

4.5.2. Each proposed project is subject to County review for eligibility under Section 212.055(1)(d), Florida Statutes, and this 2025 ILA.

4.5.3. Approval may be subject to confirmation that the proposed project does not create deleterious competition to a project actively supported by County.

4.5.4. Each Municipality shall only be able to apply for funding from the Grant Match Program one (1) time each Fiscal Year. Multiple Municipalities may apply jointly for funding from the Grant Match Program for projects that are located within their collective jurisdictions. A joint application shall count as an application by each Municipality participating in the joint project.

4.5.5. To be eligible for funding through the Grant Match Program, the Municipality (or Municipalities, if a joint project) must pledge to fund at least twenty-five percent (25%) of the required local match from non-Transportation Surtax Funds.

4.5.6. Depending on availability of funds, County may, at the beginning of each Fiscal Year, establish and notify Municipalities of a per-project limit on match funding from the Grant Match Program.

Funding from the Grant Match Program is generally available on a first-come/first-served basis throughout the Fiscal Year. Funding from the Grant Match Program in the amount requested by each Municipality will be encumbered upon MAP Administration's approval of a completed Grant Match Program application. Municipality must notify MAP Administration in writing regarding the status of their grant or appropriation application no later than thirty (30) days after notices of award are announced by prospective grantors. If a Municipality is not awarded the state or federal grant or appropriation during that grant or legislative cycle, the Grant Match Program approval will be deemed cancelled and the encumbered funds will be made available to other Municipalities that wish to apply for funding from the Grant Match Program. If a Municipality receives a reduced amount of the grant or appropriation, the funding from the Grant Match Program will be reduced in a proportionate amount.

If Municipality is awarded a grant or appropriation for the Eligible Municipal Project and will receive funding from the Grant Match Program, in addition to all other obligations contained in the grant or appropriation agreement, Municipality must comply with all other requirements of this 2025 ILA in connection with its receipt of Transportation Surtax funding for that project, including the obligation to enter into a Surtax Funding Agreement for the project. To the extent there is any express, direct conflict between (a) the terms of this 2025 ILA and/or a Surtax Funding Agreement and (b) the requirements contained in any state or federal grant or appropriation (e.g., prohibitions or limitations on CBE or other County ordinance, etc.), the requirements of the federal or state grant or appropriation shall govern.

Commencing in March of each Fiscal year, MAP Administration will review the status of all previously approved Grant Match Program funding requests and cancel approvals of Grant Match Program funding under the following circumstances: (i) the grant or appropriation was not

awarded to the applicable Municipality; (ii) the Municipality's project was selected for the grant/appropriation but the award level is insufficient to allow the project to move forward without additional (and unavailable) non-Surtax funds from the Municipality; or (iii) the grant program ends without making an award. If a Grant Match Program approval is canceled, the Transportation Surtax funds associated with the County grant for that project will be unencumbered and be made available for other Eligible Municipal Projects, as more fully described in Section 4.6 below.

4.6. Unencumbered Grant Match Program Funds; New Municipal Capital Projects.

If approved Grant Match Program funding is unencumbered as provided in Section 4.5 above, MAP Administration will periodically notify the BCCMA in writing of the amount of funding that has become unencumbered and request that the BCCMA provide a written response regarding how such unencumbered funds should be utilized during the next Fiscal Year (i.e., reapplied to the Grant Match Program, used for additional Formula-based Funding for Municipal R&M Projects and On-demand Transportation Services, or dedicated to fund New Municipal Capital Projects through a competitive application process). If the BCCMA does not provide a written response to MAP Administration within sixty (60) days after receipt of the notice regarding the unencumbered funds, the County Administrator may, in their discretion, determine the disposition of such funds for Eligible Municipal Projects for the next Fiscal Year.

