

By the Committee on Transportation; and Senator Broxson

596-02450-18

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1                                   A bill to be entitled  
2       An act relating to the Garcon Point Bridge; creating  
3       s. 338.168, F.S.; authorizing the Department of  
4       Transportation to acquire the Garcon Point Bridge and  
5       related assets and purchase or retire specified  
6       outstanding bonds; authorizing the department to enter  
7       into any agreements necessary to implement the  
8       acquisition and purchase or the retirement of the  
9       bonds; authorizing the department to specify the terms  
10      and conditions of such agreements; requiring that the  
11      bridge be owned by the department and become part of  
12      the State Highway System upon acquisition, if acquired  
13      under s. 338.168, F.S.; authorizing the issuance of  
14      bonds to finance the department's acquisition of the  
15      bridge consistent with the department's existing  
16      bonding authority; requiring such bonds to be issued  
17      in accordance with the state's debt management  
18      policies to the extent practicable; providing for the  
19      termination of a certain lease purchase agreement upon  
20      the department's acquisition of the bridge; requiring  
21      the department to determine the price for acquisition  
22      of the bridge; authorizing the department to base the  
23      price on specified considerations; requiring that the  
24      acquisition price paid by the department first be used  
25      to settle all claims of specified bondholders;  
26      prohibiting the Santa Rosa Bay Bridge Authority, the  
27      department, or the trustee for the bondholders from  
28      imposing certain toll rate increases; prohibiting the  
29      department and the state from incurring financial

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30 obligations in excess of forecasted gross revenues  
31 from the operation of the bridge; providing for the  
32 calculation of the maximum total acquisition price  
33 that may be paid by the department; providing that the  
34 powers conferred are in addition and supplemental to  
35 existing powers of the department; providing for  
36 construction; repealing part IV of ch. 348, F.S.,  
37 relating to the Santa Rosa Bay Bridge Authority, upon  
38 the department's acquisition of the bridge under s.  
39 338.168, F.S.; amending s. 338.2275, F.S.; deeming  
40 acquisition of the bridge to meet the definition of  
41 economic feasibility under s. 338.221(8), F.S.;

42 authorizing the department to acquire the Garcon Point  
43 Bridge and related assets and purchase or retire  
44 specified outstanding bonds; authorizing the  
45 department to enter into any agreements necessary to  
46 implement the acquisition, including the purchase or  
47 retirement of the bonds; authorizing the department to  
48 specify the terms and conditions of such agreements;  
49 requiring that the bridge become part of the turnpike  
50 system upon acquisition if acquired under s. 338.2275,  
51 F.S.; authorizing the issuance of revenue bonds to  
52 finance the department's acquisition of the bridge;  
53 authorizing a portion of such bonds to be limited  
54 financial obligations of the department payable only  
55 to a certain extent; authorizing the department to  
56 agree to continue maintaining the bridge in a  
57 specified manner if such limited financial obligations  
58 are issued; requiring the acquisition price paid by

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59 the department to first be used to settle all claims  
60 of specified bondholders; prohibiting the authority,  
61 the department, or the trustee for the bondholders  
62 from imposing certain toll rate increases; prohibiting  
63 the department and the state from incurring financial  
64 obligations in excess of forecasted gross revenues  
65 from the operation of the bridge; providing for the  
66 calculation of the maximum total acquisition price  
67 that may be paid by the department; providing for the  
68 termination of a certain lease purchase agreement upon  
69 the department's acquisition of the bridge; providing  
70 that the powers conferred are in addition and  
71 supplemental to existing powers of the department;  
72 providing for construction; repealing part IV of ch.  
73 348, F.S., relating to the Santa Rosa Bay Bridge  
74 Authority, upon the department's acquisition of the  
75 bridge under s. 338.2275, F.S.; providing legislative  
76 intent; authorizing the department to implement the  
77 acquisition of the Garcon Point Bridge pursuant to the  
78 grant of authority contained in either s. 338.168,  
79 F.S. or s. 338.2275(4), F.S.; requiring the department  
80 to give preference to implementation of the  
81 acquisition in the manner which is in the best  
82 interest of the public; providing an effective date.

