues	\$5,719,488	2
	FY 19 Highway Fund #2	\$1,099,280	3
Total FY 19 Revenues		\$6,818,768	1
<u>Construction Fund 2017:</u>			
	FY 19 Toll Revenues (Fee Increase)	\$3,234,500	2
	FY 17 Bond Proceeds	\$95,195,933	19
Total Revenues		\$122,913,603	
REVENUES LESS EXPENDITURES FOR CARRYFORWARD TO FY 20		\$54,879,026	19

Acquisitions, Major Repairs/Capital Improvement Expenditure Category

Acquisitions

Capital Acquisitions total \$309,577 in FY 19 and include items such as vehicles, radios and various Causeway police equipment. This category is requested at 14.2% less than the amount budgeted in FY 18. The decrease in FY 19 is a result of spending less on maintenance equipment.

Causeway police acquisitions in FY 19 total \$217,114 and the expenditures include the purchase of five (5) Ford Police Interceptor Units with roof and push bumper light bars (\$161,000), five (5) Stalker Radars (\$15,000), five (5) Watchguard Video Cameras (\$29,000), one (1) Panasonic laptop (\$4,000), and two (2) Motorola APX 6500 Mobile Radios (\$8,114).

Maintenance acquisitions for FY 19 total \$7,381 and include the purchase of one (1) Kubota Zero-Turn Mower.

Operations and Administration acquisitions for FY 19 total \$85,082 and include the purchase of one (1) F-350 Ford Map Truck and the associated equipment (\$67,129), two (2) Lane Controller Computers and the associated downloads (\$8,952), one (1) CAD Won12 Station Computers (\$1,000), and one (1) door access system for the Volunteers of America building (\$5,000).

Capital Improvement Program – Extraordinary Maintenance & Repair Reserve Fund

The GNOEC is required to have all funds available prior to the start of any capital project. The Commission accumulates any unexpended funds each year in the Extraordinary Maintenance and Repair Reserve Fund for the purpose of meeting its regular capital outlay and maintenance needs not met in the capital improvements program. This financing method is not evidenced in the Commission's budget request in previous fiscal years, but was used prior to the capital improvements program in order to meet recurring capital outlay and major repair needs.

The GNOEC will begin the year with a balance of \$17,354,825, and will add \$6,818,768, which reflects the amount the GNOEC will deposit into the Extraordinary Maintenance and Repair Reserve fund for ongoing and future projects. The GNOEC plans to spend \$12,725,000 on major repairs and capital improvement projects in FY 19. Lastly, the GNOEC projects it will carry forward a total of \$11,448,593 from FY 19 to FY 20 for future projects.

Safety Bays / Rails - Construction Fund 2017

Total expenditures budgeted in the Safety Bays/Rails Construction fund are \$3,234,500 which will be deposited into the Construction Fund 2017 and encumbered for expenditures associated with raising the safety rails on the southbound span by 25 inches, from 21 inches to 46 inches in height. The rails are prefabricated and will bolt on top of the existing bridge structure. This project will also add six safety bays of 1,008 feet in length to both the south and northbound spans, for a total of 12 bays. The bays will increase the segment width of the corresponding spans by approximately 14 feet.

The GNOEC will begin the year with a balance of \$95,195,933, and will add \$3,234,500 generated from the increased toll revenues. The GNOEC anticipates spending approximately \$55,000,000 in FY 19 on expenditures associated with the Safety Shoulders (\$40,000,000) and Southbound Bridge Rail Improvements (\$15,000,000). The commission intends to carry forward \$43,430,433 within the Construction Fund 2017 from FY 19 to FY 20.

The GNOEC intends to carry forward a total of \$54,879,026 from FY 19 to FY 20.

A complete list of the GNOEC Capital Improvement/Rehabilitation Projects with a brief description of each project can be found below. The costs include components of design, construction, and construction management. Consulting engineering firms provide all engineering services for Major Repairs and the Rehabilitation Program. The design engineering work generally costs approximately 5-6% of the construction cost. The cost of consulting engineers employed in the management of construction contracts is approximately 5.25-6% of the total construction cost. The total cost of projects listed equals \$12,725,000.

Major Repairs

The budget approved by the Commission on August 22, 2018 includes the major repairs projects listed below. The projects approved by the GNOEC for a typical fiscal year often are changed during the course of the year due to changing priorities and other factors, which require projects to be altered or rescheduled (either delayed or accelerated). Total costs for the projects outlined below are \$2,100,000.

