

# Project Status Update

June 27, 2022

CFCRC Board  
Workshop

SunRail

Transition Plan

Consulting

Services





## Central Florida Commuter Rail Commission

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**Date:** June 27, 2022

**Time:** Immediately following the CFCRC Board Meeting

**Location:** MetroPlan Orlando  
250 S. Orange Ave., Suite 200  
Orlando, Florida 32801

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***PLEASE SILENCE CELL PHONES***

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I. Workshop introductions – Mayor Dyer, CFCRC Chairman

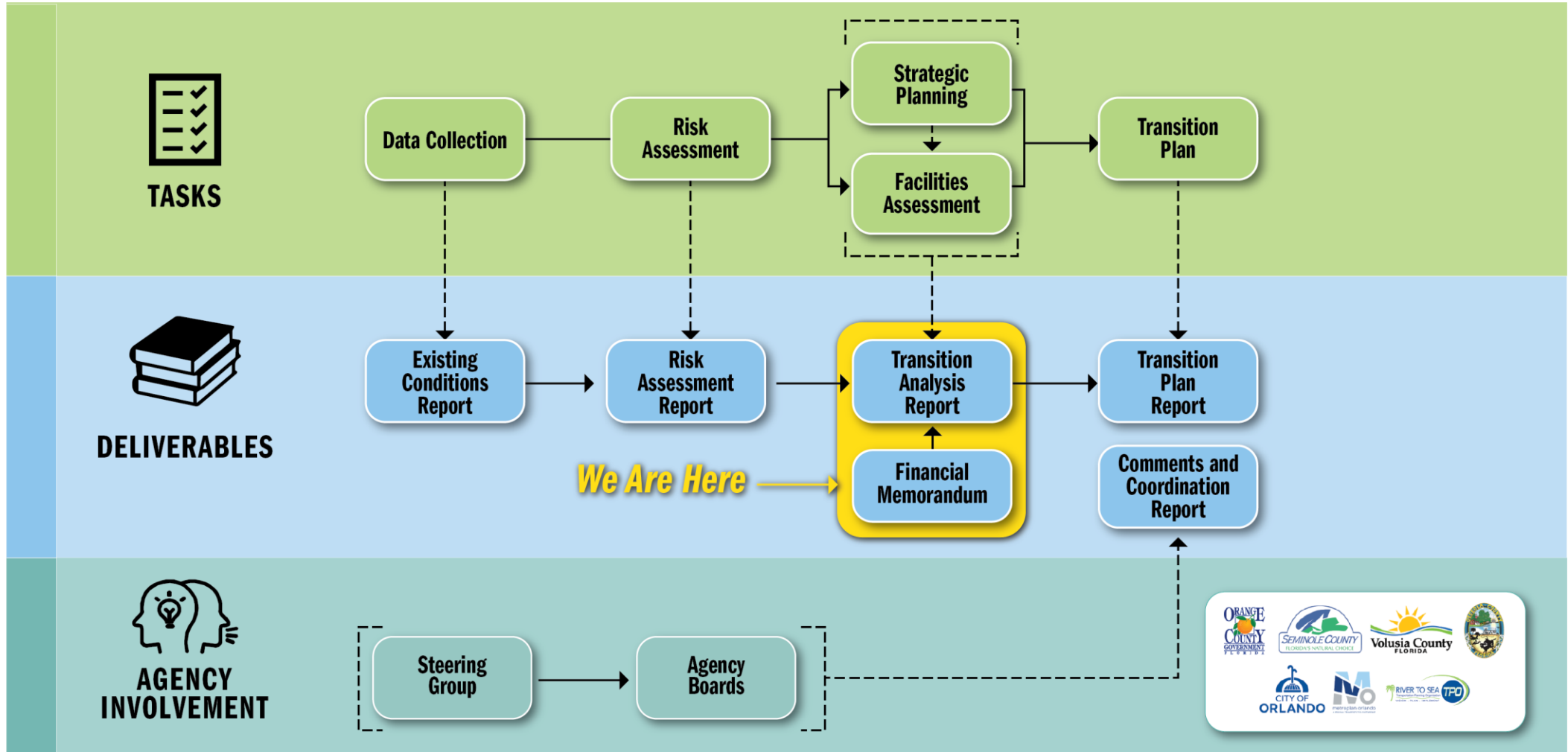
A. Transition of SunRail Update - WSP

## Purpose

- Provide an update on Financial Analysis for the three governance options
- Discuss major conclusions from other aspects of Transition Analysis
- Discuss Next Steps and Timeline