83  
84 Be It Enacted by the Legislature of the State of Florida:

85  
86 Section 1. Section 338.168, Florida Statutes, is created to  
87 read:

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88       338.168 Garcon Point Bridge; acquisition by the department;  
89 bonds; complete and additional authority.-

90       (1) The department may acquire the Garcon Point Bridge,  
91 including related assets, and, as part of such acquisition, may  
92 purchase or retire outstanding Santa Rosa Bay Bridge Authority  
93 bonds. The department may enter into any agreements necessary to  
94 implement the acquisition, including the purchase or retirement  
95 of Santa Rosa Bay Bridge Authority bonds, and may specify the  
96 terms and conditions of such agreements. Upon its acquisition by  
97 the department, the Garcon Point Bridge shall be owned by the  
98 department and become part of the State Highway System.

99       (2) The issuance of bonds to finance the department's  
100 acquisition of the Garcon Point Bridge, consistent with the  
101 department's existing bonding authority, is approved. To the  
102 extent practicable, any such bonds must be issued in accordance  
103 with the state's debt management policies.

104       (3) Upon acquisition of the Garcon Point Bridge as  
105 authorized in this section, the lease purchase agreement dated  
106 October 23, 1996, between the Santa Rosa Bay Bridge Authority  
107 and the department, as amended, is terminated.

108       (4) The price paid by the department for the acquisition  
109 shall be determined by the department and may be based on, but  
110 not be limited to, the following considerations:

111       (a) Current and expected toll revenues.

112       (b) Current debt owed by the Santa Rosa Bay Bridge  
113 Authority to the department for operations and maintenance  
114 expenses of the bridge, and such expected future expenses.

115       (c) The outstanding bonded indebtedness of the Santa Rosa  
116 Bay Bridge Authority.

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117 (d) The cost of determining the remaining useful life of  
118 the bridge.

119 (e) Future bridge repair or replacement costs, including  
120 labor, materials, machinery, and equipment.

121 (f) Any engineering and legal expenses and charges.

122 (g) The cost of issuance of any bonds and all other  
123 expenses of issuance of bonds.

124 (h) Any financing charges.

125 (i) The creation of initial reserve and debt service funds.

126 (j) Administrative expenses.

127 (k) Such other expenses as may be necessary or incidental  
128 to the acquisition authorized in this section or to future  
129 bridge repair or replacement costs, or to the financing thereof.

130 (5) The acquisition price paid by the department must first  
131 be used to settle all claims of the bondholders of Santa Rosa  
132 Bay Bridge Authority Revenue Bonds, Series 1996.

133 (6) The authority, the department, or the trustee for the  
134 bondholders may not impose a toll rate increase for use of the  
135 Garcon Point Bridge in connection with the acquisition of the  
136 bridge by the department. Following acquisition of the bridge by  
137 the department, no increase in tolls for use of the bridge is  
138 permitted except as required by law or as required to comply  
139 with the covenants contained in any resolution under which bonds  
140 have been issued.

141 (7) Neither the department nor the state shall incur any  
142 financial obligation for the acquisition of the Garcon Point  
143 Bridge in excess of forecasted gross revenues from the operation  
144 of the bridge. Therefore, the total acquisition price paid by  
145 the department may not exceed the present value of the gross

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146 revenues, calculated without any increase in the toll rate,  
147 which are anticipated to be collected from the operation of the  
148 bridge between the date of any purchase agreement entered into  
149 in accordance with this section and the end of the anticipated  
150 remaining useful life of the bridge as it exists as of the date  
151 of the purchase agreement.

152 (8) The powers conferred by this section shall be in  
153 addition and supplemental to the existing powers of the  
154 department, including s. 338.2275(4). This section shall not be  
155 construed as repealing any of the provisions of any other law,  
156 general, special, or local; or to supersede, repeal, rescind, or  
157 modify any other law or laws relating to the department, the  
158 State Board of Administration, or the Florida Turnpike  
159 Enterprise Law, ss. 338.22-338.241; but shall supersede such  
160 other law or laws as are inconsistent with the provisions of  
161 this section.

162 Section 2. Upon acquisition of the Garcon Point Bridge by  
163 the department as authorized by s. 338.168, part IV of chapter  
164 348, Florida Statutes, consisting of ss. 348.965-348.9781,  
165 Florida Statutes, is repealed.

