

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Transportation

BILL: SB 1012

INTRODUCER: Senator Passidomo

SUBJECT: Alligator Alley Toll Road

DATE: January 17, 2018

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Price	Miller	TR	Pre-meeting
2.			ATD	
3.			AP	

I. Summary:

SB 1012 extends the statutory obligation of the Florida Department of Transportation (FDOT) to reimburse a county or another local governmental entity for the direct actual costs of operating the fire station at mile marker 63 on I-75/Alligator Alley, currently set to expire on June 30, 2018. The bill requires the FDOT to make such reimbursement by interlocal agreement effective July 1, 2014, through no later than June 30, 2021. The bill also removes the current statutory restriction which limits the fire station's services to Alligator Alley.

The bill takes effect July 1, 2018.

The fiscal impact is indeterminate but any FDOT expenditures will be based on an agreed-upon estimated schedule of such operational expenses incorporated into the required extended interlocal agreement.

II. Present Situation:

Collier County provides fire, rescue, and emergency management services along I-75/Alligator Alley (the Alley) through its dependent Fire District, the Ochopee Fire Control and Rescue District, and the County's Emergency Medical Services. These services are provided at a facility located at the FDOT's rest area on the Alley at mile marker 63 (MM63).

Required Use of Fees Generated from Alley Tolls

Section 338.26, F.S., addresses the required uses of fees generated from tolls for use of the Alley. In 2011, the Florida Legislature amended s. 338.26(3)(a), F.S., requiring the use of fees generated from tolls on the Alley after payment of certain other expenses and costs (excess

revenues), to develop and operate the MM63 fire station to provide fire, rescue, and emergency management services to the adjacent counties along the Alley.¹

Effective July 1, 2014, the Florida Legislature again amended s. 338.26(3), F.S., revising the FDOT's required use of the excess revenues from tolls collected on the Alley. The statute currently:

- Requires the FDOT's use of such revenues to "develop and operate" a fire station at MM63, instead of to "design and construct" the fire station;
- Authorizes use of the fire station by another local governmental entity, in addition to a county, and authorizes use of the fire station to provide services to the public *on the Alley*, rather than to adjacent counties; and
- By interlocal agreement effective July 1, 2014, through no later than June 30, 2018, requires the FDOT to use the excess revenues to reimburse a county or another local governmental entity for the direct actual costs of operating such fire station.²

Upon termination of the agreement, the FDOT would be authorized to transfer excess revenues from the State Transportation Trust Fund (STTF) to the Everglades Trust Fund for certain environmental projects, or to use such revenues to reimburse outstanding contractual obligations or to operate and maintain the highway and toll facilities, including reconstruction and restoration.

Toll Revenues and Expenses

According to the FDOT's 2016 Annual Report for its Enterprise Toll Operations³, for fiscal year 2016-17 through fiscal year 2020-21 the Alligator Alley will average \$34.5 million in gross toll revenue each year with annual operating and maintenance expenses averaging \$8.9 million and annual debt service payments averaging \$3.45 million.

The Interlocal Agreement

On May 9, 2014, the FDOT and the Board of Commissioners of Collier County entered into an Interlocal Agreement (Agreement), "in effect from July 1, 2014 through no later than June 30, 2018."⁴ The Agreement's stated purpose is to provide the terms and conditions under which the FDOT, from lawfully available excess Alley toll revenues, "will provide funding to the County for the County's expenses in purchasing equipment, compensating County employees, and otherwise providing fire, rescue, and emergency services utilizing the Fire Station."⁵

According to the Agreement, the FDOT funded construction of the fire station within the scope of a design-build contract to rebuild the FDOT's rest area at MM 63. Work began in December

¹ See s. 338.26(3), F.S. (2011) available at: <http://www.flsenate.gov/Laws/Statutes/2011/338.26>. (Last visited January 13, 2018.)

² Ch. 2014-223, Laws of Florida.

³ The 2016 report is the latest posted to the FDOT's Turnpike Enterprise webpage and is available at: http://www.floridasturnpike.com/documents/reports/Toll%20Operations%20Annual%20Report/2016/2016%20OTO_Department%20Owned.pdf. (Last visited January 15, 2018.)

⁴ Emphasis added. (Copy on file in the Senate Transportation Committee.)