If the BCCMA advises that it wishes to have the unencumbered funds used to pay for New Municipal Capital Projects through a competitive application process, the BCCMA and MAP Administration will collaborate to establish the timeline for submission of such applications, the criteria to be utilized by the BCCMA to rank such applications, and any other material aspects of the program. The details regarding the application process and program will be distributed to all Municipalities at least sixty (60) days prior to the deadline for applications. All applications will be reviewed by County for eligibility for Transportation Surtax Funding pursuant to Section 212.055(1)(d), Florida Statutes, and the terms of this 2025 ILA. After eligibility determinations are made and the BCCMA completes its ranking process, the BCCMA shall provide the County Administrator with its list of recommended New Municipal Capital Projects. Any Municipality recommended for a New Municipal Capital Project that is ultimately approved by the County Commission for Transportation Surtax funding must enter into a Surtax Funding Agreement to receive Transportation Surtax funding.

ARTICLE 5. DISTRIBUTION OF TRANSPORTATION SURTAX PROCEEDS

5.1. County's Minimum Annual Guarantee; Project Funding; Annual True-Up.

5.1.1. For each Fiscal Year, the annual amount of Transportation Surtax appropriated for Eligible Municipal Projects shall be no less than the Minimum Annual Guarantee for the applicable Fiscal Year. Notwithstanding anything else stated in this 2025 ILA, the Parties acknowledge and stipulate that County has no obligation to fund Eligible Municipal Projects in any Fiscal Year in excess of the Minimum Annual Guarantee. In addition, the

Parties acknowledge and stipulate that County may in any Fiscal Year, without any further condition and in its sole discretion, utilize Transportation Surtax Proceeds in excess of the Minimum Annual Guarantee amount allocated to the Municipalities for that Fiscal Year to fund Eligible Municipal Project(s), whether or not the project(s) were ever ranked by the BCCMA and regardless of any ranking priority that had previously been assigned to the project(s). Further, the Parties agree that: (i) any Eligible Municipal Project's previous ranking does not apply to Municipal Capital Projects or Municipal R&M Projects that County elects to fund in excess of the Minimum Annual Guarantee; and (ii) County has complete discretion to fund any such Eligible Municipal Projects in excess of the Minimum Annual Guarantee if, and on such terms and conditions, that County chooses.

5.1.2. Each Fiscal Year, County shall perform an Annual True-Up comparing (i) the Adopted Municipal Transportation Surtax Funding for the previous Fiscal Year against (ii) the actual Transportation Surtax Proceeds received by County and (iii) the actual amount paid out to Municipalities for Eligible Municipal Projects.

5.1.2.1. If, as a result of the Annual True-Up, County determines that County received less Transportation Surtax Proceeds than anticipated and, as a result, the Adopted Municipal Transportation Surtax Funding paid to Municipalities in a Fiscal Year was more than the percentage of Transportation Surtax Proceeds that County advised Municipalities was committed by County to Municipalities for that Fiscal Year (such amount being the "Overpayment Amount"), County may, in the County Administrator's discretion, reduce the Adopted Municipal Transportation Surtax Funding in the next Fiscal Year or delay funding for Municipal Capital Projects (where: (a) a Surtax Funding Agreement for a construction phase has not been executed; or (b) the Municipality has not completed its solicitation or no Notice of Proceed to a contractor has been issued) until a future Fiscal Year, or a combination of both, provided the total amounts reduced or delayed does not exceed the Overpayment Amount. For example, if County anticipated to receive \$500 million in Transportation Surtax Proceeds for Fiscal Year 2025, and County committed 10% (\$50 million) to Municipalities for that Fiscal Year (so the Adopted Municipal Transportation Surtax Funding was budgeted at \$50 million), and upon completing the Annual True-Up in April/May 2026, County determined that only \$480 million in Transportation Surtax Proceeds were actually received by County in Fiscal Year 2025, County may reduce the Adopted Municipal Transportation Surtax Funding in Fiscal Year 2027 by the Overpayment Amount of \$2 million).

