



Interoffice Memorandum

March 4, 2024

TO: Mayor Jerry L. Demings
-AND-
County Commissioners

FROM: Joseph C. Kunkel, P.E., Director, Public Works Department

Handwritten signature of Joseph C. Kunkel in black ink.

CONTACT PERSON: **Brett W. Blackadar, P.E., Deputy Director** **Public Works Department**

PHONE NUMBER: **(407) 836-7805**

SUBJ: **March 26, 2024 – Discussion Item**
SunRail Transition Agreements – Operations Phasing Agreement and
Third Amendment to Interlocal Governance Agreement

SunRail revenue operations began on May 1, 2014 and in accordance with the conditions in the original agreement, the Florida Department of Transportation (FDOT) was responsible for operating and funding SunRail for seven years. Responsibility for SunRail operations was scheduled to shift to the Local Government Funding Partners (LGFP) that comprise the Central Florida Commuter Rail Authority (Orange, Osceola, Seminole, and Volusia Counties and the City of Orlando) seven years after commencement of revenue operations, essentially in 2021. However, since the full 61-mile SunRail system was not yet complete in 2021, FDOT and the LGFP negotiated an extension of the funding period with FDOT ultimately agreeing to continuing funding operations through 2024. We have reached that point that FDOT has fulfilled its initial commitment and the transfer to the LGFP must occur pursuant to the original agreements and obligations.

Orange County staff has been working with FDOT staff and other LGFP over the last several months regarding the details of the transition of SunRail operations, which is now set to occur on January 1, 2025. A new Operations Phasing Agreement and a Third Amendment to the Interlocal Governance Agreement are needed to effectuate the transition.

The Operations Phasing Agreement is between all five LGFP, FDOT, and the Central Florida Commuter Rail Commission (CFCRC). This agreement provides for a phased transfer of the SunRail funding and operating obligations from FDOT to the CFCRC/LGFP and includes a summary of the needed action steps with target completion dates. The good news is FDOT agreed to continue to operate the system after the financial transition occurs on January 1, 2025, for a three-year period, and the management will be turned over to a contract operator by no later than December 31, 2027. The agreement also includes a summary of FDOT's continued commitments including corridor

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permitting and financial contributions towards positive train control and vehicle overhauls.

The Third Amendment to the Interlocal Governance Agreement is between all five LGFP. The amendment updates the maximum Annual System Deficit amounts and includes an annual index for cost escalation. The amendment also requires a unanimous vote of the Central Florida Commuter Rail Governing Board in order for the annual budget to exceed the Annual System Deficit. The amendment also includes language regarding the process to approve expanded and extended service and allows this to occur for only a portion of the Local Funding Partners if desired.

If you have any questions, please feel free to contact me at 407-836-7805.

Action Requested: Approval and execution of 1) Operations Phasing Agreement by and among Orange County, Florida, Osceola County, Florida, Seminole County, Florida, County of Volusia, Florida, City of Orlando, Florida, Florida Department of Transportation and Central Florida Commuter Rail Commission and 2) Third Amendment to Interlocal Governance Agreement between Orange County and the other Local Government Funding Partners. All Districts.

JCK/BWB/almg

Attachment(s)

OPERATIONS PHASING AGREEMENT

By and Among

ORANGE COUNTY, FLORIDA

OSCEOLA COUNTY, FLORIDA

SEMINOLE COUNTY, FLORIDA

COUNTY OF VOLUSIA, FLORIDA

CITY OF ORLANDO, FLORIDA

FLORIDA DEPARTMENT OF TRANSPORTATION

and

CENTRAL FLORIDA COMMUTER RAIL COMMISSION

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OPERATIONS PHASING AGREEMENT

THIS OPERATIONS PHASING AGREEMENT (this "Operations Phasing Agreement") is made and entered into by and among Orange County, a charter county and political subdivision of the State of Florida ("Orange County"), Osceola County, a charter county and political subdivision of the State of Florida ("Osceola County"), Seminole County, a charter county and political subdivision of the State of Florida ("Seminole County"), the County of Volusia, a charter county and political subdivision of the State of Florida ("County of Volusia"), the City of Orlando, a municipal corporation of the State of Florida (the "City of Orlando"), the State of Florida Department of Transportation, an agency of the State of Florida ("FDOT") and the Central Florida Commuter Rail Commission, a legal entity and public body created pursuant to Section 163.01, Florida Statutes (the "Commission"). Orange County, Osceola County, Seminole County, the County of Volusia, and the City of Orlando are referred to herein as the "Local Government Partners". The Local Government Partners, FDOT and the Commission shall be referred to individually as a "Party" and collectively the "Parties".

W I T N E S S E T H:

WHEREAS, in 2007, the Local Government Partners entered into an Interlocal Governance Agreement creating the Commission and providing terms for its management and the provision of operating funds for the Central Florida Commuter Rail Transit System ("SunRail"), which Interlocal Governance Agreement was amended in 2008 by a First Amendment to Interlocal Governance Agreement, and in 2010 by a Second Amendment to Interlocal Governance Agreement, and contemporaneously herewith, a Third Amendment to Interlocal Governance Agreement (collectively, the "Interlocal Governance Agreement"); and

WHEREAS, in 2007, FDOT and the Local Government Partners entered into an Interlocal Funding Agreement to provide for the development of transit stations, the execution of joint use agreements for the transit stations and the initial capital funding for SunRail, which was amended in 2010 by an Amendment to Interlocal Funding Agreement (collectively, the "Interlocal Funding Agreement"); and

WHEREAS, in 2007, FDOT and the Commission entered into an Interlocal Operating Agreement for the operation of SunRail, which was amended in 2008 by a First Amendment to Interlocal Operating Agreement, in 2009 by a Second Amendment to Interlocal Operating Agreement, and in 2010 by a Third Amendment to Interlocal Operating Agreement (collectively, the "Interlocal Operating Agreement" and, together with the Interlocal Governance Agreement and Interlocal Funding Agreement, the "Interlocal Agreements"); and

WHEREAS, the Interlocal Operating Agreement provided for transition of the financial and operating obligations for SunRail to the Commission at the end of the "FDOT Funding Period" (as defined in the Interlocal Operating Agreement); and

WHEREAS, FDOT, the Commission and the Local Government Partners desire to enter into this Operations Phasing Agreement to provide for a phased transfer of the SunRail funding and operating obligations from FDOT to the Local Government Partners in accordance with the schedule set forth herein and to delineate certain obligations of the parties following such transfers; and

WHEREAS, the Parties intend this Operations Phasing Agreement to serve as an addendum to the Interlocal Agreements;

NOW THEREFORE, in consideration of the mutual promises, covenants and agreements contained herein and other valuable consideration, receipt of which is hereby acknowledged, the parties mutually undertake, promise, and agree for themselves, their successors and assigns as follows:

SECTION 1. INTRODUCTION.

(A) The Parties agree that the recitals are true and correct and by this reference incorporated and made a part of this Operations Phasing Agreement.

(B) All capitalized terms not otherwise defined herein shall have the meanings set forth in the Master Glossary of Terms for the Central Florida Commuter Rail System Agreements attached to the Interlocal Agreements.

(C) This Operations Phasing Agreement shall become effective upon execution by the Parties, on the date of the last Party's signature (the "Effective Date") and shall satisfy the Commission's obligation to complete a transition and implementation plan, as required by Section 6.04(B) of the Interlocal Operating Agreement.

(D) The Parties agree that this Operations Phasing Agreement will serve as an addendum to the Interlocal Agreements. In the event of any conflicts or inconsistencies between this Operations Phasing Agreement and any or all of the Interlocal Agreements, the terms of this Operations Phasing Agreement shall control.

SECTION 2. TRANSFER OF FINANCIAL OBLIGATIONS.

(A) The Parties agree that the financial obligations for funding the costs of operation, management, and maintenance of SunRail, as said costs are described in this Operations Phasing Agreement and the Interlocal Agreements, other than financial obligations for the segment of Phase II between the DeBary and Deland Stations ("Phase II North"), which is addressed in the following subsection (D), shall be transferred from FDOT to the Commission and Local Government Partners on December 31, 2024 (the "Financial Transition Date"), which shall be the final day of the FDOT Funding Period.

