

**STATE INFRASTRUCTURE BANK COOPERATIVE AGREEMENT  
BETWEEN THE  
FEDERAL HIGHWAY ADMINISTRATION/FEDERAL TRANSIT ADMINISTRATION/  
FEDERAL RAILROAD ADMINISTRATION, UNITED STATES DEPARTMENT OF  
TRANSPORTATION AND  
FLORIDA DEPARTMENT OF TRANSPORTATION**

**1.1 INTRODUCTION**

This Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21) Cooperative Agreement is (Agreement) is entered into by and between the Federal Highway Administration (FHWA), the Federal Transit Administration (FTA) and the Federal Railroad Administration (FRA), agencies of the United States Department of Transportation (USDOT), and Florida Department of Transportation (FDOT), an agency of the State of Florida (State), pursuant to the Transportation Equity Act for the 21<sup>st</sup> Century, Public Law 105-178, Section 1511, 23 U.S.C. § 181 note and 338.223(), 339.08(g) and 339.08(h), Florida Statutes, attached as Exhibit A.

The Florida Department of Transportation, 605 Suwannee Street, Mail Station 7, Tallahassee, Florida 32399-0450 is the designated agency of the State for the administration of the State Infrastructure Bank (SIB) program and is lawfully authorized to administer the SIB in accordance with the requirements of TEA-21, and the applicable guidelines, policies and procedures issued and adopted thereunder from time to time by FHWA/FTA/FRA (collectively, the Guidelines).

**1.2 ESTABLISHMENT OF TEA-21 STATE INFRASTRUCTURE BANK**

The FDOT represents and warrants that it has the legal, managerial, technical and operational capabilities to administer the SIB. The FDOT hereby certifies that the provisions of this agreement are consistent with the laws of the State and that the State, acting through FDOT, may legally bind itself to the terms of this Agreement.

The SIB shall be held by the Department of Insurance, Division of Treasury, P-1, The Capitol, Tallahassee, Florida 32399-0344 as custodian, and administered by the FDOT. The FDOT agrees to create the SIB Account which shall be dedicated solely to providing loans and other forms of financial assistance consistent with the TEA-21 and permitted under State law. Amounts on deposit in the Account shall be invested in accordance with the provisions of TEA-21, Section 1511 (f) and the Guidelines and earnings on amounts deposited in the Account shall be applied in accordance with the provisions of TEA-21, Section 1511(f) and the Guidelines.

The cooperative agreement executed by these parties on December 3, 1996, in accordance with Section 350 of the National Highway System Designation Act of 1995 (NHS Act), Public Law 104-59, 23 U.S.C. § 101 note, and Sections 338.223(3), 339.08(g), Florida Statutes, is hereby superseded by this agreement in accordance with TEA-21, Section 1511(h)(2). Existing SIB accounts established under the NHS Act will become part of the SIB established by this agreement in

accordance with TEA-21, Section 1511.

### **1.3 FUNDING**

#### **(i) FHWA FTA/FTA Payments**

FHWA, FTA and/or FRA agrees(s) to make payments to FDOT for deposit in the SIB upon receipt of a properly completed request. Payment(s) made under this Agreement shall not exceed amounts authorized by TEA-21, Section 1511(c) or subsequent legislation that may authorize such payment. The timing of deposits of Federal funds obligated pursuant to TEA-21, Section 1511(c) and requested by FDOT may be established by the Secretary in order to ensure compliance with the requirements of TEA-21, Section 1511(h)(1) relating to the disbursement rates.

#### **(ii) State Matching Requirement**

As required by TEA-21, Section 1511(f)(1)(A), on or before the date on which the FDOT receives a Federal payment, the FDOT will make payment (from non-Federal sources) into the SIB Account in an amount equaling at least 25 percent of the amount of Federal payment unless such matching share may be at a lower percentage as otherwise provided in TEA-21, Section 1511(f).

### **1.4 FINANCIAL ASSISTANCE**

#### **(i) Timely Employment**

The FDOT agrees to employ funds deposited in the SIB in an expeditious and timely manner.

#### **(ii) Use**

The FDOT shall only provide such financial assistance through the SIB that is authorized under TEA-21, Section 1511, the Guidelines, and Florida Statutes. If the financial assistance is not in the form listed in TEA-21, Section 1511(d), then FDOT shall request specific approval from FHWA, FRA or FTA.