5.1.2.2. If, as a result of the Annual True-Up, County determines that either (i) more Transportation Surtax Proceeds were received by County than anticipated; or (ii) the full amount of Adopted Municipal Transportation Surtax Funding was not appropriated in that Fiscal Year for Community Shuttle and/or Eligible Municipal Projects (with the additional funds or the under-appropriated funds being the "Differential Amount"), then County, in its sole discretion, after

consultation with the BCCMA, will: (i) make funding available in the current Fiscal Year for Municipal Capital Project Contingency; and/or (ii) roll over funds to the next Fiscal Year to increase (a) the Formula-based Funding for Municipal R&M Projects and On-demand Transportation Services and/or (b) the funding of the Grant Match Program; the total additional funding available in the current Fiscal Year and the roll over funds to the next Fiscal Year shall not exceed the Differential Amount. For example, if County anticipated receiving \$500 million in Transportation Surtax Proceeds for Fiscal Year 2025, and committed 10% (\$50 million) in Transportation Surtax Proceeds to Municipalities for that Fiscal Year, and upon completing the Annual True-Up in April/May 2026, County determined that \$520 million in Transportation Surtax Proceeds was actually received in Fiscal Year 2025, County may add funding in Fiscal Year 2026 to Municipal Capital Project Contingency and/or increase the Adopted Municipal Transportation Proceeds in Fiscal Year 2027, up to an aggregate total of \$2 million. Any increase in funding to Municipalities due to the Annual True-Up shall not count towards the Minimum Annual Guarantee for the Fiscal Year in which the increase is made.

5.1.3. Upon a written request from a Municipality, County in its sole discretion may apply previously approved funding for a designated phase (i.e., planning and design) of an Eligible Municipal Project previously approved (whether during the term of this 2025 ILA or an earlier version of the ILA) to another phase of the same project (i.e., design or construction) if the following conditions are met: (i) the previously recommended phase(s) are completed or other circumstances render Transportation Surtax funding of those phase(s) futile (e.g., the phase was funded with non-Transportation Surtax funds); (ii) the replacement phase to be funded has been deemed by County to be statutorily eligible for Transportation Surtax funding; and (iii) Municipality demonstrates to MAP Administration that it has committed sufficient non-Transportation Surtax funds necessary to complete the replacement project phase. The funding amount previously approved for the replaced phase is the maximum amount that County will apply to the replacement phase. Any funding reallocated pursuant to this section shall be counted towards County's Minimum Annual Guarantee obligations for the applicable Fiscal Year that such funding was originally allocated.

5.1.4. The timing and process of funding any Eligible Municipal Project shall be consistent with Applicable Law, including Section 129.01, Florida Statutes. Transportation Surtax Proceeds shall not be utilized to fund any Eligible Municipal Project unless County has determined the project is legally eligible for funding with Transportation Surtax Proceeds. Notwithstanding anything in this 2025 ILA to the contrary, Transportation Surtax Proceeds may not be used to fund: (i) an Eligible Municipal Project submitted by a municipality that is not a party to this 2025 ILA; or (ii) any project (or element of a project) that is determined to be statutorily ineligible to be funded with Transportation Surtax Proceeds.

5.1.5. Reimbursements to Municipalities for Eligible Expenditures. Except for Formula-based Funding provided to Municipalities in accordance with this 2025 ILA, all other payments to Municipalities will be based on the funding schedule provided for in the applicable Surtax Funding Agreement (which may include advance funding and/or reimbursement-based funding). To the extent permissible under Applicable Law, the Surtax Funding Agreement may be executed after Municipality has expended non-Surtax funds on an Eligible Municipal Project but must be executed before County provides any Transportation Surtax funds for the Eligible Municipal Project, and the applicable Surtax Funding Agreement shall govern the eligibility (if any) of Municipality's earlier expenditures for reimbursement. Funding shall be limited to the funds budgeted and allocated for that project in the then-current Fiscal Year, as distributed by County consistent with this 2025 ILA.

5.2. County's Annual Budget and Five-Year Plan.

5.2.1. Minimum Annual Guarantee Satisfaction through Fiscal Year 2025. The Parties agree and stipulate that to the best of each Party's knowledge, funding allocated by County for Eligible Municipal Projects through the Effective Date meets all Minimum Annual Guarantee obligations through Fiscal Year 2025.

5.2.2. Fiscal Year Budgets and Five-Year Plans for Fiscal Year 2026 through 2033. For Fiscal Year 2026 and continuing through Fiscal Year 2033, in the normal course of County's annual budget and capital improvement planning process, County will, through the County Commission acting within its discretion, allocate funding for projects funded by the Transportation Surtax for the then-current Fiscal Year and approve a Five-Year Plan, including Eligible Municipal Projects and County projects planned to utilize Transportation Surtax funding.