# Transition Study Process - Current Status



# Financial Analysis Update

# Updated Financial Analysis

CFCRC Board  
Workshop  
6-27-22

Edits based on  
Steering Group  
comments on draft  
Financial Analysis  
Memo

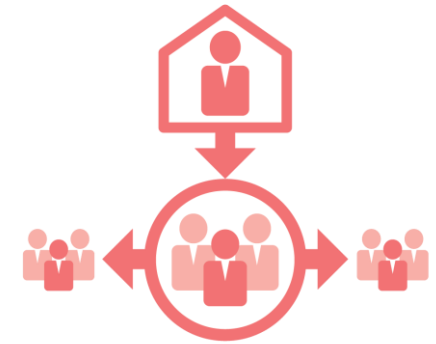
Continued  
coordination with  
FDOT

## Other Refinements

- Vehicle rehabilitation costs
- Parts inventory for Option 1
- Inclusions of just published Federal Transit Administration 5337 Formula funds



# Three Potential Governance Options



## Option 1

CFCRC recruits comprehensive, in-house staff to provide all management, administration, and operating functions.

## Option 2

CFCRC recruits in-house staff to provide management and administration functions while contracting out all operating services, like current FDOT organization.

## Option 3

CFCRC recruits no staff and contracts all functions (management, administration, and operations) to another agency which may subcontract operating functions as indicated in Option 2.

# Total Cost Comparison between the Three Governance Options (Updated 6/7/22)

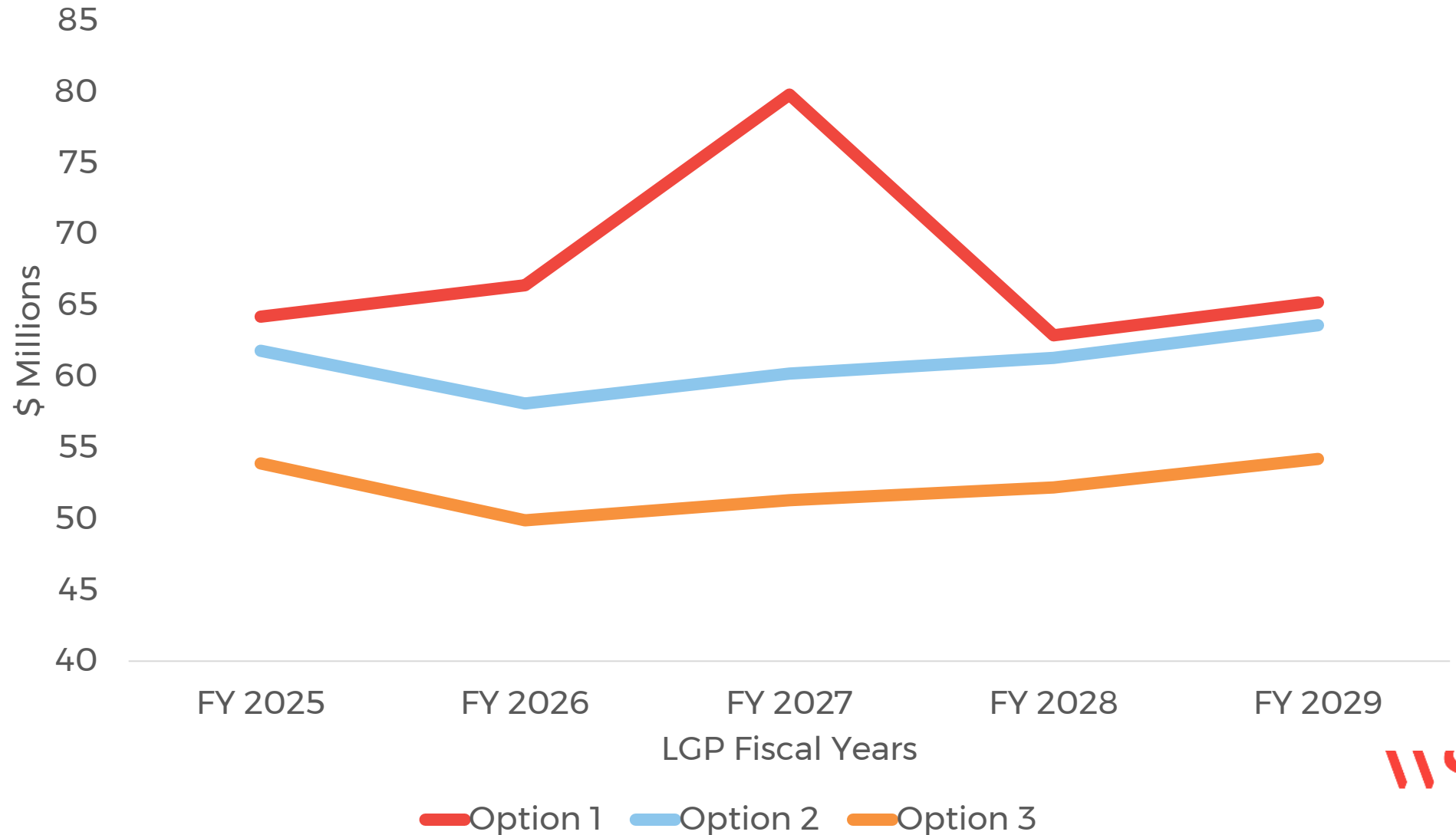
Governance Options	(Q4 only) FY24 Total Costs*	FY25 Total Costs	FY26 Total Costs	FY27 Total Costs	FY28 Total Costs	FY29 Total Costs
<b>Option 1</b>	\$16.4	\$64.2	\$66.4	\$79.8	\$62.9	\$65.2
<b>Option 2</b>	\$15.8	\$61.8	\$58.1	\$60.2	\$61.3	\$63.6
<b>Option 3</b>	\$13.8	\$53.9	\$49.9	\$51.3	\$52.2	\$54.2