Extraordinary Maintenance & Consulting Engineering - \$400,000

The services provided include monthly and annual reporting, review of driveway and utility permits, inspection of accident site damages, inspection and coordination of repairs to bridge deck and approach roads when necessary, and other engineering services as needed.

Annual AASHTO Inspection of Facilities & Security Inspection - \$800,000

This is the annual inspection of the Causeway in accordance with Federal Highway Administration (FHWA) and American Association of State Highway & Transportation Officials (AASHTO) guidelines. The GNOEC's Trust Indenture requires that the bridge be inspected annually. In addition, the Consulting Engineers conduct monthly inspections of the underside of the bridge and the navigation lights.

Emergency and Periodic Repairs - \$100,000

This provides funding for issues that may arise throughout the year. For instance, the lock bar has failed the past two years, and in order to fund the repair money was taken from other project expenditures.

Preventative Maintenance Electrical / Mechanical Systems - \$800,000

The services provided under this category are in connection with assistance in maintenance of the CCTV Security Camera System and Variable Message Signs/ Call Box System, monitoring system operations of the high voltage electrical system and assistance in maintenance of the electronic toll system.

Capital Improvement Projects

The budget approved by the GNOEC on August 22, 2018 includes the capital improvement projects listed below. The projects approved by the GNOEC for a typical fiscal year often are changed during the course of the year due to changing priorities and other factors, which require projects to be altered or rescheduled (either delayed or accelerated). Total costs for the projects outlined below are \$10,625,000.

North Channel Bascule Mechanical Maintenance - \$1,600,000

The project provides for maintenance of the mechanical portion of the bascule and other repairs not covered during prior projects. The project will involve shimming the load bearings, replacing a lock bar receiver collar and lock bar operator rehabilitation.

Upgrade Closed Circuit TV (CCTV) System - \$1,000,000

The CCTV system has been in service for approximately 10 years and has not received any major software or hardware upgrades since it was installed. Most of the hardware has reached end of life and end of support. As a result of the recording devices running full-time since installation nearly a decade ago, they are beginning to fail with minimal support available.

High Voltage Power System - \$250,000

The High Voltage Power System provides power at various distribution points along the 24-mile bridge and has been in service since 2002. The system includes 11 switchgears at the utility source connections and distribution points that allow the system to be automatically reconfigured upon loss of utility power from one of the two sources (CLECO and Entergy). This power system relies on a complex control system that communicates on a fiber optic network communication system. Because of the "daisy chain" configuration, loss of a single communication device eliminates all communication to the Supervisory Control and Data Acquisition (SCADA) master station. The proposed upgrades will provide individual communication paths from each of the 11 switchgear control stations to the SCADA master station. In the event of a loss of a single communication device at one of the 11 stations, all other stations will continue to provide data. This allows partial system status to be known until the communication failure can be resolved. The upgrades will also provide additional capabilities for data collection and remote diagnosis of power system issues. The upgrades will improve reliability of the communications for the power system controls and monitoring.

Upgrade 1700 AM Highway Advisory Radio - \$150,000

The GNOEC maintains a Highway Advisory Radio (HAR) system operating on 1700 AM to inform motorist conditions on the Lake Pontchartrain Causeway Bridge and Approaches. The system transmitters are located on the roof of the administration offices on the south shore, crossover 4, the north toll plaza, and near state police troop L on US 190 (north approach). Due to the age of the HAR system, replacement parts are difficult to find and the system has become unreliable. This project will replace components to improve communication with the motorist.

Replace Call Boxes - \$750,000

Emergency call boxes are currently located at four-tenth mile intervals along the bridge and at each crossover. These call boxes allow motorists to summon help in the event of an emergency. The existing Call Boxes, installed in 1999, have reached the ends of their useful lives and replacement parts are becoming difficult to obtain. This project will provide for the replacement of the call boxes with new equipment, allowing greater flexibility for the Causeway staff to handle emergencies and increased safety for the Causeway user.

Replace the Under Bridge Inspection Unit (Reachall) - \$1,000,000

Federal Law requires that all bridges on public roads be inspected in accordance with National Bridge Inspection Standards (23 CFR Part 650 Subsection C). The under bridge inspection unit provides the inspectors with hands on access to the Lake Pontchartrain Causeway. The GNOEC under bridge inspection unit manufactured by Reachall was purchased in 1993. The unit was rebuilt at the 10-year service mark and is due for the 20-year rebuild. The Commission has budgeted for the purchase of a replacement of the now 23-year old unit. The new under bridge inspection unit will have capabilities in the boom and basket to allow GNOEC to perform bearing pad replacement.