#### **(iii) Special Rule For Urbanized Areas**

The FDOT agrees, as required by TEA-21, Section 1511(c)(3), that it will capitalize the SIB Account with federal funds otherwise apportioned or allocated to a State under Section 104(b)(3) of Title 23, United States Code, and attributed to urbanized areas or over 200,000 in population, only if the metropolitan planning organization concurs, in writing, with the provisions of such assistance.

#### **(iv) Interstate Maintenance Account**

In the event interstate maintenance funds apportioned to the State under 23 U.S.C. 104(b)(4) are contributed by FDOT, the FDOT shall credit such funds to a separate account within the SIB to be designated as the "Interstate Maintenance Account." Funds credited to the Interstate Maintenance Account shall be dedicated solely to providing loans or other forms of financial assistance to projects eligible for assistance under 23 U.S.C. 104(b)(4) and as required by section 1511(e)(2) of TEA-21.

**(v) Administrative: Direct And Indirect Costs**

The FDOT may expend not to exceed 2 percent of the federal funds contributed to a SIB to cover reasonable costs of administering the SIB. To the extent permitted by TEA-21 and Florida Statutes, program administration funds may also be used for the costs of servicing loans, annual audit and reporting costs, federally capitalized SIB program start-up costs, financial, management and legal consulting fees, and reimbursement of costs for SIB-related support services from other State agencies to the extent such costs and services relate to the SIB.

**(vi) Leveraging**

The State may implement a program to leverage deposits. The federal funds and the associated State match from non federal sources may be used as a source of security for bonds issued by the State or FDOT to finance or refinance loans made through the SIB (or interests or participation therein) in compliance with the TEA-21 Act and the TEA-21 SIB Guidelines.

**(vii) Project Agreements With Recipients**

The FDOT agrees to enter into written project agreements (Project Agreements) to provide financial assistance through the SIB, which financial assistance shall be in a form permitted by TEA-21, Section 1511(c), and shall be for a qualified project, as defined in TEA-21, Section 1511(d).

The Project Agreement shall include interest if applicable, repayment, a disbursement schedule, fees, compensation, or other collateral offered by the recipient of the assistance and such other terms and provisions in accordance with the provisions of TEA-21, Section 1511(f), and the TEA-21 SIB Guidelines.

**(viii) Disbursements**

The FDOT will disburse funds from the SIB as project costs or financing costs are incurred, as set forth in the Project Agreement, or as otherwise directed by FDOT, consistent with TEA-21, Section 1511.

**(ix) Applicability of Federal Law**

The FDOT agrees that it and all recipients of financial assistance directly made available from the SIB pursuant to the provisions of the TEA-21 will comply with all applicable Federal laws and regulations as set forth in Section 1511(i) of TEA-21.

**(a) Special Requirements For FTA Projects**

For transit projects financed through the SIB, the FDOT agrees that it and all recipients of financial assistance directly made available from the SIB pursuant to the provisions of the TEA-21 will also comply with all applicable requirements of the FTA Master Agreement (as long as such FTA Master Agreement is in effect) for the Fiscal Year in which financial assistance is made, except that any

requirement of the TEA-21, TEA-21 SIB Guidelines, including current or future requirements, or any Special Condition or Special requirement to this Cooperative Agreement imposed by FTA that conflicts with a requirement of the FTA Master Agreement shall supersede the conflicting requirement of the FTA Master Agreement.

**(x) Use of Repayment Proceeds**

The FDOT agrees that repayment proceeds and fees, compensation, or other collateral associated with financial assistance derived from the SIB shall be used for projects eligible for assistance under provisions of title 23 and title 49 of the United States Code, or other surface transportation projects as determined by USDOT. All applicable Federal and State requirements shall apply to the use of such repayments by the SIB.

**1.5 ACCOUNTING AND AUDIT PROCEDURES**

**(i) Accounting And Audit Procedures**

The FDOT will maintain fiscal controls and accounting procedures sufficient to assure proper accounting for payments received and disbursements made through the SIB, and to provide SIB balances at the beginning and end of the accounting period and to demonstrate compliance with this Agreement. The FDOT will use accounting, audit and fiscal procedures conforming to generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board.

