



Legislation Text

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Interoffice Memorandum

DATE: June 25, 2024

TO: Mayor Jerry L. Demings and County Commissioners

THROUGH: NA

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

CONTACT: Brett W. Blackadar, P.E., Deputy Director

PHONE: (407) 836-7805

DIVISION: NA

ACTION REQUESTED:

Approval and execution of Second Amendment to Revised Interlocal Agreement between the City of Maitland and Orange County regarding the Central Florida Commuter Rail Transit System. District 5.

PROJECT: NA

PURPOSE:

The Revised Interlocal Agreement between the City of Maitland and Orange County regarding the Central Florida Commuter Rail Transit System for the SunRail services was originally executed by the Board on July 19, 2007. The First Amendment to Revised Interlocal Agreement between the City of Maitland and Orange County regarding The Central Florida Commuter Rail Transit System was originally executed by the Board on June 26, 2011 (collectively referred to as "Maitland ILA").

As part of the Maitland ILA, the City of Maitland agreed to fund 70% of the Local Operating Cost for their SunRail station, including an annual increase of 3%. The Maitland ILA also provided that in any applicable funding year, the City of Maitland's maximum funding contribution was capped at a "not to exceed" amount of \$284,100. The Maitland ILA also included language that allowed the City of Maitland to terminate the Maitland ILA if Orange County did not obtain a dedicated funding source for City of Maitland's funding obligation. The termination is conditioned upon the City of Maitland and Orange County meeting and negotiating in good faith regarding the parties' funding obligations for a 180-day period after the notice of termination. (See Section 6.2(d) (1) of the Maitland ILA).

On a related note, the Third Amendment to The Interlocal Governance Agreement amended the

Interlocal Governance Agreement for Creation of the Central Florida Commuter Rail Commission (the "Original Governance Agreement") and was approved at the March 26, 2024 Board meeting. This agreement is between the Local Government Funding Partners - Orange, Osceola, Seminole, and Volusia Counties and the City of Orlando. In response to the updated Original Governance Agreement, staff from Orange County and the City of Maitland have held multiple meetings over the last several months to discuss updating the Maitland ILA.

Since discussions regarding the Maitland ILA are ongoing between Orange County and the City of Maitland, the attached Second Amendment to Revised Interlocal Agreement between the City of Maitland and Orange County regarding the Central Florida Commuter Rail Transit System ("Second Amendment to Maitland ILA") allows additional time for the parties to gather information and meet before the first payment is due on December 31, 2024. The Second Amendment to Maitland ILA modifies Section 6.2 to allow the City to hold the 180-day notice of termination period in abeyance so that the parties may engage in further good faith discovery and negotiations. Because of the City of Maitland's decision to invoke the termination clause of the Maitland ILA (as described in the next paragraph), the 180-day period has begun to run. Orange County and the City of Maitland staff believe that tolling the 180-day period under the Maitland ILA will provide the much needed additional time for the parties to engage in good faith discussions regarding the Maitland ILA funding options.

The Maitland City Council approved the attached Second Amendment to Maitland ILA at their June 24, 2024 meeting, subject to approval by the Board. At that meeting, the Council also approved a motion to provide notice of termination to Orange County under Section 6.2(d)(1) of the First Amendment to Revised Interlocal Agreement between the City of Maitland and Orange County Regarding The Central Florida Commuter Rail Transit System, and directed the City Manager to notify the County of this decision. The Maitland City Council also approved a motion to hold the notice of termination in abeyance pursuant to the terms of the Second Amendment, if approved by the Board, while the parties continue to discuss options or until further action of the Maitland City Council. The motion included an additional notification to the County at a future date after Board approval of the Second Amendment to Maitland ILA. Please note that the Maitland City Council stated that their primary desire at this time is simply to have more time to gather information and understand all the fiscal implications of the ILA before making any decisions, and the termination notice was driven, in part, by the language in the current Maitland ILA requiring notice by a certain date.

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

BUDGET: NA