Monroe Street Overpass and Frontage Road Rehabilitation - \$750,000

The project was originally constructed in the early 1990s and needs to be rehabilitated. The bridge repairs will result in the replacement of expansion joint seals, epoxy repair of cracks in bent caps, bridge drain restoration, repair of brick fascia, and replacement of the impact attenuators, signage and markings. The Frontage Road repairs will consist of removal and replacement of a damaged pavement, curb and guardrail, extension of culvers and cleaning of the drainage system and replacement of the striping and pavement markers.

Road Rehabilitation at Monroe St and West Approach and Patching at North Approach - \$1,250,000

In 2015, the West Approach Road from the west side of the Chinchuba Bayou Bridge to the intersection with LA 22 was rehabilitated. The limits for this project will be from the end of the

Monroe Street Overpass through the Chinchuba Bayou Bridge. The existing asphaltic concrete overlay and striping/pavement markings are badly worn and are in need of replacement. This project provides for the removal and replacement of two inches of the existing asphaltic concrete overlay, patching of the Portland Cement Concrete pavement as needed, replacement of the curb in the median as needed, replacement of the striping, pavement markers, and any symbols or legends. This project will also include installation of safety end treatments on existing cross-side drains, and cleaning of the existing drainage system. The guardrails across from the Chinchuba Bayou Bridge will also be replaced. Construction will be sequenced or phased in to cause minimal interruptions to the flow of traffic. In order to extend the life of the existing asphaltic concrete overlay, the North Approach Road will also receive patching and crack sealing. If warranted, microsurfacing will also be applied.

Northshore Maintenance Facility Improvements - \$375,000

This project will include renovations to a building constructed in 1998 and the construction of a new storage area for GNOEC maintenance equipment and spare part inventories. The renovations will include the roof replacement of flooring, replacement of roll-up doors, replacement of the HVAC system, painting, installation of industrial shelving in storage areas, and site drainage work.

Northshore Maintenance Facility Improvements – Canopy - \$800,000

This project includes the construction of a carport on the lagoon side of the building and expanding the existing pole barn.

North Toll Plaza Canopy Roof and Lightning Protection - \$475,000

This project includes waterproofing the North Toll Plaza canopy roof and providing lightning and surge protection for the North Toll Plaza. The project will be scheduled after the dynamic message sign has been removed and replaced on the truss.

North Toll Plaza Site Work - \$1,000,000

As a result of the police building renovations, approximately 15 parking spaces were removed and a driveway was closed. This project will restore the lost parking spaces and revise the driveway to accommodate toll turnarounds and fog operations. The project will also include maintenance to the north parking lot.

Toll Tag Store Software Upgrade - \$725,000

The software was last updated in 2009. The system currently can only work using Internet Explorer 9, which is no longer supported. The upgrade will include: the capability to use multiple browsers, compatibility for the violation system, and equipment upgrades. The upgrade expenses will extend over a four-year period.

Toll Collection System – Violation Enforcement System (VES) - \$500,000

The Violation Enforcement System allows for an open toll road. The VES will connect to the Toll Tag Software, and the image will be reviewed to verify the vehicle has a tag or a violation letter will be issued. This project will consist of software and camera upgrades.

In future years, the GNOEC intends to begin rehabilitating the North Approach Road, replace bearing pads, clean and adjust bearings for the southbound span, structural repairs to the underside of the bridge deck, painting of the steel spans, replacing or performing maintenance on the radar system, and pile encapsulation. Historically, funds are carried to the next fiscal year as the GNOEC is required by its bond indenture to have all construction funds available before a project can be initiated.

Salary Information for Filled Positions as of September 10, 2018

ADMINISTRATION

TITLE/POSITION	DATE HIRED	FULL PART TIME	FY 2018 CURRENT SALARY	FY 2019 PROPOSED SALARY	% INCREASE
General Manager	9/1/09	FULL	128,160.26	130,915.44	2.15%
Chief Financial Officer	5/28/03	FULL	79,000.00	81,898.40	3.67%
Human Resource Director	6/16/95	FULL	74,865.60	77,759.20	3.87%
Executive Secretary	10/2/00	FULL	54,700.00	56,704.00	3.66%
Receptionist	10/16/17	FULL	27,040.00	27,040.00	0.00%