166 Section 3. Subsection (4) is added to section 338.2275,  
167 Florida Statutes, to read:

168 338.2275 Approved turnpike projects.-

169 (4) (a) As directed by the Legislature, the department has  
170 conducted a feasibility study relating to the acquisition of the  
171 Garcon Point Bridge which the Legislature deems to satisfy the  
172 definition of economic feasibility in s. 338.221(8).

173 Accordingly, the department may acquire the Garcon Point Bridge,  
174 including related assets, and, as part of such acquisition, may

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175 purchase or retire outstanding Santa Rosa Bay Bridge Authority  
176 bonds. The department may enter into any agreements necessary to  
177 implement the acquisition, including the purchase or retirement  
178 of Santa Rosa Bay Bridge Authority bonds, and to specify the  
179 terms and conditions of such agreements. Upon its acquisition by  
180 the department, the Garcon Point Bridge shall become a part of  
181 the turnpike system. Pursuant to s. 11(f), Art. VII of the State  
182 Constitution, the issuance of revenue bonds to finance the  
183 department's acquisition of the Garcon Point Bridge is approved.  
184 A portion of such revenue bonds may be limited financial  
185 obligations of the department payable only to the extent that  
186 the gross revenues from the operation of the bridge following  
187 acquisition by the department exceed the debt service on the  
188 other revenue bonds issued to finance the acquisition of the  
189 bridge. If limited obligations are issued, the department may  
190 agree to continue maintaining the bridge in a manner consistent  
191 with its covenants in the lease purchase agreement.

192 (b) The acquisition price paid by the department must first  
193 be used to settle all claims of bondholders of Santa Rosa Bay  
194 Bridge Authority Revenue Bonds, Series 1996.

195 (c) The authority, the department, or the trustee for  
196 bondholders may not impose a toll rate increase for use of the  
197 Garcon Point Bridge in connection with the acquisition of the  
198 bridge by the department. Following acquisition of the bridge by  
199 the department, no increase in tolls for use of the bridge is  
200 permitted except as required by law or as required to comply  
201 with the covenants contained in any resolution under which bonds  
202 have been issued.

203 (d) Neither the department nor the state shall incur any

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204 financial obligation for the acquisition of the Garcon Point  
205 Bridge in excess of forecasted gross revenues from the operation  
206 of the bridge. Therefore, the total acquisition price paid by  
207 the department may not exceed the present value of the gross  
208 revenues, calculated without any increase in the toll rate,  
209 which are anticipated to be collected from the operation of the  
210 bridge between the date of any purchase agreement entered into  
211 in accordance with this section and the end of the anticipated  
212 remaining useful life of the bridge as it exists as of the date  
213 of the purchase agreement.

214 (e) Upon acquisition of the Garcon Point Bridge as  
215 authorized by this subsection, the lease purchase agreement  
216 dated October 23, 1996, between the authority and the  
217 department, as amended, is terminated.

218 (f) The powers conferred by this subsection shall be in  
219 addition and supplemental to the existing powers of the  
220 department, including s. 338.168. This section shall not be  
221 construed as repealing any of the provisions of any other law,  
222 general, special, or local; or to supersede, repeal, rescind, or  
223 modify any other law or laws relating to the department, the  
224 State Board of Administration, or the Florida Turnpike  
225 Enterprise Law, ss. 338.22-338.241; but shall supersede such  
226 other law or laws as are inconsistent with the provisions of  
227 this section.

228 Section 4. Upon acquisition of the Garcon Point Bridge by  
229 the department as authorized by s. 338.2275(4), Florida  
230 Statutes, part IV of chapter 348, Florida Statutes, consisting  
231 of ss. 348.965-348.9781, Florida Statutes, is repealed.

232 Section 5. It is the intent of the Legislature in passing



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233 this act that the department exercises its transportation  
234 responsibilities and expertise in selecting implementation of  
235 the acquisition of the Garcon Point Bridge through the authority  
236 granted in s. 338.168, Florida Statutes, or in s. 338.2275(4),  
237 Florida Statutes, created by this act. Accordingly, the  
238 department may implement the acquisition of the Garcon Point  
239 Bridge pursuant to the grant of authority contained in either s.  
240 338.168, Florida Statutes, or s. 338.2275(4), Florida Statutes,  
241 giving preference to implementation in the manner which is in  
242 the best interest of the public.

243 Section 6. This act shall take effect upon becoming a law.