\*Total costs (net of all revenues) includes operations, capital maintenance, and insurance. LFP Fiscal Year.





# Total Cost Comparison between the Three Governance Options (Updated 6/7/22)



# LFP Allocations for each Option (Updated - 6/7/22)

## Option 1

	Local Government Partner Fiscal Years					
	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029
<b>Costs Net of All Revenues (\$ Millions)</b>						
<b>Volusia</b>	\$1.5 - \$1.8	\$5.7 - \$6.9	\$6 - \$7.3	\$7.4 - \$8.8	\$5.7 - \$6.8	\$5.9 - \$7.1
<b>Seminole</b>	\$2.7 - \$3.3	\$10.7 - \$13	\$11.2 - \$13.5	\$13.6 - \$16.3	\$10.6 - \$12.8	\$11 - \$13.3
<b>Orlando</b>	\$4.8 - \$5.9	\$18.9 - \$23.1	\$19.3 - \$23.6	\$23.1 - \$28.1	\$18.4 - \$22.5	\$19.1 - \$23.3
<b>Orange</b>	\$3.4 - \$4.2	\$13.5 - \$16.4	\$14 - \$17	\$16.9 - \$20.4	\$13.2 - \$16.1	\$13.7 - \$16.7
<b>Osceola</b>	\$2.3 - \$2.8	\$9.1 - \$11.1	\$9.4 - \$11.4	\$11.3 - \$13.7	\$8.9 - \$10.8	\$9.2 - \$11.2

## Option 2

<b>Volusia</b>	\$1.4 - \$1.7	\$5.5 - \$6.7	\$5.2 - \$6.3	\$5.4 - \$6.5	\$5.5 - \$6.7	\$5.7 - \$6.9
<b>Seminole</b>	\$2.6 - \$3.2	\$10.3 - \$12.5	\$9.8 - \$11.8	\$10.1 - \$12.3	\$10.3 - \$12.5	\$10.7 - \$13
<b>Orlando</b>	\$4.7 - \$5.7	\$18.2 - \$22.2	\$17 - \$20.8	\$17.6 - \$21.5	\$17.9 - \$21.9	\$18.6 - \$22.7
<b>Orange</b>	\$3.3 - \$4	\$13 - \$15.8	\$12.2 - \$14.8	\$12.7 - \$15.4	\$12.9 - \$15.7	\$13.4 - \$16.2
<b>Osceola</b>	\$2.2 - \$2.7	\$8.7 - \$10.6	\$8.2 - \$10	\$8.5 - \$10.3	\$8.7 - \$10.5	\$9 - \$10.9

## Option 3

<b>Volusia</b>	\$1.2 - \$1.5	\$4.8 - \$5.8	\$4.5 - \$5.4	\$4.7 - \$5.6	\$4.7 - \$5.7	\$4.9 - \$5.9
<b>Seminole</b>	\$2.3 - \$2.8	\$9 - \$11	\$8.4 - \$10.2	\$8.7 - \$10.5	\$8.8 - \$10.7	\$9.1 - \$11.1
<b>Orlando</b>	\$4.1 - \$5	\$15.8 - \$19.3	\$14.6 - \$17.8	\$15 - \$18.3	\$15.2 - \$18.6	\$15.8 - \$19.3
<b>Orange</b>	\$2.9 - \$3.5	\$11.3 - \$13.8	\$10.5 - \$12.8	\$10.8 - \$13.1	\$11 - \$13.3	\$11.4 - \$13.8
<b>Osceola</b>	\$2 - \$2.4	\$7.6 - \$9.3	\$7.1 - \$8.6	\$7.3 - \$8.8	\$7.4 - \$9	\$7.7 - \$9.3