COMMUTER SALES

Commuter Sales Supervisor	2/22/06	FULL	35,859.20	36,950.95	3.04%
North Shore Leaderman	11/28/05	FULL	29,953.60	30,766.50	2.71%
North Shore Tag Office	10/18/16	FULL	23,880.00	24,692.90	3.40%
North Shore Tag Office	7/16/08	FULL	28,476.80	29,289.70	2.85%

ACCOUNTING

Accountant	2/19/15	FULL	42,598.40	43,880.40	3.01%
Purchasing Clerk	10/30/17	FULL	30,305.60	31,218.60	3.01%
Toll Anaylst	1/26/09	FULL	34,860.00	35,953.40	3.14%
Web Special Project	6/6/12	FULL	34,907.20	35,953.40	3.00%

CAUSEWAY BRIDGE POLICE

TITLE/POSITION	DATE HIRED	FULL PART TIME	FY 2018 CURRENT SALARY	FY 2019 PROPOSED SALARY	% INCREASE
Chief	8/5/08	FULL	105,000.00	105,000.00	0.00%
Lieutenant	1/16/05	FULL	74,047.33	76,269.44	3.00%
Lieutenant	3/15/99	FULL	71,793.53	73,955.65	3.01%
Sergeant	7/10/06	FULL	51,115.42	52,638.77	2.98%
Sergeant	11/3/09	FULL	45,426.20	46,790.02	3.00%
Sergeant	10/4/10	FULL	43,243.20	44,540.50	3.00%
Sergeant	10/12/87	FULL	79,233.27	81,604.02	2.99%
Corporal	1/2/14	FULL	39,998.40	41,198.35	3.00%
Corporal	3/17/08	FULL	51,224.83	52,767.31	3.01%
Corporal	7/28/98	FULL	63,587.93	65,493.17	3.00%
Corporal	6/1/11	FULL	41,579.20	42,826.58	3.00%
Corporal	8/16/11	FULL	44,310.24	45,633.12	2.99%
Corporal	1/16/14	FULL	39,998.40	41,198.35	3.00%
Officer	7/3/07	FULL	37,505.06	38,627.47	2.99%
Officer	7/16/12	FULL	37,505.06	38,627.47	2.99%
Officer	2/2/15	FULL	35,651.20	36,720.74	3.00%
Officer	5/24/17	FULL	37,505.06	38,627.47	2.99%
Officer	7/1/14	FULL	39,020.80	40,191.42	3.00%
Officer	8/1/17	FULL	37,502.40	38,627.47	3.00%
Officer	6/25/18	FULL	35,651.20	36,720.74	3.00%
Officer	1/25/16	FULL	37,505.06	38,627.47	2.99%
Officer	10/30/17	FULL	35,651.20	36,720.74	3.00%
Officer	5/7/18	FULL	35,651.20	36,720.74	3.00%

HUEY P. LONG BRIDGE POLICE

Sergeant	3/22/99	FULL	63,675.46	65,578.86	2.99%
Sergeant	12/2/13	FULL	41,600.00	42,848.00	3.00%
Corporal	9/19/96	FULL	58,073.77	59,815.81	3.00%
Officer	5/26/98	FULL	62,034.34	63,886.37	2.99%
Officer	2/6/17	FULL	37,502.40	38,627.47	3.00%
Officer	11/5/14	FULL	37,505.06	38,627.47	2.99%
Officer	3/12/07	FULL	37,505.06	38,627.47	2.99%
Sergeant	3/22/99	FULL	63,675.46	65,578.86	2.99%

TOLL COLLECTORS – NORTH SHORE

TITLE/POSITION	DATE HIRED	FULL PART TIME	FY 2018 CURRENT SALARY	FY 2019 PROPOSED SALARY	% INCREASE
North Shore Supervisor	8/1/81	FULL	74,000.00	75,000.00	1.35%
N. S. Toll Captain	1/30/96	FULL	38,394.72	39,932.67	4.01%
Trainer	3/21/16	FULL	25,470.00	26,244.40	3.04%
Toll Collector	10/9/17	FULL	22,380.80	22,996.27	2.75%
Toll Collector	11/3/15	FULL	22,636.00	23,309.31	2.97%
Toll Collector	7/24/17	FULL	22,380.80	22,996.27	2.75%
Toll Collector	4/23/02	FULL	28,322.53	29,179.49	3.03%
Toll Collector	12/19/16	FULL	22,520.00	23,202.19	3.03%
Toll Collector	3/5/18	FULL	22,380.80	22,996.27	2.75%
Toll Collector	7/18/08	FULL	28,013.44	28,858.13	3.02%
Toll Collector	1/8/18	PART	22,380.80	22,879.80	2.23%
Toll Collector	4/27/06	PART	17,548.63	18,071.35	2.98%
Toll Collector	3/26/18	PART	15,602.00	16,037.00	2.79%
Toll Collector	6/25/18	PART	15,602.00	16,037.00	2.79%
Toll Collector	6/20/18	PART	15,602.00	16,037.00	2.79%
Toll Collector	4/23/18	PART	15,602.00	16,037.00	2.79%
Toll Collector	5/22/17	PART	15,602.00	16,037.00	2.79%

