



Interoffice Memorandum

AGENDA ITEM

SEE MINUTES
FOR MOTION
JUN 10 2014 CAS/NP

May 29, 2014

TO: Mayor Teresa Jacobs
-AND-
Board of County Commissioners

FROM: Randy Singh, Manager, Office of Management & Budget *RS*

SUBJECT: Consent Agenda Item for June 10, 2014
Interlocal Agreement between Orange County and the City of Orlando
Regarding Distribution of Six Cent Local Option Gas Tax Revenues

Orange County currently levies a six cent local option gas tax (LOGT) on each gallon of motor and diesel fuel sold in Orange County. The LOGT is levied pursuant to Sections 206.41(1)(e), 206.87(1)(c) and 336.025(1)(a), Florida Statutes (2013). This tax is imposed in every county in the state.

Unless extended, Orange County's levy of the Six Cent LOGT will expire on August 31, 2015. In order to renew the LOGT, an interlocal agreement and ordinance must be approved prior to October 1, 2014. Section 336.025(3)(a)3, Florida Statutes, requires Orange County to enter into an interlocal agreement with one or more municipalities within the County pursuant to which the proceeds of the Six Cent LOGT are divided among the County and the municipalities within the County utilizing population estimates pursuant to Section 186.901, Florida Statutes. The distribution of the LOGT revenues would be extended through December 31, 2044.

On May 12, 2014, the City of Orlando approved this agreement. A public hearing is also scheduled for BCC consideration on June 10, 2014.

ACTION REQUESTED: Approval of the Orange County/Orlando Interlocal Agreement regarding distribution of Six Cent Local Option Gas Tax revenues.

RS/JW/tp

Attachment

c: Eric Gassman, Chief Accountability Officer

JUN 10 2014 NP/CAS

ORANGE COUNTY / ORLANDO

INTERLOCAL AGREEMENT
REGARDING DISTRIBUTION OF
SIX CENT LOCAL OPTION GAS TAX REVENUES

This Interlocal Agreement (the "Interlocal Agreement") is made and entered into this ^{10th} day of June, 2014, by and between **Orange County, Florida**, a charter county and political subdivision of the State of Florida (the "County") and the **City of Orlando, Florida**, a municipal corporation created and existing under the laws of the State of Florida (the "City").

RECITALS

WHEREAS, pursuant to Sections 206.41(1)(e), 206.87(1)(c) and 336.025(1)(a), Florida Statutes (2013), and Ordinance No. 83-26 as amended by Ordinance No. 85-12 and Ordinance No. 85-22, the County currently levies a six cent local option gas tax on each gallon of motor and diesel fuel sold in Orange County (the "Six Cent LOGT");

WHEREAS, the County and the City have previously entered into an Interlocal Agreement dated April 8, 1997 pertaining to the distribution of the proceeds of the Six Cent LOGT;

WHEREAS, unless extended, the County's levy of the Six Cent LOGT will expire on August 31, 2015;

WHEREAS, Section 336.025, Florida Statutes, requires the County to reestablish the method of distribution of proceeds of the Six Cent LOGT by entering into an interlocal agreement with a municipality pursuant to which the proceeds of the Six Cent LOGT are divided among the County and the municipalities within the County utilizing population estimates issued pursuant to Section 186.901, Florida Statutes; and

WHEREAS, the City and the County now desire to implement the distribution formula for the Six Cent LOGT based upon population estimates issued pursuant to Section 186.901, Florida Statutes, that will be updated annually based upon data provided by the Bureau of Economic and Business Research at the University of Florida to the Executive Office of the Governor.

ACCORDINGLY, THE PARTIES HERETO AGREE AS FOLLOWS:

City Council Meeting: 5.12.14
Item: B.2 Documentary: 140512 BO2

Section 1. Distribution. Beginning September 1, 2015, all proceeds of the Six Cent LOGT imposed under the provisions of Section 336.025(1), Florida Statutes (or any successor legislation), less any service charges and fees collected by the Florida Department of Revenue, or its successor agency, (the “net tax proceeds”) shall be divided and distributed among Orange County and the municipalities located therein, based upon each governmental entity’s percentage of Orange County’s total estimated population. For purposes of calculating the County’s share of the net tax proceeds, the County’s population shall be deemed to be those citizens residing outside the boundaries of any municipality located therein. The population percentages shall be updated annually each September 1st using estimated population data provided pursuant to Section 186.901, Florida Statutes, as it may be amended from time to time.

