

1 annually and sixteen million one hundred thousand dollars (\$16,100,000) in the aggregate based
2 on an average interest rate of six (6%) percent and a twenty (20) year term; now, therefore be it

3 RESOLVED, That this General Assembly hereby approves financing in an amount not to
4 exceed nine million one hundred ninety-one thousand two hundred fifty dollars (\$9,191,250) for
5 the Utility Infrastructure Upgrade Phase III project at the University; and be it further

6 RESOLVED, That, this Joint Resolution shall take effect upon passage by this General
7 Assembly.

8 SECTION 3. Issuance of GARVEE Bonds.

9 WHEREAS, The Rhode Island department of transportation ("the department" or
10 "RIDOT") has completed a detailed review of available funding sources for transportation
11 reconstruction, maintenance, and repair and has determined that the funding available to carry out
12 an immediate program of bridge reconstruction and preventative maintenance (the "program") is
13 insufficient; and

14 WHEREAS, Congress has enacted the Infrastructure Investment and Jobs Act (IIJA),
15 which increases the federal investment in repairing and reconstructing our nation's roads and
16 bridges; and

17 WHEREAS, The department has explored various options to finance the costs of a robust
18 infrastructure program and concluded that the federal-aid financing program authorized in federal
19 law by Section 311 of the National Highway System Designation Act of 1995 and commonly
20 referred to as the Grant Anticipation Revenue Vehicle Program ("GARVEE program") represents
21 the best financing mechanism for the state of Rhode Island inasmuch as the GARVEE program
22 accelerates the funding available to ensure that the department may effectuate the expeditious
23 reconstruction of a critical component of Rhode Island's highway transportation infrastructure; and

24 WHEREAS, The GARVEE program allows a state to issue bonds ("GARVEE Bonds") or
25 other debt instruments backed by future appropriations for federal-aid transportation projects
26 whereby such amounts are used to cover an assortment of bond-related costs, including principal
27 and interest payments, issuance costs, insurance, and other costs incidental to financing; and

28 WHEREAS, Among other advantages, GARVEE Bonds may be issued as special revenue
29 bonds without a full faith and credit pledge by the state of Rhode Island; and

30 WHEREAS, This general assembly finds that the reconstruction, maintenance, and repair
31 of the transportation infrastructure of the state is critical for economic development and the general
32 welfare of both businesses and residents; and

33 WHEREAS, The current Washington Bridge (the "Current Washington Bridge"), which
34 carries approximately 90,000 vehicles per day and is one of the busiest sections of Interstate

1 highway in Rhode Island, serving the citizens, businesses and port facilities of the State of Rhode
2 Island both in the city of Providence and elsewhere, is in dire need of repair or reconstruction; and

3 WHEREAS, Based on studies and analysis of RIDOT, a newly constructed or
4 reconstructed Washington Bridge (the "New Washington Bridge"), as opposed to repair of the
5 Current Washington Bridge, is necessary for the continued economic success and viability of the
6 citizens, businesses, transportation and port facilities of the city of Providence and elsewhere and
7 otherwise in the best interests of the State of Rhode Island; and

8 WHEREAS, The general assembly has studied the issue of sustainable transportation
9 funding and has determined that no single approach, instrument or method is able to provide
10 sufficient revenue to construct the New Washington Bridge and to maintain the state transportation
11 system in a state of good repair; and

12 WHEREAS, The department has determined that GARVEE Bonds should be utilized to
13 fund the construction, replacement, or reconstruction of the New Washington Bridge in a timely
14 manner; and

15 WHEREAS, In connection with the issuance of GARVEE Bonds, the state of Rhode
16 Island, acting by and through RIDOT, may elect to receive in lieu of certain monies which would
17 otherwise have been received as reimbursement from FHWA for project costs for the New
18 Washington Bridge, debt service payments to repay indebtedness in the form of bonds or notes
19 issued to finance the costs of the construction and financing the New Washington Bridge; and

20 WHEREAS, The Rhode Island public corporation debt management act (chapter 18 of title
21 35) requires the general assembly to provide its consent to the issuance of certain obligations for
22 essential public facilities of the type referenced herein; and