COMMUNICATIONS – DISPATCH AND BASCULE

TITLE/POSITION	DATE HIRED	FULL PART TIME	FY 2018 CURRENT SALARY	FY 2019 PROPOSED SALARY	% INCREASE
Supervisor of Comm	3/8/02	FULL	66,100.00	67,902.40	2.73%
TAC Officer	4/23/01	FULL	41,662.40	43,162.40	3.60%
Training Officer	2/2/04	FULL	39,457.60	40,957.60	3.80%
Dispatcher	3/3/08	FULL	32,227.16	33,176.00	2.94%
Dispatcher	4/20/15	FULL	25,958.40	26,728.00	2.96%
Dispatcher-HPL	3/23/15	FULL	25,708.80	26,472.00	2.97%
Dispatcher	12/20/14	FULL	26,996.73	27,809.00	3.01%
Dispatcher	8/31/05	FULL	35,796.80	36,899.20	3.08%
Dispatcher-HPL	7/31/98	FULL	40,472.43	41,683.20	2.99%
Dispatcher	9/4/18	FULL	24,960.00	24,960.00	0.00%
Record Clerk	8/19/96	FULL	34,858.40	36,088.00	3.53%
Security Operator	3/5/07	FULL	30,483.65	31,392.80	2.98%
Security Operator	5/26/17	FULL	30,066.40	30,976.80	3.03%
Supervisor	9/26/94	FULL	52,231.71	53,253.38	1.96%
Operator	1/21/14	FULL	26,994.22	28,078.34	4.02%
Operator	8/16/12	FULL	29,178.24	30,349.70	4.01%
Operator	10/3/08	FULL	33,226.75	34,214.13	2.97%
Operator	7/21/03	FULL	35,303.42	36,356.53	2.98%

MAINTENANCE

TITLE/POSITION	DATE HIRED	FULL PART TIME	FY 2018 CURRENT SALARY	FY 2019 PROPOSED SALARY	% INCREASE
Bridge/Operation Director	11/2/95	FULL	76,842.40	79,735.20	3.76%
Foreman	8/19/91	FULL	48,605.96	50,797.03	4.51%
Electrical	2/6/17	FULL	38,480.00	39,826.80	3.50%
North Shore Maintenance	9/28/15	FULL	28,554.24	29,415.15	3.01%
North Shore Maintenance	9/21/15	FULL	30,284.80	31,344.77	3.50%
North Shore Maintenance	12/18/17	FULL	26,000.00	27,040.00	4.00%
Electrical	10/1/01	FULL	45,580.08	47,395.71	3.98%
North Shore Maintenance	6/1/16	FULL	28,392.00	29,243.76	3.00%
North Shore Maintenance	10/1/02	FULL	33,917.52	34,942.54	3.02%
S.S. Maintenance Supervisor	2/23/09	FULL	40,054.56	41,663.23	4.02%
South Shore Maintenance	11/12/15	FULL	28,828.80	29,405.38	2.00%
South Shore Maintenance	10/27/08	PART	23,063.04	23,754.93	3.00%

MOTORIST ASSISTANCE PATROL

MAP Leaderman	8/2/04	FULL	35,110.40	36,514.82	4.00%
Operator	6/5/17	FULL	28,600.00	29,601.00	3.50%
Operator	6/19/17	FULL	28,600.00	29,458.00	3.00%
Operator	6/6/16	FULL	29,744.00	30,602.00	2.88%
Operator	5/14/18	FULL	28,600.00	28,600.00	0.00%
Operator	12/19/16	FULL	30,030.00	31,086.43	3.52%
Operator	4/8/13	FULL	30,198.27	30,805.63	2.01%
Operator	5/5/16	FULL	30,030.00	30,030.00	0.00%

VEHICLE MAINTENANCE

Supervisor	10/8/86	FULL	46,169.76	48,023.04	4.01%
Mechanic	11/13/00	FULL	42,129.36	43,594.20	3.48%
Mechanic	2/21/11	FULL	30,779.01	32,015.36	4.02%