**(ii) SIB Assistance Recipient Accounting and Audit Procedures**

The FDOT agrees that the Project Agreement will require each recipient to maintain project accounts in accordance with generally accepted accounting principles.

**(iii) Annual Compliance Audit**

The FDOT will conduct an annual independent financial and compliance audit of the SIB and the operations of the SIB. This audit may be conducted in accordance with the Office of Management and Budget Circular A-133, "Audits of State and Local Governments". The FDOT agrees to complete the audit report within one year of the appropriate accounting period and it will be submitted to FHWA, FRA and FTA, with a copy sent to DOT's Office of the Inspector General within 30 days of completion.

**(iv) Biennial Report**

The FDOT agrees to submit a Biennial Report as required by section 1511(f)(1)(G) of TEA-21 to the FHWA, FTA and FRA Administrators no later than 90 days after the end of the Federal fiscal year for which a Biennial Report is due. This report shall conform with the requirements of TEA-21 and the SIB Guidelines adopted thereunder from time to time.

**(v) Other Documents**

In addition to the Biennial Report and Annual Audit, the FDOT agrees that other records that FHWA, FTA, FRA, USDOT, or the Comptroller General of the United States (or representatives thereof) may reasonably require will be made available in a timely fashion.

**(vi) Records Retention**

The FDOT will maintain and retain all official project files relating to the SIB until all financial assistance has been repaid and necessary audits have been performed. The FDOT will maintain and retain project cost for 5 years. Retention and ultimate disposition of SIB projects files shall be in accordance with State laws unless such period for retention conflicts with the requirement above or the 3-year minimum requirement of 49 C.F.R. § 18.42, in which event, the later period of retention shall prevail.

**1.6 SANCTIONS AND COMPLIANCE**

**(i) Corrective Actions**

If either FHWA, FRA, or FTA determines that the FDOT has not complied with the terms of this Agreement, the requirements of the TEA-21 or the TEA-21 SIB Guidelines, FHWA, FRA, or FTA (as applicable) will notify FDOT of the noncompliance and the requested corrective action. The FDOT agrees to take appropriate corrective action or submit a compliance plan to FHWA, FRA, or FTA within 60 days.

**(ii) Remedies of Failure to Comply With This Agreement**

If the FDOT fails to take corrective action, or provide an acceptable plan to correct the noncompliance, FHWA/ FTA /FRA may withhold from future grant moneys available to the State under the provisions of Title 23 and 49 of the United States Code and the regulations promulgated thereunder, an amount equal to the total amount in dispute until the corrective action is taken or acceptable plan provided.

**1.7 EXECUTION; AMENDMENT AND TERM OF AGREEMENT**

**(i) Designated Signatories**

The following officials are authorized to enter into amendments to this Agreement:

- (a) For FDOT: Secretary, Department of Transportation or designee
- (b) For FHWA: Federal Highway Administrator, or designee
- (c) For FTA: Federal Transit Administration, or designee
- (d) For FRA: Federal Railroad Administrator, or designee

**(ii) Amendment**

This Agreement may be amended at any time by mutual agreement between the designated signatories in writing. Amendments shall be submitted in writing to all parties unless waived by any party. The receiving parties shall respond within 30 days approving such change or with written suggested changes. Items not significantly altering this Agreement but changing implementation or review procedures, may be implemented through the agreement of the Secretary of the FDOT, and the Administrator of FHWA, FTA, or FRA as applicable, or such designee.

**(iii) Effective Date**

This Agreement will be effective commencing as of the 28<sup>th</sup> day of July, 1999.

**(iv) Termination**

This Agreement shall remain in effect until terminated in writing by the parties hereto.

STATE OF FLORIDA  
DEPARTMENT OF TRANSPORTATION

By Thomas F. Barry, Jr.  
Thomas F. Barry, Jr, P.E.  
Secretary, Department of Transportation  
Date signed 6-22-99

FEDERAL HIGHWAY ADMINISTRATION

By Kenneth P. Wykle  
FHWA Administrator  
Date signed 7-9-99

FEDERAL TRANSIT ADMINISTRATION

By Robert J. Jantz  
FTA Administrator  
Date signed 7-19-99

FEDERAL RAILROAD ADMINISTRATION

By John M. Malinoski  
FRA Administrator  
Date signed 7-28-99