

ITEM # 1⁽²⁾

(Exhibit 1 – Proposed Revision – Pages 4-5)

ADDITIONAL MATERIAL

10:00 a.m. Regular Meeting

AUGUST 21, 2018

SUBMITTED AT THE REQUEST OF

MAYOR BEAM FURR

the Submitted Municipal Projects prior to calendar year 2020. The impact of this is addressed in Section V below.

V. Surtax Proceeds for Submitted Municipal Projects.

A. If the proposed surtax levy is approved by the voters in the November 6, 2018, election, the net amount of transportation surtax proceeds the County receives from the Florida Department of Revenue ("FDOR") shall be defined as the "Transportation Surtax Proceeds." The amount of Transportation Surtax Proceeds currently estimated to be received during the thirty-year levy is approximately \$15.6 billion.

B. Section 212.055, Florida Statutes, which authorizes the levy of the proposed surtax, was recently amended to require, prior to the conducting of the referendum, completion of an independent "performance audit of the program associated with the surtax adoption proposed by the county." In connection with that audit, the County submitted to the state's Office of Program Policy Analysis and Government Accountability the table attached hereto as Exhibit A (the "Table"). The Table shows the amount of Transportation Surtax Proceeds currently projected to be received by the County and the current intended use of such proceeds.

C. The row of the Table titled "City Projects" represents the County's current estimate of the amount of money available and intended in good faith to be utilized each year during the thirty-year tax levy to fund (i) Submitted Municipal Projects approved by the Oversight Board and (ii) Community Bus Service expenditures (as specified below).

D. Consistent with Section 212.055(1)(d), Florida Statutes, the County Commission hereby determines it appropriate and the County hereby commits that, for each applicable year during which Transportation Surtax Proceeds are received by the County, a minimum of ten percent (10%) of the Transportation Surtax Proceeds received by the County, less the amount directly paid from Transportation Surtax Proceeds for Community Bus Service as outlined below, shall be used to fund ~~one or more~~ Submitted Municipal Projects ranked highest in the order of ranking by the MPO (with the highest-ranked project receiving the first funding). If there is insufficient funding remaining within such ten percent (10%) commitment (less Community Bus Service funding) to fund the highest-ranked Submitted Municipal Project that remains unfunded (i.e., the next project that would receive funding), the County Commission may, at its option, either (i) exceed the ten percent (10%) commitment (less Community Bus Service funding) by funding the highest-ranked unfunded project or (ii) not fund that project and add the difference between the amount of funding provided and the ten percent (10%) commitment (less Community Bus Service funding) to the amount to be funded the following year. Notwithstanding anything in this Agreement to the contrary, No Transportation Surtax Proceeds may be used to fund any Submitted Municipal Project: (i) submitted by a municipality that is not a party to this Agreement; (ii) that has not been approved by the Oversight Board; or (iii) to the extent utilization of Transportation Surtax Proceeds on such project would be impermissible under applicable law. Additionally, this ten percent (10%) commitment shall be reduced in any year to the extent requested expenditures for

Submitted Municipal Projects prioritized by the MPO are below ten percent (10%) of Transportation Surtax Proceeds received during such year less Community Bus Service expenditures funding for such year. Funding of a Submitted Municipal Project shall be accomplished through an interlocal agreement between the County and the applicable Municipality. The unincorporated area of the County shall be considered a municipality eligible to receive funding committed under this section, and projects proposed on behalf of the unincorporated area of the County shall constitute Submitted Municipal Projects. Each Municipality agrees to keep any and all Transportation Surtax Proceeds it receives in a segregated financial account, and agrees not to comingle such proceeds with any other funds.

E. Community Bus Service. Transportation Surtax Proceeds will directly fund existing Community Bus Service as outlined below, subject to the below-stated conditions and such expenditures being approved by the Oversight Board. Funding of such service is not subject to any review or ranking by the MPO. The Community Bus Service funded pursuant to this paragraph must be new service that supplements existing service. To receive surtax funding, the new service must meet or exceed the standard of 7.1 passengers per revenue service hour per route (the County has the discretion to increase this standard based on future population and ridership growth). Reasonable and necessary operating, maintenance, and capital expenses incurred in providing such Community Bus Service are eligible for surtax funding.

F. Potential Limitation for Calendar Year 2019. Notwithstanding anything in this Agreement to the contrary, if the MPO is unable to review, rank, and prioritize Submitted Municipal Projects prior to calendar year 2020, ~~the ten percent (10%) commitment stated in paragraph D above shall be inapplicable for calendar year 2019,~~ but the County shall fund during calendar year 2019 the Community Bus Service described in paragraph E above, and the differential (the amount equal to ten percent less the amount of 2019 surtax funding for such Community Bus Service) shall be added to the funding for Submitted Municipal Projects in 2020).

VI. Condition Precedent to Effectiveness of this Agreement; Joining After the Agreement Becomes Effective. This Agreement shall become effective only if, on or before September 30, 2018, the MPO and municipalities representing a majority of the population of Broward County formally approve, execute, and return the executed Agreement to the County, with a contemporaneous copy e-mailed to the County Administrator and County Attorney at the e-mail addresses provided below. Any municipality may join the Agreement after it becomes effective. No municipality is eligible to receive any Transportation Surtax Proceeds prior to that municipality becoming a party to this Agreement. Additionally, if a municipality has not joined the Agreement on or before September 30, 2018, that municipality shall not be eligible to receive any Transportation Surtax Proceeds received by the County in 2019 (whether or not such proceeds are added to the 2020 funding as referenced in paragraph F above).

VII. Reporting, Audit, and Related Requirements. The County and each Municipality receiving funding pursuant to this Agreement agree to fully comply with the