

**CITY OF HOLLYWOOD
INTEROFFICE MEMORANDUM**

TO: Mayor and Commissioners **DATE:** October 3, 2016

FROM: Jeffrey P. Sheffel
City Attorney

SUBJECT: Proposed Letter of Agreement Amongst The Florida East Coast Railway, LLC. , All Aboard Florida-Operations, LLC., and the City to amend the existing FEC Crossing License Agreements to provide for intercity passenger rail on the railway and ADD All Aboard Florida-Operations, LLC. as a party to said agreements.

I have reviewed the above captioned agreement for form and legality. The general business terms and other significant provisions are as follows:

- 1) Department/Division involved – Dept. of Development Services/Engineering Division
- 2) Type of Agreement – Letter of Agreement amending 9 Crossing License Agreements
- 3) Method of Procurement (RFP, bid, etc.) – n/a
- 4) Term of Contract
 - a) initial- the existing agreement was for one 1 year.
 - b) renewals (if any) – after 1 year, agreement continues in effect from year to year, unless amended by the Railway or terminated upon 60 days written notice.
 - c) who exercises option to renew – n/a
- 5) Contract Amount – *See Other Significant Provisions below.
- 6) Termination rights – Under the letter of agreement, f the improvements at the Crossings for the Project are not completed by December 31, 2018, the terms of this letter and any offer presented in the letter of agreement will expire and become null and void. However, the existing agreement remains in full force and effect.
- 7) Indemnity/Insurance Requirements - Yes
- 8) Scope of Services – All Aboard Florida (AFF) is developing an intercity passenger rail from Miami to Orlando.
- 9) City’s prior experience with Vendor (if any) – yes with FEC.

TERM SHEET FOR ALL ABOARD FLORIDA LETTER OF AGREEMENT

10) Other significant provisions – (a) AFF shall incur the necessary and reasonable capital investments to complete the initial installation of crossing improvements at the Crossing to the extent required by the Project. Under the letter of agreement, it is agreed and acknowledged, however, that AFF's commitment to cover the initial Development Cost for the installation of crossing improvements at the Crossings for the Project shall not encompass the cost of any other improvements to the Crossings, including any improvements required to desired by the City such as those related to the quiet zones; (b) City shall not be liable for the initial Development Costs, but shall be liable for any and all other costs due under the existing Crossing Agreements with respect to the Crossings as improved, provided, however, City shall be entitled to receive an estimate of any and all costs or expenses to be paid by City pursuant to the Crossing Agreements; (c) The terms and conditions of the existing Crossing License Agreements remain in full force and effect, including City's obligations related to construction, maintenance, safety, future changes and upgrades to the Crossings and the reimbursement costs, pursuant to the Crossing Agreements.

cc: Wazir A. Ishmael, Ph.D., City Manager