\*Costs do not include PTC, or ROW lease/fiber line revenues



## Future Decisions the Commission needs to make

- \$22.1M to be provided by FDOT in FY23 for Capital Rolling Stock Maintenance and Rehabilitation
- Federal Transit Administration 5307 and 5337 formula grants
- Commission will need to decide how the monies are flowed through the 5-year budget



# Transition Analysis Update

# Transition Analysis Framework



# Transitioning Contracts

## Primary Operating Contracts To Be Assigned

### **Amtrak Vehicle Heavy Maintenance**

*Execute assignment & extension of term by June 30, 2024*

### **Herzog Signal Maintenance**

*Execute assignment by June 30, 2024*

### **Alstom Rail Operations**

*Execute assignment & assumption by May 4, 2024*

## Other Contracts

**Green's Energy**

**Wabtec**

**AT&T**

**Moovel**

**Wells Fargo**

**MidFlorida**

**American Express**

**HNTB/Jacobs GEC**

**Insurance Contractor**

**Bank of America**

**Verizon**

**Various Due dates for assuming contracts or  
reprocuring contracts**

**Recommendation:** Work with FDOT on contract dates. May want to have third party legal staff to help manage work effort.



## Committee Recommendations

### **Maintain Existing Technical Advisory Committee (TAC), Customer Advisory Committee (CAC) per Interlocal Agreements**

After transition may want to establish new Committees to advise Commission on specialized governance and oversight matters such as:

Oversight  
Committee

Finance and  
Audit  
Committee

Risk  
Management  
Committee



# Fare System Assessment

**New fare system in early design stages**

**Project risks should be monitored:**

1. New team collaboration
2. Project Schedule should enable proper project management and oversight
3. Transition to new fare system will be complex
4. Operations & Maintenance (O&M) services not fully defined
5. Monitor Risk Register to ensure proper identification of risks

**Recommendation:**  
Hire Independent third-party oversight to monitor implementation of new fare system which is anticipated in 2023





# Operational Analysis

- SunRail infrastructure is in a State of Good Repair (SGR).
- A review of the past 3 years of FRA inspection findings and/or violations have not shown any systemic issues.
- The Federal Railroad Administration (FRA) is confident in and comfortable with the SunRail operation. Minimal updates to plans.
- **Recommendation:** Prior to transition, conduct review to ensure maintenance and CIP has progressed.



# Option 1 – Commission hires all staff as direct employees

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Commission serves as Board/governing body.

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Most expensive.

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Creates new agency; must develop administrative processes – HR, procurement, etc.

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Requires approximately 200 employees.

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Requires rental/purchase of office space.

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Highest level of liability without contractors to share risk.

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Efficient execution of policy, decision-making, actions.

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High cost, long interval to recruit in FL market.

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Potential FRA concern over new operating team.

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## Option 2 – Commission hires leadership, administrative staff while all operating personnel provided through contracts



Commission serves as Board/governing body,



Second most expensive.



Creates new agency; must develop administrative processes – HR, procurement, etc.



Requires approximately 50 employees. (15 contract?)



Requires rental/purchase of office space.



Sheds risk from Commission to operating contractors.



Efficient execution of policy, decision-making, actions.



Medium cost and time to recruit in FL market.



Likely FRA confidence with continuing contractors.

## Option 3 – Commission contracts entire organization/operating to existing agency - LYNX



Commission serves as Board/governing body.



Least expensive option all years.



Leverages experience, assets, services of existing agency.



Requires approximately 9 additional LYNX employees.



Utilizes existing LYNX office space.



Sheds risk from Commission to LYNX, contractors.



Commission policy and decision-making execution through LYNX CEO.



Requires agreement between Commission and LYNX.



SunRail and LYNX's reputations are connected.



Likely FRA confidence with continuing contractors.



## Proposed Next Steps

- Finalize Financial Analysis Memo – June 2022
- Finalize Transition Analysis Report – June 2022
- Jurisdiction Board Briefings – June/July 2022
- CFCRC Adoption of Governance Structure – August 2022
- Develop a Transition Plan – August - November 2022
- **CFCRC Adoption of Transition Plan – November 2022**



# Discussion