(B) Upon expiration of the FDOT Funding Period, the Commission will become responsible for funding the costs of operation, management, and maintenance of SunRail, as said costs are described in this Operations Phasing Agreement and the Interlocal Agreements, other than financial obligations for Phase II North, which is addressed in the following subsection (D). Furthermore, following the expiration of the FDOT Funding Period, the Commission will be responsible for all activities outlined in the Interlocal Operating Agreement, to include, but not limited to those which are generally described in Section 4.01 of same. The immediately preceding sentence is not intended to assign greater responsibility to either party than is outlined in the Interlocal Operating Agreement. However, beginning on the Financial Transition Date and ending on the Operational Transition Date, as defined in Section 4 hereof (this period of time is referred to

hereinafter as the "Interim Operation Period"), FDOT agrees to continue providing management services in connection with the operation, management, and maintenance of SunRail, as follows:

(1) FDOT will maintain its current staffing levels and perform the same services as it has prior to this Operations Phasing Agreement without charge to the Commission.

(a) FDOT will continue to promote timely, successful operation, management, and maintenance of SunRail as it has during the FDOT Funding Period and in accordance with this Operations Phasing Agreement. For issues which require coordination with the Commission and for issues where coordination with the Commission is appropriate and reasonable, the Department will present options for consideration and serve in an advisory capacity as outlined in the Interlocal Operating Agreement and below.

(b) The Commission will appoint and provide a liaison for FDOT until such time as the Commission employs a full-time chief operating officer, legal counsel or other authorized staff for any matters set forth herein or in the Interlocal Operating Agreement.

(2) FDOT will continue to manage the Central Florida Operating and Management Agreement ("CFOMA") that will encumber the Commuter Rail Easement (the "Easement") upon conveyance of the Easement by FDOT to the Commission pursuant to Section 3.05(B) of the Interlocal Operating Agreement. Except as otherwise stated herein or mutually agreed by the Commission and FDOT, FDOT will continue to manage the agreements with Contract Operators and with other vendors performing services or providing materials for SunRail, to include agreements that are or are to be assigned or novated by FDOT to the Commission pursuant to Section 3 hereof and to do so in the same manner as it had prior to the Interim Operation Period.

(a) Invoices from the Contract Operators and other vendors shall be processed and paid as follows:

(i) Invoices from the Contract Operators and other vendors shall be submitted to FDOT for processing.

(ii) FDOT shall review each invoice, confirm that the deliverables have been received, that the required minimum level of service to be performed based on the criteria for evaluating successful completion as specified in the contract requirements was met, for compliance with its respective agreement and submit the reviewed invoice packages to the Commission.

(iii) The Commission shall independently review each invoice package for legal sufficiency and compliance with appropriate requirements and, if approved by the Commission, shall make payments for said invoices approved by FDOT directly to the Contract Operators and other vendors.

(c) Amendments, modifications, additions, deletions and any other two party required changes ("Contract Modifications") to or from agreements assigned and novated in accordance with Section 3 shall be processed as follows:

(i) Contract Modifications shall be prepared by or submitted to FDOT for processing.

(ii) FDOT shall review each Contract Modification for form compliance and submit the recommended Contract Modification to the Commission. FDOT will serve in an advisory capacity for historical and factual issues related to such Contract Modifications.

(iii) The Commission shall independently review each Contract Modification for legal sufficiency and compliance with appropriate requirements and, if approved by the Commission, shall execute the approved Contract Modification submitted by FDOT.

(iv) The Commission shall submit the executed Contract Modification to FDOT for continued and appropriate contract management.

(c) Any disputes related in any way to or arising from agreements assigned and novated in accordance with Section 3 shall be resolved by the Commission and the appropriate third-party Contract Operator or vendor. FDOT will assist the Commission in the dispute resolution process by serving in an advisory capacity for any factual issues which may arise.

(3) FDOT will continue to take the lead in the discussions with CSX Transportation, Inc. ("CSX") for the resolution to the proposed changes to the current General Freight Service Plan dated August 17, 2020, the increase in the fixed fee as stipulated in Section 2 of CFOMA, and any modification to the undated letter agreement signed by FDOT and CSX, referenced as the "Tolling Agreement" and stamped as received by CSX on September 27, 2016 (the "Tolling Agreement"). Any agreement with CSX or modification of the Tolling Agreement must be approved by Commission.

(4) FDOT will continue to act in an advisory capacity to the Commission, as contemplated by Section 6.04(C) of the Interlocal Operating Agreement.

(5) The relationship among the Parties shall be as follows:

(a) FDOT and its employees, agents, representatives, or subconsultants/subcontractors are not employees of the Commission nor employees of the Local Government Partners. Except to the extent expressly authorized herein, FDOT and its employees, agents, representatives, or subconsultants/subcontractors are not agents of the Commission or the Local Government Partners for any purpose or authority such as to bind or represent the interests of the Commission or the Local Government Partners and shall not represent that it is an agent or that it is acting on the behalf of the Commission or the Local Government Partners.

(b) Equally, the Commission and Local Government Partners, including any of their employees, agents, representatives, or subconsultants/subcontractors are not employees of FDOT and are not entitled to the benefits of State of Florida employees. Except to the extent expressly authorized herein, the Commission and Local Government Partners, including any of their employees, agents, representatives, or subconsultants/subcontractors are not agents of FDOT or the State of Florida for any purpose or authority, such as to bind or represent the interests thereof and shall not represent that they are an agent or that they are acting on the behalf of FDOT or the State of Florida. FDOT shall not be bound by any unauthorized acts or conduct of the Commission nor any of the Local Government Partners.

(C) Pursuant to Section 4.01(H) of the Interlocal Governance Agreement, each Local Government Partners will fund its respective Share of Local Operating Support, beginning January 1, 2025.

(D) FDOT will fund the operating cost of Phase II North for a period of one year following its revenue service date. For purposes of this Section, the operating cost of Phase II North shall be equal to the increases in amounts payable under the Contract Operator agreements resulting from the commencement of Phase II North operations (the "Phase II North Cost"). An amount equal to the Phase II North Cost shall be paid to the Commission on dates payments are due under the Contract Operator agreements.

(E) In addition to those accounting and reporting requirements contained in Section 6.04 of the Interlocal Operating Agreement, following the FDOT Funding Period, the Total Operating Revenue and Total Operating Cost of the Commuter Rail System shall be accounted for separately from all other Commission/Local Government or Lynx funds. The Commission shall, with assistance and cooperation of FDOT during the Interim Operation Period, maintain all accounts and reports required by Florida law and shall provide all information and reports reasonably requested by the FDOT to ensure compliance with regulatory, contractual, financial reporting and auditing obligations.

(F) Any contractor, subcontractor or other third party who may require access on or to the Corridor during any construction or maintenance, whether prior or after the Operational Transition Date, shall be required to obtain a policy or policies with coverages that conform with the requirements of FDOT's Standard Specifications. The FDOT shall be named as an additional insured on each policy of insurance, excluding workers' compensation and professional liability insurance. The Commission may choose to also require such contractor, subcontractor or other third party to name the Commission as an additional insured. Upon request, the Commission shall provide FDOT with a copy of the current certificate of insurance. This requirement is in addition to those insurance provisions contained in the Interlocal Operating Agreement and herein.

SECTION 3. TASKS FOR TRANSFER OF FINANCIAL OBLIGATIONS. The Parties agree to the following schedule of tasks (each a "Phase I Action Step") which are considered obligations hereunder to be completed prior to the specified dates. The Parties agree to cooperate with each other in good faith in an effort to accomplish the Phase I Action Steps. Immediately following the Effective Date, each Local Government Partner shall prioritize its respective staff to complete the Phase I Action Steps in a timely manner. Upon a showing of good faith by the Local

Government Partners and the Commission, FDOT's District 5 Secretary may extend the time to complete a Phase I Action Step assigned to the Local Government Partners or the Commission (other than Phase I Action Steps 19, 20 and 21, the completion time for which shall not be extended). Upon a showing of good faith by FDOT, the Commission's Governing Board Chair may extend the time to complete a Phase I Action Step assigned to FDOT (other than Phase I Action Steps 19, 20 and 21, the completion time for which shall not be extended).