5.2.3. County Commission Approval; Allocation for Eligible Municipal Projects. Through and including Fiscal Year 2033, MAP Administration will develop a proposed Municipal Five-Year Plan that includes at least the Adopted Municipal Transportation Surtax Funding, consistent with prior rankings made under the Second Amendment (subject to this 2025 ILA and any subsequent amendments) and County funding recommendations for the applicable Fiscal Years. MAP Administration will notify the BCCMA and Municipalities of County's proposed Municipal Five-Year Plan and the recommended municipal Transportation Surtax program for the applicable timeframe. As used in this 2025 ILA, an Eligible Municipal Project (including, as applicable, the designated phase of an Eligible Municipal Project) is "funded" when the allocation of funding for the Eligible Municipal Project (or the designated phase, as applicable) is included in County's adopted budget for that Fiscal Year. A list of all municipal Transportation Surtax funded projects (Municipal Capital Projects and Municipal R&M Projects) for Fiscal Years 2020 through 2029 are attached as Exhibit D.

5.2.4. County's Discretion to Reorder Funding of Eligible Municipal Projects. The Parties agree and stipulate that County, with written approval of the County Administrator or their written designee, under the circumstances set forth herein, may deviate from rankings of Eligible Municipal Projects to accelerate or delay funding of an Eligible Municipal Project for the applicable Fiscal Year with the goal of ensuring Transportation Surtax Proceeds are utilized legally, responsibly, efficiently, and with the least disruption to visitors, residents, and businesses. Deviations from rankings of Eligible Municipal Projects in one Fiscal Year shall not operate to automatically modify the order of priority for funding of Eligible Municipal Projects in any subsequent Fiscal Year, which decision shall remain with the County Administrator or their written designee and subject to the provisions of this section. If County uses its discretion pursuant to this section in any Fiscal Year, it shall provide written notice to the impacted Municipality(ies) of such deviation and the reason(s) for such deviation and commit to promptly fund any delayed Eligible Municipal Project(s) once the reason(s) for the deviation as stated in County's written notice are resolved, subject to the availability of Transportation Surtax funds committed by County for the applicable Fiscal Year. The circumstances under which County may exercise its discretion pursuant to this section include but are not limited to the following:

- a. Demonstrated need, documented in writing, to coordinate the construction timeline of the applicable Eligible Municipal Project and the timing of other projects that affect the same or nearby transportation elements, to avoid waste;
- b. The Eligible Municipal Project is scheduled for construction funding for that Fiscal Year but is not ready for construction to commence for any of the following reasons:
 - (i) The Municipality does not have 100% complete, signed, sealed, design plans and required construction documents for the project;
 - (ii) The Municipality has not obtained the written approval necessary to construct the project from the owner(s) of the impacted road(s);
 - (iii) Right-of-way required to construct the project has not been acquired;
 - (iv) The permits required to construct the project have not been obtained;
 - (v) The utility relocation required for the project to begin construction work has not been completed or a utility relocation plan has not yet been approved by all applicable entities;

(vi) Design plans for the Eligible Municipal Project materially change the project in ways that impact the construction phase or otherwise impact the project's statutory eligibility, as determined by the Transportation Surtax General Counsel;

(vii) Non-Transportation Surtax funding required to construct the project is not available; or

(viii) The construction of the project requires coordination with other projects being constructed in the area.

c. The applicable Municipality(ies) fails to execute or materially breaches a Surtax Funding Agreement or this 2025 ILA;

d. The timing of a Municipality's receipt of non-Transportation Surtax funding in the form of grants and/or appropriations necessitates modifying a project schedule; and/or

e. When necessary to comply with the laws, rules, court decisions, orders, and regulations of applicable governmental authorities.