⁵ *Id.* at pp. 2-3.

of 2012.⁶ The fire station opened in early 2015.⁷ The FDOT owns the fire station and leases it to the County. The Agreement references entry into a long-term Air Space Agreement, which “will survive beyond the term or earlier termination of this Agreement to allow the County to continue to occupy the Fire Station after the expiration of this Agreement.”⁸

The County has the right of exclusive use of the fire station.⁹ In addition, under the agreement, “all equipment, personal property, vehicles, apparatus and supplies acquired by County with funding provided by DEPARTMENT... shall remain the property of County, notwithstanding any termination of this Agreement.”¹⁰

Funding

The FDOT agreed to provide a maximum of \$1,761,235 in total annual funding for the four-year term of the Agreement for direct actual capital costs. The total annual amount includes up to \$1,498,100 for the County’s direct actual costs of operating the fire station.¹¹ The County agreed to bear all expenses in excess of the FDOT’s specified participation.^{12, 13}

Information regarding the FDOT’s Adopted Five-Year Work Program for 2014-2018¹⁴ reflects the following funding for the MM63 fire station:

Fiscal Year	Amount
2014	\$1,761,235
2015	1,498,100
2016	1,522,070
2017	1,522,070
2018	1,498,100

⁶ The Agreement at p. 2.

⁷ See *New Fire/EMS Station Opens On Alligator Alley*, available at: <http://www.marconews.com/story/news/2015/04/03/new-fully-staffed-fireems-station-opens-alligator-alley/25238329/>. (Last visited January 13, 2018.)

⁸ The Agreement at p. 3.

⁹ The Agreement at p. 12. The agreement provides that state or local law enforcement may station officers, agents, or response teams at the fire station, based on space and availability.

¹⁰ *Id.* at p. 13.

¹¹ The Agreement also authorizes the County to request a Consumer Price Index adjustment of the total operating amount 30 days prior to July 1 for each year after the first covered by the Agreement. *Id.* at p. 10.

¹² *Id.* at p. 11.

¹³ The agreed-upon funding is reflected in Exhibit B to the Agreement and includes various annual operating items such as hired paramedics and fire fighters; expenses for administrative and building maintenance, bulk fuel; and various types of search and rescue equipment. Capital costs include items such as vehicles, radios, and breathing air compressors. Exhibit B to the Agreement.

¹⁴ See the FDOT’s website, updated January 14, 2018, available at: <http://www2.dot.state.fl.us/fmsupportapps/workprogram/Support/WPItemRept.ASPX?RF=HIS&CD=03&SD=FIRE%20STATION&FY=FALSE|FALSE|FALSE|FALSE|FALSE|FALSE&ITM=435389~1&RP=ITEM> and <http://www2.dot.state.fl.us/fmsupportapps/workprogram/Support/WPItemRept.ASPX?RF=WP&CD=03&SD=FIRE%20STATION&FY=FALSE|FALSE|FALSE|FALSE|FALSE|FALSE&ITM=435389~1&RP=ITEM>. (Last visited January 14, 2018.)

III. Effect of Proposed Changes:

The bill amends s. 338.26(3)(a), F.S., extending the FDOT's statutory obligation to reimburse a county or another local governmental entity for the direct actual costs of operating the MM63 fire station by interlocal agreement effective July 1, 2014, through no later than June 30, 2021.

The bill removes the current statutory restriction which limits the fire station's services to the Alley. Thus, the bill also authorizes use of the fire station to provide services *to the public*, rather than limiting provision of such services *to the public on Alligator Alley*.

The bill repeals the current requirement for an interlocal agreement effective July 1, 2014, through no later than June 30, 2018.

IV. Constitutional Issues:**A. Municipality/County Mandates Restrictions:**

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The FDOT is obligated to continue funding the County's direct actual costs of operating the MM63 fire station from the excess revenues generated from tolls collected on the Alley through July 1, 2021. The excess revenues under current law would be deposited into the STTF to be used for certain Everglades projects or to operate and maintain the Alley.

The County receives a positive fiscal impact in the form of an additional three years of funding for such actual operating costs. The exact amount of such funding is unknown but will, as with the first interlocal agreement, be based on an agreed-upon estimated schedule of such expenses incorporated into the required extended interlocal agreement.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill amends the following sections of the Florida Statutes: 338.236.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.