No.	Description of Phase I Action Steps	Completion Date
1	FDOT and Local Government Partners finalize the list of Contract Operator and Vendor contracts and Joint Use Agreements to be novated/assigned to the Commission.	3/31/24
2	Local Government Partners confirm SunRail's operating costs, with assistance from FDOT.	4/30/24
3	FDOT and Local Government Partners conduct meetings with FRA and FTA regarding transition and resolve any issues.	5/31/24
4	Local Government Partners meet with the Florida Department of Management Services to discuss mechanics of state cooperative contracts.	5/31/24
5	FDOT completes implementation of a fully functional ticketing system	5/31/24
6	Commission engages counsel to assist, at a minimum, with negotiation of the Central Florida Regional Transportation Authority (LYNX) operating agreement and amendments to operator contracts and provide counsel to the Commission.	8/31/24
7	Commission approves budget for FY2024-2025.	9/30/24
8	Commission submits first quarterly invoice to each Local Government Partner for its respective Share of Local Operating Support.	9/30/24
9	Commission establishes banking relationship.	10/31/24
10	Commission and FDOT establish process for payment of Contract Operators and other vendors.	10/31/24
11	Local Government Partners fund self-insurance retention.	10/31/24

No.	Description of Phase I Action Steps	Completion Date
12	Commission and FDOT approve the Easement form, including a mutually agreeable demonstrative exhibit that encompasses the operational portion of the Corridor, but excludes the encroachment issues, and Amtrak ADA issues. ⁽¹⁾	10/31/24
13	Commission and FDOT complete closing memorandum specifying responsibilities, sequencing and document deliveries for contract assignments/novations, conveyance of Easement and transfer of assets.	10/31/24
14	Commission secures insurance.	12/31/24
15	CFOMA, Contract Operator, Joint Use Agreements and other vendor contracts assigned or novated to the Commission – documents escrowed for delivery on December 31, 2024.	12/31/24
16	Conveyance of Easement and transfer of asset documents escrowed for delivery on December 31, 2024.	12/31/24
17	Commission completes participation in relevant state cooperative contracts.	12/31/24
18	Commission completes and approves asset inventory (update WSP report) with FDOT's assistance.	12/31/24
19	Escrowed documents delivered and FDOT Funding Period ends.	12/31/24
20	Each Local Government Partner pays its respective quarterly Share of Local Operating Support to Commission.	1/1/25
21	Commission assumes financial obligations.	1/1/25

SECTION 4. PHASE II – TRANSITION OF OPERATIONS. Upon completion of the Phase II Action Steps set forth in Section 5 hereof (as determined by the Commission in its reasonable judgment), but no later than December 31, 2027, the Parties agree that the Interim Operating Period will terminate and FDOT will be relieved of any obligation to provide management services in connection with the operation, management, and maintenance of SunRail, including, but not limited to (1) maintaining its current staffing levels and performing the same services as it had prior to this Operations Phasing Agreement, and (2) managing agreements with the Contract Operators and other vendors providing services to SunRail in the same fashion as prior to the assignment and novation referenced in Section 3 hereof. Nothing herein shall be interpreted as an

⁽¹⁾ The resolution of this Action Step may impact conveyance of some related revenue streams referenced in Section 10 below and the Parties agree to work together in good faith regarding the appropriate exclusion of certain portions of the corridor and their impact on the related revenue streams.

assumption by the Commission or Local Government Partners, or a release of FDOT, from obligations that survive the FDOT Funding Period pursuant to the Interlocal Agreements or from liabilities arising from actions or inactions of FDOT that have occurred prior to or during the Interim Operation Period. Equally, nothing herein shall be interpreted as an assumption by the FDOT, or a release of the Commission or Local Government Partners, from obligations that survive the FDOT Funding Period pursuant to the Interlocal Agreements or from liabilities arising from actions or inactions of the Commission or Local Government Partners that have occurred prior to or during the Interim Operation Period.

SECTION 5. PHASE II ACTION STEPS. The Parties agree to the following schedule of tasks (each a "Phase II Action Step") which are considered obligations hereunder to be completed prior to the specified dates. The Parties agree to cooperate with each other in good faith to accomplish the Phase II Action Steps. Immediately following expiration of the FDOT Funding Period, each Local Government Partner shall prioritize its respective staff to complete the Phase II Action Steps in a timely manner. Upon a showing of good faith by the Local Government Partners and the Commission, FDOT's District 5 Secretary may extend the time to complete a Phase II Action Step assigned to the Local Government Partners or the Commission. Upon a showing of good faith by FDOT, the Commission's Governing Board Chair may extend the time to complete a Phase II Action Step assigned to FDOT.

No.	Description of Phase II Action Steps	Completion Date
1	Commission (by unanimous vote) and LYNX ⁽²⁾ complete and approve term sheet for LYNX operating agreement.	12/31/25
2	Parties negotiate additional required amendments to Interlocal Operating Agreement, including consistency with funding amendment to Interlocal Governance Agreement, the terms of this Operations Phasing Agreement, licensure of intellectual property, and other issues identified by the Parties.	12/31/25
3	Commission initiates procurement of contract operators with FDOT's assistance.	6/30/26
4	Commission (by unanimous vote) and LYNX execute operating agreement for SunRail addressing Volusia concerns and Commission (by unanimous vote) and FDOT execute required amendments to Interlocal Operating Agreement.	12/31/26

⁽²⁾ The Parties are currently in early negotiations with the Central Florida Regional Transportation Authority, a body politic and corporate governed pursuant to Part II, Chapter 343, Florida Statutes ("LYNX") regarding future the operation of SunRail; no final agreement has been reached, as of the Effective Date of this Agreement. In the event the Parties ultimately do not agree to terms with LYNX and/or enter into a contract with LYNX, the descriptions of actions steps referring to LYNX should be understood to refer to any third party that Commission and Local Government Partners enter into negotiations and/or contract with for the operation of SunRail.

No.	Description of Phase II Action Steps	Completion Date
5	LYNX hires necessary personnel to assume operation of SunRail.	6/30/27
6	LYNX updates asset inventory with FDOT's assistance.	12/31/27
7	Interim Operating Period expires – Commission (via LYNX) assumes and FDOT is relieved from all operating obligations.	12/31/27

SECTION 6. POSITIVE TRAIN CONTROL. The Parties have agreed to share in the ongoing cost of Positive Train Control (PTC) as follows:

(A) During the term of the Interlocal Operating Agreement, FDOT shall pay a yearly amount calculated using fixed and variable percentages of total annual PTC operating and maintenance costs (the "Total Annual PTC O&M Costs"), reflected as variable "T" in the equation shown below.

(1) The fixed annual percentage will be 12%.

(2) The variable percentage will be based on usage of the Corridor by trains other than SunRail, calculated by (a) subtracting the total annual number of one-way trips along the Corridor by SunRail trains (the "Total Annual SunRail Trips"), reflected as variable "S" in the equation shown below, from the total annual number of one-way train trips along the Corridor by all users (the "Total Annual System Trips"), reflected as variable "X" in the equation shown below, to determine the total number of one-way trips along the Corridor by trains other than SunRail (the "Total Annual Non-SunRail Trips"), reflected as variable "N" in the equation shown below, and (b) dividing the Total Annual Non-SunRail Trips by the Total Annual System Trips to determine the variable annual percentage, reflected as variable "N%" in the equation shown below.

(3) The sum of the fixed annual percentage (12%) and the variable annual percentage, N%, will be multiplied by the Total Annual PTC O&M Costs, to determine the amount payable by FDOT (the "PTC Funding Amount"), reflected as variable "T" in the equation shown below.

(B) The foregoing calculation expressed as an equation is as follows:

- (1) X = Total Annual System Trips
S = Total Annual SunRail Trips
N = Total Annual Non-SunRail Trips
N% = Total Annual Non-SunRail Trips as a percent of Total Annual System Trips
T = Total Annual PTC O&M Costs

$$\begin{aligned}
 (2) \quad & X - S = N \\
 & N / X = N\% \\
 & (N\% + 12\%) * T = \text{PTC Funding Amount}
 \end{aligned}$$

(B) On October 1 of each year, commencing on October 1, 2025, the PTC Funding Amount shall be adjusted upward or downward for each Fiscal Year to reflect any change in Total Annual System Trips, Total Annual SunRail Trips, Total Annual Non-SunRail Trips, and Total Annual PTC O&M Costs, as follows: (1) the annual change in PTC Funding Amount, which may be positive or negative, shall be calculated using the formula described in the foregoing subsection (A) by (1) utilizing FTA reportable or published data reflecting Total Annual System Trips, Total Annual SunRail Trips, and Total Annual Non-SunRail Trips for the previous year ending on September 30, and (2) Total Annual PTC O&M Costs shall be calculated each year on October 1 based on the costs from the preceding year, ending on September 30, allocated to the categories associated with PTC O&M Cost identified in the following table⁽³⁾:

PTC Costs O&M and Admin	Cost per year
PTC BOS Hosting =	\$ 667,800.00
PTC Trouble Desk & WIUs =	\$ 5,494,588.68
Sub-Total PTC WIUs & BOS	\$ 6,162,388.68
Mechanical Labor =	\$ 2,327,399.80
Communications Labor =	\$ 290,924.98
Mechanical Material & Equip=	\$ 483,599.56
Comms Material & Equip=	\$ 60,449.94
Sub-Total Mech & Comms =	\$ 3,162,374.28
PM Admin	\$ 1,622,000.00
Spare Parts & Licenses	\$ 93,324.91
Total PTC O&M + PM =	\$ 11,040,087.87

(C) The Commission shall be responsible for ensuring that the costs outlined above for Total Annual PTC O&M Costs shall be accounted for separately from all other SunRail, Commission/Local Government or Lynx costs. If the trip data referenced above does not exist on FTA reportable or published data, the Commission shall be responsible for monitoring the aforementioned trips in a manner consistent with how FDOT has monitored the respective trips during the FDOT Funding Period to ensure consistency of calculation. The Commission shall maintain all accounts and reports required by this Operations Phasing Agreement as well as Florida and Federal law and shall provide all information and reports reasonably requested by the FDOT to ensure compliance with regulatory, contractual, financial reporting and auditing obligations. During the Interim Operation Period, FDOT will assist and cooperate with the Commission to accomplish the duties and obligations set forth in this paragraph.

⁽³⁾ Current costs are shown in the table to serve as an example. Amounts in the cost per year column may vary from year to year.

(D) The PTC Funding Amount shall be paid by FDOT to the Commission on or before January 15, 2025, and on each January 15 thereafter. The PTC Funding Amount shall be allocated and earmarked to pay a portion of the Total Annual PTC O&M Costs. The remaining portion of the Total Annual PTC O&M Costs shall be paid by the Commission.

SECTION 7. CORRIDOR PERMITTING. As owner of the fee estate underlying the Corridor, FDOT agrees to continue accepting, reviewing, and issuing (where appropriate) permits for third-party use of the Corridor. For this effort, FDOT will continue to utilize the appropriate vendor or consultant contract assigned and novated to the Commission (or any subsequent relevant contract entered into by the Commission for such services) for necessary and appropriate reviews, as FDOT has done during the FDOT Funding Period. All costs associated with the vendor or consultant review will be borne by the Commission. FDOT will notify the Commission of permit applications and dispositions. Permits will not be issued for third-party usage that interferes with the operation of SunRail.

SECTION 8. STATE OF GOOD REPAIR.

(A) Notwithstanding any provision of this Operations Phasing Agreement to the contrary, the FDOT Funding Period shall not expire specifically and exclusively with respect to the ticketing system until the ticketing system, including all implementation requirements (but not maintenance requirements) of FDOT's contract with the ticketing system vendor, currently moovel North America, LLC, is fully complete, including all hardware and software provisions in FDOT's contract and FDOT has certified completion in writing to the Commission. If appears that the ticketing system will not be fully implemented by June 1, 2024, FDOT agrees to implement a reliable, mutually agreeable alternate system of determining the "Boarding Share" for each Local Government Partner on June 1, 2024, for purposes of computing each Local Government Partner's Share of Local Operating Support. Even if a delay arises in relation to the ticketing system completion described herein, such delay shall in no way impact the Financial Transition Date for all other aspects of SunRail or the Corridor.

(B) The Parties acknowledge and agree that FDOT's proportionate fair share of the first vehicle overhauls occurring following the Financial Transition Date, including but are not limited to, vehicle painting, changing out of seats, major repair including wiring, fixing of rust, major engine overhaul, HVAC overhaul, and similar items is \$10,000,000. FDOT agrees to pay such amount to the Commission on January 15, 2025. The funds paid by FDOT to the Commission pursuant to this subsection will be held in a capital maintenance account and applied to the first vehicle overhauls occurring following expiration of the FDOT Funding Period.

SECTION 9. PURCHASE OPTIONS FOR ALOMA AND DELAND SPURS. Pursuant to the "Contract for Sale and Purchase between State of Florida Department of Transportation and CSX Transportation Inc. Pertaining to the Central Florida Rail Corridor, a Line of Railroad between Deland, Florida and Poinciana, Florida and Related Properties" dated November 30, 2007, FDOT has a thirty (30) year option to purchase the Aloma Spur and the Deland Spur from CSX as defined in the Contract for Sale and Purchase. This option expires on November 30, 2037. The parties acknowledge that either: (A) a Local Government Partner, with the concurrence of the

Commission, or (B) the Commission has the right to request that FDOT purchase one or both spurs. Nothing in this Operations Phasing Agreement shall prevent FDOT from independently exercising its option to purchase one or both spurs. The entity requesting purchase of the Aloma Spur and/or the Deland Spur shall be responsible for (i) payment of the purchase price, and any other amounts required by the Aloma Spur and Deland Spur Option Agreement attached to the Fifth Amendment to the Contract for Sale and Purchase (the "Spurs Option"), (ii) satisfaction of the Spurs Option terms, and (iii) and compliance with all applicable Federal regulations related to the purchase.

SECTION 10. CORRIDOR RELATED REVENUE STREAMS. Upon expiration of the FDOT Funding Period, FDOT shall transfer all revenue streams related to operation of the Corridor to the Commission including, but not limited to CSX usage fees, Amtrak usage fees, Florida Central Railroad Company usage fees, right-of-way lease revenue and other ancillary revenues.

SECTION 11. FAILURE TO MAKE QUARTERLY PAYMENTS. To ensure the availability of adequate funds to operate, manage, and maintain SunRail, Section 6.02(B)(6) of the Interlocal Operating Agreement is hereby amended as follows: [CODING: underline indicates additions and ~~strikes through~~ indicates deletions.]

(6) Other Events. In the event (a) any party to this Interlocal Operating Agreement or the Commission shall fail to pay any funds when due (other than those specified in Section 6.02(B)(6)(b) below), or shall fail to issue when required any securities, guarantees, or credit enhancements required by this Interlocal Operating Agreement, or shall otherwise be in material breach of this Interlocal Operating Agreement, and in each case all applicable cure rights have been exhausted, and sufficient funds to replace such unpaid funds are not forthcoming from other sources, or (b) a Local Government Partner fails to make all or any portion of the quarterly payment of its Annual Funding Amount as required by Section 4.01(H) of the Interlocal Governance Agreement, or the Commuter Rail System cannot be successfully operated with an annual System Operating Deficit less than or equal to the amounts specified in Section 4.01(F) of the Interlocal Governance Agreement, (c) the Local Government Partners remaining after a Local Government Partner has terminated its funding obligation pursuant to Section 4.01(J) of the Interlocal Governance Agreement are unable to agree unanimously to the increases in their respective ~~Shares of Local Operating Support~~ Annual Funding Amounts and/or reductions in the Commuter Rail System service levels to alleviate such increases, or (d) operation of the Commuter Rail System is suspended or terminated for a period longer than 180 days (other than as the result of a Force Majeure event, for which the time period shall be one year), unless otherwise agreed by the parties, then the FDOT, during the FDOT Funding Period, or the Commission, after the FDOT Funding Period, may terminate this Interlocal Operating Agreement. Before any action is taken to terminate for any of the reasons specified herein, the Commission, after the FDOT Funding Period, agrees to consult with FDOT and give careful consideration to the advice and insight given. With regard to terminating pursuant to the condition of Section 6.02(B)(6)(b) above, if FDOT and the Local Government Partners are unable, after discussions to reach a mutual agreement that fully funds ~~said excess System Operating Deficit~~ the collective Annual Funding Amounts approved during the budget deliberations as required by Section 4.01(F) of the Interlocal Governance

