

Bridge offices' overhaul goes on - Expansion - Times-Picayune, The (New Orleans, LA) - February 11, 2009 - page 01

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A \$3.8 million addition and renovation at the **Crescent City Connection** offices in Algiers promises to reduce lines that snake through the cramped lobby as people wait to buy toll tags.

Of course, if bridge tolls are not renewed before 2012, the lines will disappear altogether and the new office space could sit empty.

The expansion project has come under scrutiny since the recent disclosure that the bridge faces a nearly \$10 million shortfall this year. Several members of the bridge's oversight board balked at the project's price tag, which one member said rivals the going rate for office space in Manhattan.

Although work on the addition began before the deficit surfaced, critics say the project is indicative of the wasteful spending and poor planning they contend is responsible for the bridge's budget crisis.

"If the tolls aren't renewed, what are you going to do with that building? It's going to be empty," said state Rep. **Patrick Connick**, R-Harvey. "But even if the tolls are renewed, this is a tremendous waste of money."

Financed by toll revenue, the project includes a 6,000-square-foot addition and extensive renovations to 75 percent of the 11,000-square-foot building that dates to the late 1980s.

The number of customer service windows will be doubled to eight to reduce lines, and employees sharing tiny offices will have more elbow room when the expansion is completed in August.

State Department of Transportation and Development Secretary William Ankner, who took office after the project had been approved, has said the bridge staff needs more space, though he stopped short of defending the cost and size of the addition.

--- Tolls expire in 2012 ---

Connick, a frequent critic of bridge administrators, said the project siphoned off toll revenue that would have been better spent on road projects as specified in a 1998 law reauthorizing the tolls.

A decade later, none of the projects has been completed because anticipated toll surpluses failed to materialize as costs to run the bridge spiraled out of control, according to a recent bridge audit.

The bonds financing the bridge's second span will be paid off in a couple of years, and the tolls are set to expire Dec. 31, 2012.

Connick has said he will oppose renewing the tolls unless West Bank commuters start getting more bang for their buck. The tolls account for about 75 percent of the bridge's annual revenue of

\$27 million, meaning wholesale cutbacks would be required if the tolls expire.

DOTD spokesman Mark Lambert said plans for the addition and renovation were drawn up before Hurricane Katrina at the request of the bridge's top two administrators, both of whom retired last year.

Before bids were sought in October 2007, the project was scaled back and cost estimates were raised to account for higher post-Katrina construction costs, Lambert said. But the lowest bid still came in about \$700,000 higher than expected.

"The price of everything -- labor, steel, concrete -- went through the roof after Katrina," Lambert said. "It has stabilized somewhat in the last six months or so. But before that, all of the estimates were way, way off."

--- Low bid draws criticism ---

The \$3.8 million winning bid submitted by JaRoy Construction of Kenner was 23 percent higher than the department's \$3.1 million estimate, triggering a review by a committee that reassesses all projects that come in more than 5 percent over budget.

Lambert said the committee recommended proceeding with the project, concluding that JaRoy's bid "seems reasonable compared to other bids," which ranged from \$4.1 million to \$5 million, or \$400,000 to \$1.2 million more than JaRoy's.

But Connick said the project should have been scrapped.

"If the cost is too high, you don't buy it," he said. "The fact that you took the low bid doesn't mean it's reasonable. All of the bids were outrageous."

Ryan Fitzsimmons, a JaRoy project manager, said the cost of the addition -- which he estimated at more than \$400 a square foot -- is not out of line for commercial buildings, which face stricter building codes than residential structures.

He said the company expects to make a modest profit on the project.

"We were significantly lower than the other bidders," Fitzsimmons said. "This is not going to be a big money maker for us."

About 400 square feet of the addition will house offices for the new Louisiana 1 toll road, which will pay rent to the **Crescent City Connection** at market rates, Lambert said.

He said transportation officials concluded it would be more efficient to consolidate toll-collection operations at one site than to build a separate building for Louisiana 1.

As the transportation department weighs budget cuts to offset the **Crescent City Connection's** deficit, Lambert said the department's lack of experience with office construction projects might have played a role in the low-ball cost estimate for the addition.

"We build roads and bridges," he said. "We don't build too many buildings. It's not what we do."

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