5.3. County Discretion to Terminate Funding for Municipal Capital Projects. MAP Administration may, in its discretion, terminate funding for a Municipal Capital Project, in any phase, if (i) it fails to meet the construction-ready requirements listed in Section 5.2.4. above, or (ii) Municipality fails to enter into a Surtax Funding Agreement within 180 days after (a) the project's funding is appropriated by the County Commission, and (b) all prior phases and County reviews and approvals of the project have been completed (e.g., OESBD review, etc.). If a project is terminated, it will lose its ranking and its allocated funding will become available to fund other Eligible Municipal Projects for any of the applicable Municipalities in the then-current Fiscal Year or within two (2) Fiscal Years thereafter, whether through the Formula-based Funding or by additional funding being made available to the Grant Match Program or for Municipal Capital Project Contingency (construction projects only). Such reallocated funding from terminated projects shall count towards County's satisfaction of the Minimum Annual Guarantee in the Fiscal Year in which the funding was originally intended to be spent and not in the Fiscal Year in which it was reallocated to other Eligible Municipal Projects. A Municipality may elect to resubmit for consideration, in a subsequent Fiscal Year, an Eligible Municipal Project previously terminated by County. If Municipality disagrees with MAP Administration's termination of a project pursuant to this section, Municipality may, within fifteen (15) days after MAP Administration provides written notice to Municipality of termination, provide MAP Administration with written notice of its intent to seek further review of the termination and request for up to an additional ninety (90) day extension from County to either satisfy the conditions that were the basis of the determination to terminate or have the project be placed under a Surtax Funding Agreement, as applicable. Municipality shall, within thirty (30) days after timely providing notice of its intent to seek further review, provide MAP Administration with all documentation and other materials it wishes to have considered by the County Administrator. The decision of the County Administrator

on whether to confirm the termination or provide the extension to Municipality is final. If the County Commission amends the Transportation Surtax Ordinance to authorize the Oversight Board to perform the functions of County Administrator set forth in this section regarding review and consideration of extension requests, all references to the County Administrator in this section relating to extension requests shall be automatically replaced with "Oversight Board."

5.4. County's Discretion to Deliver an Eligible Municipal Project. County may elect, at any time prior to executing a Surtax Funding Agreement for the project and with the consent of the applicable Municipality(ies) (which consent shall not be unreasonably withheld), to have County or FDOT deliver any Eligible Municipal Project. County will provide written notice to the Municipality of its intent to deliver the project. In such circumstances, the funding that would have been provided to Municipality for it to deliver the Eligible Municipal Project will be retained by County and/or paid to FDOT for the construction of the project. Notwithstanding the delivery of an Eligible Municipal Project by County or FDOT, the funding for the project will be counted toward that Fiscal Year's satisfaction of County's Minimum Annual Guarantee obligations.

5.5. Surtax Funding Agreements. For each Eligible Municipal Project, the Municipalities shall receive Transportation Surtax Proceeds from County subject to and upon execution of a Surtax Funding Agreement between County and Municipality. Transportation Surtax-funded Eligible Municipal Projects must comply with the County Business Enterprise Program (in effect at the time the Surtax Funding Agreement is executed) and include a CBE goal as determined by the Office of Economic and Small Business Development. As of the Effective Date, each Eligible Municipal Project (other than On-demand Transportation Services) shall include, to the extent permitted by Applicable Law, at least a 30% CBE commitment of the Transportation Surtax Proceeds utilized for the project, unless such requirement is determined inapplicable by the Director of County's Office of Economic and Small Business Development or is modified or waived by the County Commission. In addition to the foregoing, each Surtax Funding Agreement will include various requirements that Municipality must agree to in connection with the project, including without limitation requirements that it comply with all Applicable Law relating to the procurement of the contractor performing the work, the utilization of certain provisions contained within County's surtax-funded construction contract, obligations to provide financial and status reports regarding the project for the project's duration, adequate supporting documentation, and such other requirements as may be requested by MAP Administration.

ARTICLE 6. ADDITIONAL REQUIREMENTS

6.1. Each Municipality shall: (a) fully comply and otherwise fully cooperate with the auditing, project review, and oversight requirements stated in Section 31½-71, et seq., Broward County Code of Ordinances, as same may be amended by County; (b) ensure that all of its expenditures of Transportation Surtax Proceeds are consistent with Applicable Law and with any conditions required by the County Commission; and (c) comply with the reporting requirements stated in the applicable Surtax Funding Agreement, which may include requirements to report project financials, performance data, and deliverables, as may be prescribed by MAP Administration.