Agreement (including attempts to identify and secure additional funds) and a Local Government Partner fails to make the full quarterly payment of its Annual Funding Amount, FDOT shall, ~~when necessary to comply with the Full Funding Grant Agreement,~~ take the difference between such Local Government Partners Annual Funding Amount and the actual amount paid by such Local Government Partner from its Work Program in the geographic area of such Local Government Partner and pay such amount to the Commission within 45 days of notice from the Commission of a failure to make the full quarterly payment, but only through the 2036 State Fiscal Year or when necessary to comply with the Full Funding Grant Agreements for Project Numbers FL-03-0323-02 and FL-03-0344-00, fund any annual System Operating Deficit that is more than the amounts specified in Section 4.01(F) of the Interlocal Governance Agreement, but only for the period specified in Section 4.01(F) of the Interlocal Governance Agreement (which such FDOT funding will Reductions in the Work Program of such Local Government Partner will occur after discussions between the FDOT and the affected Local Government Partner as to the most appropriate source of funds to be impacted, ~~come~~ from the FDOT Work Program in the geographic area of the Local Government Partner(s) that choose not to make all or any portion of the quarterly payments of its Annual Funding Amount as required by Section 4.01(H) of the Interlocal Governance Agreement ~~provide additional funding of System Operating Deficits that are more than the amounts specified in Section 4.01(F) of the Interlocal Governance Agreement~~ in accordance with the requirements of State and Federal law, ~~), in which~~ In such case, the right of the Local Government Partners or the Commission to terminate as a result of the specific ~~annual System Operating Deficit~~ Annual Funding Amount that is funded by FDOT will be suspended during the period specified in Section 4.01(F) of the Interlocal Governance Agreement and may then be exercised at the end of said period. FDOT's election to fund ~~an excess annual~~ any unpaid Annual Funding Amount ~~System Operating Deficit~~ and the suspension of the right to terminate as a result of said funding shall be separately and independently applied to each ~~year of the~~ period specified in Section 4.01(~~F~~) of the Interlocal Governance Agreement so that the election to fund ~~one excess annual System Operating Deficit~~ during one period shall not impact the right to terminate because of ~~excess annual System Operating Deficits that occur~~ failure in other periods or in other years. Upon such termination all assets of the Commuter Rail System, the Corridor (including the Station Platforms), the Station Property, and all other facilities, equipment and supplies shall revert or be conveyed to FDOT and the assignment of the Central Florida Operating and Management Agreement to the Commission shall simultaneously be terminated. Said reverter shall become effective within thirty days of notice from the FDOT to the Commission and shall not require action of the Commission; provided, however, that the Commission agrees to execute such documents as FDOT may reasonably request in the event that FDOT deems it convenient or necessary to confirm the reverter. Any such conveyance shall be made without payment of additional compensation to the Commission by FDOT. FDOT shall elect, in its sole discretion, to continue operating the Commuter Rail System or dispose of the Commuter Rail System assets in accordance with law Subject to Section 3.05(A) of this Agreement, if FDOT elects to dispose of the Commuter Rail System assets, any net funds remaining after payment of other

obligations and expenses incurred on behalf of the Commuter Rail System (including, but not necessarily limited to, any obligation to repay Federal Funds) shall be shared among FDOT and the Local Government Partners in proportion to the amount of funds contributed to the acquisition and/or improvement of the asset; provided however, that installation of other independent facilities by permit or otherwise that remain independently owned and that are not sold as a result of a sale of the asset shall not be deemed to be an improvement of the asset. The requirements set forth in this clause (6) shall survive the termination of this Interlocal Operating Agreement.

SECTION 12. RAILROAD BRIDGES. All Department Owned Railroad Bridges within the Central Florida Rail Corridor shall be managed in accordance with the Florida Rail Corridors Bridge Management Program, as such program may be amended from time to time. The Commission, as a Rail Agency, shall be required to comply with the Florida Rail Corridors Bridge Management Program as well as any other relevant procedures for inspection and maintenance of Department Owned Railroad Bridges and other structures. Should any amendments or revisions to the Florida Rail Corridors Bridge Management Program result in substantial changes to the relative responsibilities, duties and requirements required of FDOT and the Commission, the Parties will work together in good faith to ensure that the transition of the potential aforementioned responsibilities, duties and requirements occurs in a manner which attempts to avoid significant disruption to the operation of SunRail.

SECTION 13. RESOLUTION OF DISPUTES. The Parties agree that disputes arising under this Operations Phasing Agreement shall be subject to the dispute resolution procedures set forth in Section 6.05 of the Interlocal Operating Agreement.

SECTION 14. CONTINUATION OF PRIOR AGREEMENTS. Except as expressly modified by this Operations Phasing Agreement, the Interlocal Agreements shall remain in full force and effect. Multiple parties to multiple agreements are signing this Operations Phasing Agreement due to the scope of its impacts; however, nothing herein shall be deemed to make any entity a party to an agreement that they were not previously a party to.

SECTION 15. COUNTERPARTS. This Operations Phasing Agreement may be executed in multiple counterparts. Each such counterpart shall be deemed an original of this Operations Phasing Agreement, so that in making proof of this Operations Phasing Agreement, it shall only be necessary to produce or account for one such counterpart.

SECTION 16. AMENDMENTS AND WAIVERS. No amendment, supplement, modification, or waiver of this Operations Phasing Agreement shall be binding unless executed in writing by all parties hereto. No waiver of any of the provisions of this Operations Phasing Agreement shall be deemed or shall constitute a waiver of any other provision of this Operations Phasing Agreement, whether or not similar, unless otherwise expressly provided.

IN WITNESS WHEREOF, the Board of County Commissioners of Orange County, Florida has caused this Operations Phasing Agreement to be executed and delivered this 26 day of March, 2024.



ORANGE COUNTY, FLORIDA
By: Board of County Commissioners

By: *Jerry L. Demings*
fd Jerry L. Demings
Orange County Mayor

Date: March 26, 2024

ATTEST: Phil Diamond, CPA, Comptroller
As Clerk of the Board of County Commissioners

Jennifer L. West
fd By: Deputy Clerk
Date: March 26, 2024

IN WITNESS WHEREOF, the City Council of the City of Orlando, Florida, has caused this Operations Phasing Agreement to be executed and delivered this 11 day of March, 2024.

CITY OF ORLANDO

By: Bakari F. Burns
Mayor / Mayor Pro Tem

ATTEST:

Stephanie Herdocia
Stephanie Herdocia, City Clerk

APPROVED AS TO FORM AND LEGALITY for the use and reliance of the City of Orlando, Florida, only.

3/11, 2024

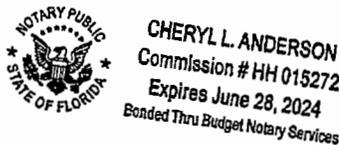
[Signature]
Chief Assistant City Attorney
Orlando, Florida

STATE OF FLORIDA
COUNTY OF ORANGE

PERSONALLY APPEARED before me, the undersigned authority, Bakari F. Burns and Stephanie Herdocia, well known to me and known by me to be Mayor Pro Tem and City Clerk, respectively, of the City of Orlando, Florida, and acknowledged before me that they executed the foregoing instrument on behalf of the City of Orlando as its true act and deed, and that they were duly authorized to do so.

WITNESS MY hand and official seal this 11 day of March, 2024.

Cheryl Anderson
Notary Public - State of Florida at Large
Print Name: Cheryl Anderson
My commission expires:



IN WITNESS WHEREOF, the Board of County Commissioners of Osceola County, Florida, has caused this Operations Phasing Agreement to be executed and delivered this 18 day of MARCH, 2024.

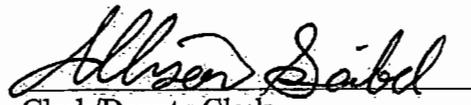
OSCEOLA COUNTY, FLORIDA

By: 
Chair/Vice Chair
Board of County Commissioners



(SEAL)

ATTEST:


Clerk/Deputy Clerk

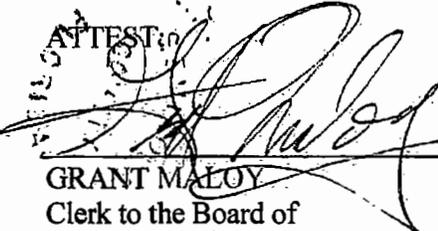
Date of Execution: 3/18/24

As authorized for execution at the Board of County Commissioners meeting of:

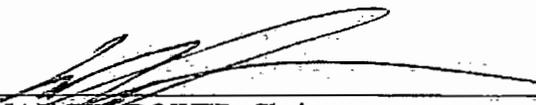
March 18, 2024

IN WITNESS WHEREOF, the Board of County Commissioners of Seminole County, Florida, has caused this Operations Phasing Agreement to be executed and delivered this 26 day of March, 2024.

ATTEST


GRANT MALOY
Clerk to the Board of
County Commissioners of
Seminole County, Florida.