Section 2. Bondholders’ Rights. As specifically required by Section 336.025, Florida Statutes, the City and the County hereby agree that this Agreement shall under no circumstances materially or adversely affect the rights of holders of currently outstanding bonds which pledge Six Cent LOGT proceeds and that the amounts distributed to the County and each municipality located therein shall not be reduced below the amount necessary for the payment of principal and interest and reserves for principal and interest as required under the covenants of any existing resolution outstanding on the date of this Agreement of the County or the municipalities located therein adopted expressly in anticipation of the distribution and receipt of the net tax proceeds.

Section 3. Previous Agreement Superseded. Effective September 1, 2015, the City and County hereby agree that the previous Interlocal Agreement referenced in the recitals hereto is superseded and terminated.

Section 4. Effective Date. This Interlocal Agreement shall become effective on September 1, 2015 and shall terminate on December 31, 2044. Notwithstanding the foregoing, should the Florida legislature amend Section 336.025, Florida Statutes, to revise the distribution method, the distribution method set forth herein shall be changed without further action by the parties hereto upon the effective date of any such legislative amendment unless either party hereto shall elect to terminate this Interlocal Agreement.

Section 5. Validity of Interlocal Agreement; No Precedence. After consultation with their respective legal counsel, the City and the County each represent and warrant to the others its respective authority and power under Florida law to enter into this Interlocal Agreement, acknowledge the validity and enforceability of this Interlocal Agreement, and waive any future right of defense based on claim of illegality, invalidity, or unenforceability of any nature. The City and the County each hereby represents, warrants and covenants to and with the others (i) that this Interlocal Agreement has been validly approved by its respective governing body at a duly held public meeting, (ii) that this Interlocal Agreement constitutes a legal, valid and binding contract enforceable against the respective party in accordance with the terms hereof (assuming the due authorization, execution, and delivery hereof by the other parties hereto), and (iii) that the enforceability hereof is not subject to any impairment by the applicability of any public policy or police powers.

Section 6. Amendment. Neither this Interlocal Agreement nor any portion of it may be modified or waived orally. The provisions hereof may be amended or waived only pursuant to an instrument in writing, approved by the City Council for the City and the County's Board of County Commissioners, and jointly executed by the parties hereto.

Section 7. Severability. The provisions of this Interlocal Agreement are declared by the parties to be severable. However, the material provisions of this Interlocal Agreement are dependent upon one another, and such interdependence is a material inducement for the parties to enter into this agreement. Therefore, should any material term, provision, covenant or condition of this Interlocal Agreement be held unenforceable by a court of competent jurisdiction, the party protected or benefitted by such term, provision, covenant, or condition may demand that the parties negotiate such reasonable alternative contract language or provisions as may be necessary either to restore the protected or benefitted party to its previous position or otherwise to mitigate the loss of protection or benefit resulting from the litigation.

Section 8. Governing Law; Venue. This Interlocal Agreement shall be governed by and construed in accordance with laws of the State of Florida, and venue for any action arising out of or related to this Interlocal Agreement shall be in Orange County, Florida.

Section 9. Headings. The headings or captions of sections or paragraphs used in this Interlocal Agreement are for convenience of reference only and are not intended to define or limit their contents, nor are they to affect the construction of or to be taken into consideration in interpreting this Interlocal Agreement.

WHEREFORE, the parties hereto have executed this Agreement as of the day and year set forth above.

ORANGE COUNTY, FLORIDA
By: Board of County Commissioners

By: *Teresa Jacobs*
Teresa Jacobs
County Mayor

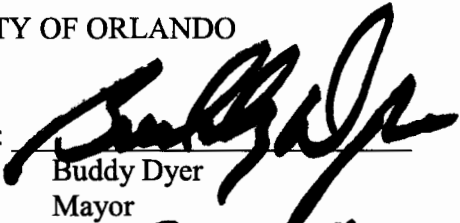
DATE: 6.11.14

ATTEST: Martha O. Haynie, County Comptroller
As Clerk to the Board of County Commissioners

BY: *Kelli Sweet*
Deputy Clerk

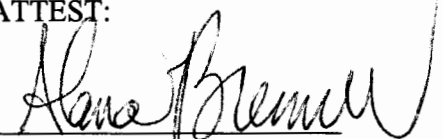


CITY OF ORLANDO

By: 
Buddy Dyer
Mayor

DATE: 5.13.14

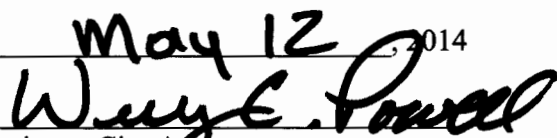
ATTEST:


Alana Brenner, City Clerk

(SEAL)

APPROVED AS TO FORM AND
LEGALITY

For the use and reliance of the
City of Orlando, Florida only.

May 12, 2014

Assistant City Attorney
City of Orlando