23 WHEREAS, The design, construction, equipping and completion of these improvements
24 will be financed in whole or in part through revenue bonds issued pursuant to the GARVEE
25 program by the Rhode Island commerce corporation ("commerce corporation") or through revenue
26 bonds issued pursuant to the GARVEE program by another agency, instrumentality or quasi-public
27 corporation established by the state of Rhode Island now or hereafter and otherwise authorized and
28 empowered pursuant to law to issue bonds of the type referenced herein for the types of projects
29 described herein, with such issuance having an expected term of fifteen (15) years, and annual
30 revenues for the operation and maintenance of the New Washington Bridge to be included in the
31 annual operating budget of RIDOT; and

32 WHEREAS, The capital costs and anticipated bond issuance amounts associated with the
33 New Washington Bridge are estimated to be (a) a total additional capital cost of four hundred fifty-
34 five million two hundred twenty thousand dollars (\$455,220,000); (b) the total debt issuance of

1 GARVEE Bonds associated with payment of the capital costs, financing costs, costs of issuance or
2 insurance or credit enhancement would be an amount not to exceed three hundred thirty-four
3 million five hundred eighty thousand dollars (\$334,580,000); (c) total debt service payments on the
4 GARVEE Bonds over an expected fifteen (15) year period on the three hundred thirty-four million
5 five hundred eighty thousand dollars (\$334,580,000) issuance are projected to be five hundred
6 thirty eight million six hundred thirty thousand dollars (\$538,630,000) assuming an average coupon
7 rate of five percent (5%); and

8 WHEREAS, The state may utilize other sources of funds, including, but not limited to,
9 appropriations of State Fiscal Recovery Funds, Rhode Island Capital Plan Funds, Rhode Island
10 Highway Maintenance Account proceeds, and motor fuel tax revenue, as state matching funds to
11 the extent required to receive federal aid from the FHWA related to the New Washington Bridge
12 project; and

13 WHEREAS, If the state receives federal funds allocated for use on the New Washington
14 Bridge project that allow the state to complete the project and issue a lesser amount of debt than is
15 authorized hereunder, the state may issue such lesser amount as it determines is appropriate to
16 adequately finance and timely complete the project; now, therefore, be it

17 RESOLVED AND ENACTED, That the New Washington Bridge is an essential public
18 facility and critical to ensure the economic viability of the citizens, businesses, transportation,
19 marine trades and port facilities of the state of Rhode Island and otherwise in the best interests of
20 the state of Rhode Island, and that this general assembly hereby approves the following financing:
21 the issuance of an amount not to exceed three hundred thirty-four million five hundred eighty
22 thousand dollars (\$334,580,000) in GARVEE Bonds, the repayment of which shall be derived from
23 and supported by FHWA funds due the state of Rhode Island, and total debt service on GARVEE
24 Bonds of five hundred thirty eight million six hundred thirty thousand dollars (\$538,630,000) as
25 specified above for bonds issued for the New Washington Bridge for the construction, design,
26 maintenance, completion, finance costs, including, but not limited to, costs of issuance, credit
27 enhancement, legal counsel and underwriter fees and expenses and other costs associated with the
28 New Washington Bridge; and be it further

29 RESOLVED, That the governor of the state of Rhode Island or the director of the
30 department of transportation or the director of the department of administration or the chief
31 executive officer or the chief operating officer of the commerce corporation each be and each
32 hereafter are, acting singly, authorized and empowered by the general assembly to enter into a
33 financing lease, guarantee, loan and trust agreement, indenture or other obligations or contracts or
34 agreements and to take such other actions as such official shall deem necessary or appropriate in

1 order to issue or facilitate the issuance of the GARVEE Bonds referenced herein and to provide the
2 commerce corporation or any subsidiary thereof or other instrumentality, agency or quasi-public
3 corporation otherwise authorized and empowered to issue the bonds specified in this Joint
4 Resolution and Act for the New Washington Bridge project with the necessary debt service
5 payments up to the amount specified above and the necessary security for such bonds consistent
6 with the provisions of this Joint Resolution and Act, including any action to pledge, assign or
7 otherwise transfer the right to receive all or any portion of future FHWA appropriations for federal-
8 aid transportation projects or other revenues permitted by the laws of the state of Rhode Island to
9 secure or provide for the payment of any such GARVEE Bonds; and be it further

10 RESOLVED, That any issuance of bonds or notes authorized in the preceding paragraphs
11 may be effectuated in an aggregate principal amount representing the sum of the authorized
12 GARVEE Bonds; and be it further

13 RESOLVED, That this Joint Resolution shall take effect upon passage.

14 SECTION 4. This article shall take effect upon passage.