BOARD OF COUNTY COMMISSIONERS
SEMINOLE COUNTY, FLORIDA

By: 
JAY ZEMBOWER, Chairman

Date: MAR 26 2024

For the use and reliance
of Seminole County only.

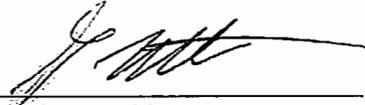
As authorized for execution by the Board of
County Commissioners at its 3/26
2024, regular meeting.

Approved as to form and
legal sufficiency.


County Attorney

IN WITNESS WHEREOF, the County Council of the County of Volusia, Florida, has caused this Operations Phasing Agreement to be executed and delivered this 19th day of March, 2024.

Attest:

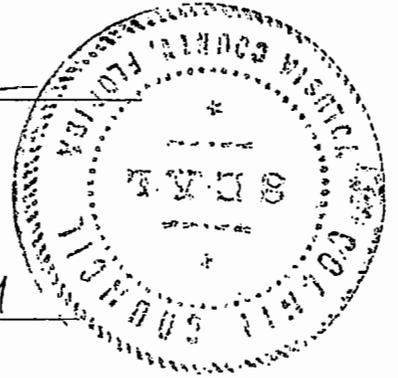


George Recktenwald
County Manager

COUNTY OF VOLUSIA

BY: 

Jeffrey S. Brower
County Chair



Date: 3/28/2024

Date: 3/28/2024

County Council Date: 3/19/2024

IN WITNESS WHEREOF, the Central Florida Commuter Rail Commission has caused this Operations Phasing Agreement to be executed and delivered this 28 day of March, 2024.

**CENTRAL FLORIDA COMMUTER RAIL
COMMISSION**

By: 
Governing Board Chair/Vice Chair

ATTEST:


Secretary

Date of Execution: 3/28/24

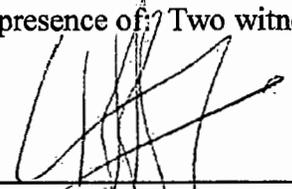
As authorized for execution at the
Governing Board meeting of:

March 28, 2024

IN WITNESS WHEREOF, the Florida Department of Transportation has caused this Operations Phasing Agreement to be executed and delivered this 20 day of March, 2024.

STATE OF FLORIDA
DEPARTMENT OF TRANSPORTATION

Signed, sealed and delivered in
the presence of: Two witnesses



SIGNATURE LINE
PRINT/TYPE NAME: CHARLES W. HESTER, JR.

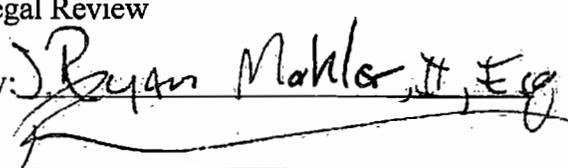
By: 

John E. Tyler
District Five Secretary



SIGNATURE LINE
PRINT/TYPE NAME: David J. Cooke

Legal Review

By: 

Office of General Counsel

**THIRD AMENDMENT TO
INTERLOCAL GOVERNANCE AGREEMENT**

THIS THIRD AMENDMENT TO INTERLOCAL GOVERNANCE AGREEMENT (the "Third Amendment"), is made and entered into by and among Orange County, a charter county and political subdivision of the State of Florida ("Orange County"), Osceola County, a charter county and political subdivision of the State of Florida ("Osceola County"), Seminole County, a charter county and political subdivision of the State of Florida ("Seminole County"), the County of Volusia, a charter county and political subdivision of the State of Florida ("County of Volusia") and the City of Orlando, a municipal corporation of the State of Florida (the "City of Orlando").

W I T N E S S E T H:

WHEREAS, in August 2007, Orange County, Osceola County, Seminole County, the County of Volusia and the City of Orlando (collectively, the "Local Government Partners") entered into an Interlocal Governance Agreement for Creation of the Central Florida Commuter Rail Commission (the "Original Governance Agreement"); and

WHEREAS, in December 2008, the Local Government Partners entered into a First Amendment to Interlocal Governance Agreement (the "First Amendment") to permit, among other things, the appointment of alternate Members to the "Governing Board" and "Technical Advisory Committee", as such terms are defined in the Original Governance Agreement; and

WHEREAS, in July 2010, the Local Government Partners entered into a Second Amendment to Interlocal Governance Agreement (the "Second Amendment") to revise, among other things, the obligation of the Local Government Partners to fund "System Operating Deficits" of the "Commuter Rail System", as such terms are defined in the Original Governance Agreement (the Original Governance Agreement, as amended by the First Amendment and the Second Amendment, being referred to herein as the "Current Governance Agreement"); and

WHEREAS, the Local Government Partners desire to enter into this Third Amendment to the Current Governance Agreement to further revise the obligation of the Local Government Partners to fund the Annual System Deficit (as defined herein) of the Commuter Rail System;

NOW THEREFORE, in consideration of the mutual covenants contained herein, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

SECTION 1. DEFINITIONS. The following new definitions are hereby added to Master Glossary appended to the Current Governance Agreement:

"Annual Funding Amount" means, for each Local Government Partner, the sum of its Share of Local Operating Support and Share of Local Capital Cost plus any amounts allocated to such Local Government Partner pursuant to Section 3.05(F) of the Interlocal Governance Agreement.

"Annual System Deficit" means, for any Fiscal Year, the sum of the System Operating Deficit and Local Capital Cost, less any Expanded Service Cost and/or Extended Service Cost.

"**Expanded Service Cost**" means the Expanded Service Operating Cost and the Expanded Service Capital Cost.

"**Expanded Service Capital Cost**" means any increase in the Local Capital Cost resulting from the implementation of Expanded Service.

"**Expanded Service Operating Cost**" means any increase in the Total Operating Cost resulting from the implementation of Expanded Service.

"**Extended Service Cost**" means the Extended Service Operating Cost and the Extended Service Capital Cost.

"**Extended Service Capital Cost**" means any increase in the Local Capital Cost resulting from the implementation of Extended Service.

"**Extended Service Operating Cost**" means any increase in the Total Operating Cost resulting from the implementation of Extended Service.

"**RCRI**" means the Railroad Cost Recovery Index published quarterly by the Association of American Railroads, plus one percent.

SECTION 3. MEETINGS, QUORUM AND VOTING. Section 3.05(E) of the Interlocal Governance Agreement is hereby amended, and a new Section 3.05(F) is hereby added to the Interlocal Governance Agreement, as follows: [CODING: underline indicates additions and ~~striketrough~~ indicates deletions.]

SECTION 3.05. MEETINGS, QUORUM AND VOTING.

* * *

(E) The following Governing Board actions shall require an affirmative vote of not less than four Members:

- (1) fare changes;
- ~~(2) Expanded Service;~~
- ~~(3) Extended Service;~~
- (2) ~~(4)~~ any sale of Commuter Rail System assets;
- (3) ~~(5)~~ charges for parking on Station Property;
- (4) ~~(6)~~ fees for use of the Corridor by third parties.

(F) The following Governing Board actions shall require a unanimous vote of the Members:

- (1) Expanded Service;

(2) Extended Service.

Notwithstanding the foregoing, if one or more Local Government Partners agree in writing to fund the Expanded Service Cost and/or Extended Service Cost in addition to their respective Share of Local Operating Support and Share of Local Capital Support, the action to approve the proposed Expanded Service Cost or Extended Service Cost shall require unanimous approval of only those Members whose Local Government Partners have agreed in writing to fund such Expanded Service Cost and/or Extended Service Cost. In such event, any Expanded Service Operating Cost, Expanded Service Capital Cost, Extended Service Operating Cost and Extended Service Capital Cost shall be accounted for separately by the Commission. Any Expanded Service Operating Cost and/or Extended Service Operating Cost shall be allocated to only those Local Government Partners that have agreed in writing to fund such Expanded Service Operating Cost and/or Extended Service Operating Cost using the same method set forth in Section 4.01(D) but excluding those Local Government Partners that have not agreed in writing to fund such Expanded Service Cost and/or Extended Service Cost. Any Expanded Service Capital Cost and/or Extended Service Capital Cost shall be allocated to only those Local Government Partners that have agreed in writing to fund such Expanded Service Capital Cost and/or Extended Service Capital Cost using the same method set forth in Section 4.02(B) but excluding those Local Government Partners that have not agreed in writing to fund such Expanded Service Cost and/or Extended Service Cost. Any Local Government Partner that did not previously agree in writing to fund an Expanded Service Cost and/or Extended Service Cost may, upon 180 days advanced notice to the Commission and other Local Government Partners, agree in writing to fund a previously approved Expanded Service Cost and/or Extended Service Cost beginning in the Fiscal Year immediately following such written notice; allocation of the Expanded Service Cost and/or Extended Service Cost to said Local Government Partner shall be made using the same methods utilized to allocate such Expanded Service Cost and/or Extended Service Cost to the other funding Local Government Partners.

