

**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").

**WITNESSETH:**

**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 ~~strikethrough~~ 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 ~~striketrough~~ 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	<u>\$10,665,000.00</u>
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 Operations Phasing Agreement to be executed and delivered this 26 day of March, 2024.



ORANGE COUNTY, FLORIDA  
By: Board of County Commissioners

By: *Ronald B. Work*  
for Jerry L. Demings  
Orange County Mayor

Date: March 26, 2024

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

*Jennifer Ann Kinney*  
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: Balkan 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, Balkan 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.

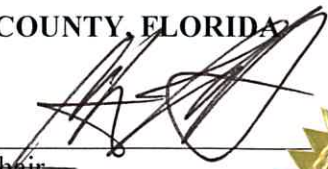
Cheryl Anderson  
Notary Public - State of Florida at Large  
Print Name: Cheryl Anderson  
My commission expires: 6-28-24



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

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: March 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.

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  
20 24, regular meeting.

Approved as to form and  
legal sufficiency.

  
County Attorney

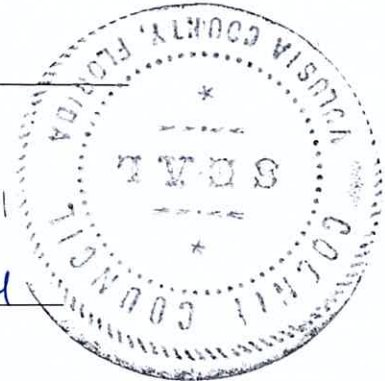
**IN WITNESS WHEREOF**, the County Council of the County of Volusia, Florida, has caused this Third Amendment to Interlocal Governance Agreement to be executed and delivered this 19 day of March, 2024.

Attest:

**COUNTY OF VOLUSIA**

[Signature]  
George Recktenwald  
County Manager

BY: [Signature]  
Jeffrey S. Brower  
County Chair



Date: 3/28/2024

Date: 3/28/2024

County Council Date: 3/19/2024