SECTION 3. LOCAL OPERATING SUPPORT. Section 4.01 of the Current Governance Agreement is hereby amended as follows: [CODING: underline indicates additions and ~~strike through~~ indicates deletions.]

SECTION 4.01. LOCAL OPERATING SUPPORT. Following expiration of the FDOT Funding Period, each Local Government Partner shall be responsible for paying its Share of Local Operating Support for each Fiscal Year, which shall be computed as follows:

(A) The "Boarding Share" for each Local Government Partner shall be computed as follows:

(1) The total number of passengers embarking and disembarking from Stations located within the jurisdiction of a Local Government Partner during the most recent Funding Determination Year

shall be divided by the total number passengers embarking and disembarking from all Commuter Rail System Stations for the same period.

(2) The total number of passengers embarking and disembarking during Peak Hours from Stations located within the jurisdiction of a Local Government Partner during the most recent Funding Determination Year shall be divided by the total number passengers embarking and disembarking during Peak Hours from all Commuter Rail System Stations during the same period.

(3) The Boarding Share for each Local Government Partner shall be equal to the arithmetic average of the shares computed in clauses (1) and (2). For purposes of computing Boarding Shares, Stations located within the jurisdiction of the City of Orlando shall be excluded from Stations located within the jurisdiction of Orange County.

(B) The "Share of Local Operating Support Without Farebox" for each Local Government Partner shall be computed by multiplying the Local Government Partner's Boarding Share by the System Net Revenue Without Farebox.

(C) The "Local Farebox Revenue" for each Local Government Partner shall be computed by multiplying its Boarding Share by the total number passengers embarking and disembarking from all Commuter Rail System Stations during the most recent Funding Determination Year and multiplying the result by the Average Fare for the same period.

(D) The "Share of Local Operating Support" for each Local Government Partner shall be computed by deducting its Farebox Revenue from its Share of Local Operating Support Without Farebox.

(E) The Local Government Partners' collective annual obligation to fund the Annual System Deficit for Fiscal Year 2024-2025 shall be limited to \$63,000,000.

(1) On October 1 of each year, commencing on October 1, 2025, the Local Government Partners' collective annual obligation to fund the Annual System Deficit shall be adjusted for each Fiscal Year to reflect the change in RCRI during the previous year, as follows: (1) the annual change in RCRI, which may be positive or negative, shall be calculated by (a) deducting the RCRI published for the month of April in the prior year (Prior April RCRI) from the RCRI published for the month of April in the current year, and (b) dividing the result by the Prior April RCRI; and (2) the new maximum collective annual obligation will be calculated by multiplying the annual adjustment to RCRI by the current maximum collective annual obligation.

(2) If the RCRI is discontinued or revised during the term of this Interlocal Governance Agreement, such other index or computation, if any,

with which it is replaced shall be used. If no conversion factor is supplied by the Association of American Railroads, either for a new base year or a new index, the parties shall unanimously agree upon a conversion factor for the RCRI to be used.

(F) On or prior to April 1 of each Fiscal Year, the Commission shall approve its tentative annual budget for the following Fiscal Year and provide to each Local Government Partner a copy of the budget and its calculation of each Local Government Partner's Annual Funding Amount. The tentative annual budget may only require the Local Government Partners' collective annual obligation to fund the Annual System Deficit to exceed the amount calculated pursuant to the foregoing subsection (E) with a unanimous vote of the Governing Board.

(G) On or prior to May 15, each Local Government Partner shall be entitled to propose amendments to the Commission's tentative annual budget. Any such proposals shall be presented to the Commission at its next monthly meeting and, if such proposals are approved by the Commission, the tentative annual budget shall be revised and the Local Government Partners' collective annual obligation to fund the Annual Funding Amounts shall be reduced accordingly. Any proposed amendments that would require the Local Government Partners' collective annual obligation to fund the Annual System Deficit to exceed the amount calculated pursuant to the foregoing subsection (E) must be approved with a unanimous vote of the Governing Board.

(H) The Commission shall prepare and submit a quarterly invoice to each individual Local Government Partner, in advance, for its respective ~~Share of Local Operating Support~~ Annual Funding Amount. Invoices shall be submitted not later than sixty days prior to the beginning of each calendar quarter and payment shall be made within forty-five days after receipt of the invoice.

(I) If, for any reason, a Local Government Partner fails to make all or any portion of the quarterly payments required by the foregoing subsection (H), it is hereby acknowledged and agreed that, under the terms of Section 6.02(B)(6) of the Interlocal Operating Agreement, the difference between the required quarterly payment and the actual amount paid shall be taken by FDOT from its Work Program in the geographic area of such Local Government Partner and paid to the Commission.

~~(F) Subject to the provisions contained in the following subsection (G), the Local Government Partners' collective annual obligation to fund the System Operating Deficit shall be limited to the following amounts:~~

<u>Year</u>	<u>System Operating Deficit</u>
2020	\$7,225,000.00
2021	\$7,128,000.00

<u>Year</u>	<u>System Operating Defieit</u>
2022	\$7,574,000.00
2023	\$7,471,000.00
2024	\$7,944,000.00
2025	\$7,835,000.00
2026	\$7,336,000.00
2027	\$8,219,000.00
2028	\$8,750,000.00
2029	\$8,627,000.00
2030	\$9,189,000.00
2031	\$9,058,000.00
2032	\$9,653,000.00
2033	\$9,514,000.00
2034	\$9,996,000.00
2035	\$10,145,000.00
2036	\$10,665,000.00
Total	\$146,329,000.00

~~The foregoing amounts are based on the State Fiscal Year, which is from July 1 to June 30. For a unit of government with a different fiscal year, these amounts shall be pro-rated to establish an equivalent amount for the time period of its Fiscal Year.~~

~~(G) Annual funding in excess of the amounts specified in subsection (F) shall only be required:~~

~~(1) with unanimous written consent of the Local Government Partners, or~~

~~(2) if one or more Local Government Partners agree in writing to fund the difference between the amount specified in the foregoing subsection (F) and the System Operating Defieit.~~

~~(H) If the Base Service cannot be adjusted pursuant to Section 4.06 of the Interlocal Operating Agreement, as amended, to reduce the System Operating Defieit below the amounts specified in subsection (F) required quarterly payment and the Local Government Partners do not agree to provide additional funding pursuant to subsection (G), and, within the period specified in subsection (F), actual amount paid shall be taken by FDOT elects not to fund the excess annual System Operating Defieit for any year under the terms of Section 6.02(B)(6)(b), of the Interlocal Operating Agreement, as amended, from its Work Program in the~~

~~geographic area of such Local Government Partner and paid to the Commission shall terminate the Commuter Rail System pursuant to Section 6.02(B)(6) of the Interlocal Operating Agreement, as amended.~~

~~(I) On or prior to June 1 preceding the first full Fiscal Year following the 2036 State Fiscal Year and each Fiscal Year thereafter, the Commission shall provide the estimated System Operating Deficit for each Fiscal Year, which shall include any Expanded Service or Extended Service that will be implemented during such Fiscal Year, to the Local Government Partners.~~

(J) Any Local Government Partner may elect to terminate its obligation to fund its Share of Local Operating Support Annual Funding Amount, beginning with the first full Fiscal Year following the 2036 State Fiscal Year or any Fiscal Year thereafter, as follows:

(1) The Local Government Partner desiring to terminate its obligation to fund its Share of Local Operating Support Annual Funding Amount shall adopt a resolution prior to April 1, 18 months before the end of the last Fiscal Year for which it budgets its full Share of Local Operating Support Annual Funding Amount, stating its intent to terminate its funding obligation for subsequent Fiscal Years. Copies of the resolution shall be provided by such Local Government Partner to the other Local Government Partners in accordance with Section 5.04 hereof. A copy of the resolution shall also be provided by such Local Government Partner to FDOT within 30 days of adoption. Adoption of the resolution shall terminate such Local Government Partner's rights and obligations under this Interlocal Governance Agreement (including, but not limited to, its right to elect or designate a Member of the Governing Board) effective at the end of the last Fiscal Year for which it budgets its Share of Local Operating Support Annual Funding Amount. Absent the unanimous agreement of the Local Government Partners, the Commission shall not approve any Expanded Service or Extended Service that increases the departing Local Government Partners' Share of Local Operating Support Annual Funding Amount, after the adoption by said Local Government Partner of a resolution establishing the intent to terminate its funding obligations as described herein.

(2) The Local Government Partners shall meet, as soon as practicable after adoption of the resolution, to discuss the increases in their respective Share of Local Operating Support Annual Funding Amount that will result from actions taken pursuant to the foregoing paragraph (1) and any possible reductions in the Commuter Rail System service levels to alleviate such increases.

(3) If, prior to January 1 of the Fiscal Year following adoption of a resolution stating the intent of a Local Government Partner to terminate its obligation to fund its Share of Local Operating Support Annual Funding Amount, the remaining Local Government Partners unanimously agree to

the increases in their respective ~~Shares of Local Operating Support Annual Funding Amount~~ or reductions in the Commuter Rail System service levels to alleviate such increases or the Local Government Partners unanimously agree on some other method of continuing operation of the Commuter Rail System, (which agreement shall be evidenced by resolutions adopted by each of the remaining Local Government Partners), this Interlocal Governance Agreement shall remain in full force and effect as to the remaining Local Government Partners. The remaining Local Government Partners shall amend this Interlocal Governance Agreement as necessary to incorporate changes occurring by virtue of the termination of the departing Local Government Partner's rights and obligations and the agreement of the remaining Local Government Partners to continue operation of the Commuter Rail System.

(4) If, prior to January 1 of the Fiscal Year following adoption of a resolution stating the intent of a Local Government Partner to terminate its obligation to fund its ~~Share of Local Operating Support Annual Funding Amount~~, the remaining Local Government Partners do not unanimously agree to the increases in their respective ~~Shares of Local Operating Support Annual Funding Amounts~~ or reductions in the Commuter Rail System service levels to alleviate such increases, or the Local Government Partners do not unanimously agree on some other method of continuing operation of the Commuter Rail System, (which agreement shall be evidenced by resolutions adopted by each of the remaining Local Government Partners), the Commission shall terminate the Commuter Rail System pursuant to Section 6.02(B)(6) of the Interlocal Operating Agreement, as amended.

SECTION 4. EFFECTIVE DATE. This Third Amendment shall become effective when a fully-executed copy is filed with the clerk of the circuit court for each of the Local Government Partners.

SECTION 5. COUNTERPARTS. This Third Amendment may be executed in multiple counterparts. Each such counterpart shall be deemed an original of this Third Amendment, so that in making proof of this Third Amendment, it shall only be necessary to produce or account for one such counterpart.

SECTION 6. STATUS OF CURRENT GOVERNANCE AGREEMENT. Except as expressly modified by this Third Amendment, the Current Governance Agreement shall be and remain in full force and effect.

[SIGNATURES BEGIN ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Board of County Commissioners of Orange County, Florida has caused this Third Amendment to Interlocal Governance Agreement to be executed and delivered this 26 day of March, 2024.



ORANGE COUNTY, FLORIDA
By: Board of County Commissioners

By: *Jerry L. Demings*
for Jerry L. Demings
Orange County Mayor

Date: March 26, 2024

ATTEST: Phil Diamond, CPA, Comptroller
As Clerk of the Board of County Commissioners

Annika Jan-King
for By: Deputy Clerk

Date: March 26, 2024

IN WITNESS WHEREOF, the City Council of the City of Orlando, Florida, has caused this Third Amendment to Interlocal Governance Agreement to be executed and delivered this 11 day of March, 2024.

CITY OF ORLANDO

By: Barton F. Burns
~~Mayor~~ / Mayor Pro Tem

ATTEST:

SMH
Stephanie Herdocia, City Clerk

APPROVED AS TO FORM AND LEGALITY for the use and reliance of the City of Orlando, Florida, only.

3/11, 2024

[Signature]
Chief Assistant City Attorney
Orlando, Florida

STATE OF FLORIDA
COUNTY OF ORANGE

PERSONALLY APPEARED before me, the undersigned authority, Barton F. Burns and Stephanie Herdocia, well known to me and known by me to be Mayor Pro Tem and City Clerk, respectively, of the City of Orlando, Florida, and acknowledged before me that they executed the foregoing instrument on behalf of the City of Orlando as its true act and deed, and that they were duly authorized to do so.

WITNESS MY hand and official seal this 11 day of March, 2024.

Cheryl Anderson
Notary Public - State of Florida at Large
Print Name: Cheryl Anderson
My commission expires: 6-28-2024

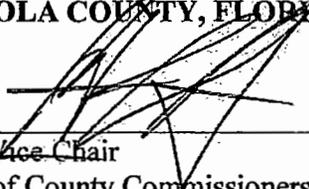


CHERYL L. ANDERSON
Commission # HH 015272
Expires June 28, 2024
Bonded Thru Budget Notary Services

City Council Meeting: 03-11-2024
Item: 3-03 Documentary: 240311303

IN WITNESS WHEREOF, the Board of County Commissioners of Osceola County, Florida, has caused this Third Amendment to Interlocal Governance Agreement to be executed and delivered this 18 day of MARCH, 2024.

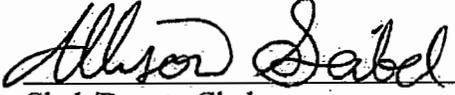
OSCEOLA COUNTY, FLORIDA

By: 
Chair/Vice Chair
Board of County Commissioners



(SEAL)

ATTEST:


Clerk/Deputy Clerk

Date of Execution: 3/18/2024

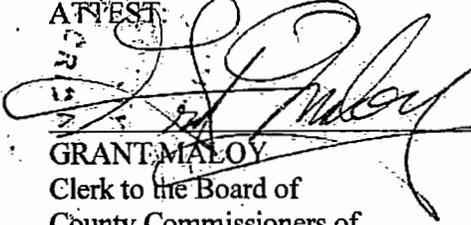
As authorized for execution at the Board of
County Commissioners meeting of:

March 18, 2024

IN WITNESS WHEREOF, the Board of County Commissioners of Seminole County, Florida, has caused this Third Amendment to Interlocal Governance Agreement to be executed and delivered this 26 day of March, 2024.

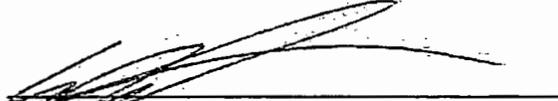
BOARD OF COUNTY COMMISSIONERS
SEMINOLE COUNTY, FLORIDA

ATTEST:



GRANT MALOY
Clerk to the Board of
County Commissioners of
Seminole County, Florida.

By:

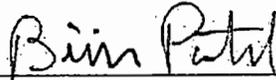

JAY ZEMBOWER, Chairman

Date:

MAR 26 2024

For the use and reliance
of Seminole County only.

Approved as to form and
legal sufficiency.

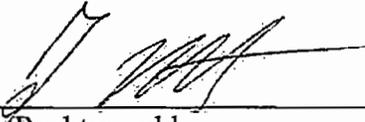


County Attorney

As authorized for execution by the Board of
County Commissioners at its 3/26
2024, regular meeting.

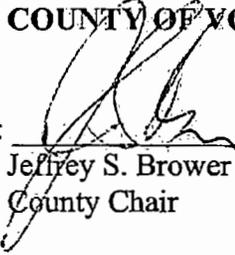
IN WITNESS WHEREOF, the County Council of the County of Volusia, Florida, has caused this Third Amendment to Interlocal Governance Agreement to be executed and delivered this 19th day of March, 2024.

Attest:

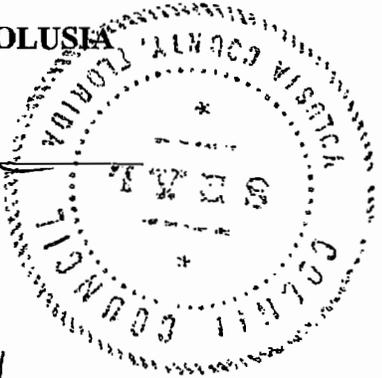


George Recktenwald
County Manager

COUNTY OF VOLUSIA

BY: 

Jeffrey S. Brower
County Chair



Date: 3/28/2024

Date: 3/28/2024

County Council Date: 3/19/2024