

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

AGENDA  
CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
BOARD MEETING  
January 12, 2017  
9:00 a.m.

Meeting location: Central Florida Expressway Authority  
Board Room  
4974 ORL Tower Road  
Orlando, FL 32807

**A. CALL TO ORDER / PLEDGE OF ALLEGIANCE**

**B. PUBLIC COMMENT**

Pursuant to Rule 1-1.011, the governing Board for CFX has set aside at least 15 minutes at the beginning of each regular meeting for citizens to speak to the Board on any matter of public interest under the Board's authority and jurisdiction, regardless of whether the public interest is on the Board's agenda, but excluding pending procurement issues. Each speaker shall be limited to 3 minutes.

**C. APPROVAL OF NOVEMBER 10, 2016 BOARD MEETING MINUTES** (action Item)

**D. APPROVAL OF CONSENT AGENDA** (action Item)

**E. REPORTS**

1. Treasurer's Report
2. Executive Director's Report

**F. REGULAR AGENDA ITEMS**

1. **ANNUAL ELECTION OF CHAIRMAN, VICE CHAIRMAN AND TREASURER** – *Joseph L. Passiatore, General Counsel* (action item)
2. **ACCEPTANCE OF 2016 FINANCIAL STATEMENTS** – *Lisa Lombard, Chief Financial Officer* and *Dan O'Keefe, Moore Stephens Lovelace, P.A.* (action item)
3. **LEGISLATIVE UPDATES** – (info. item)  
State – *Chris Dudley, Southern Strategy Group*  
Federal – *Jim Davenport, Alcade & Fay*

4. **APPROVAL OF FINAL RANKING AND AUTHORIZATION FOR FEE NEGOTIATIONS FOR CONCEPT, FEASIBILITY & MOBILITY STUDIES OF THE OSCEOLA COUNTY EXPRESSWAY AUTHORITY MASTER PLAN PROJECTS** – Glenn Pressimone, Director of Engineering (action item)

**G. BOARD MEMBER COMMENT**

**H. ADJOURNMENT**

This meeting is open to the public.

Section 286.0105, Florida Statutes states that if a person decides to appeal any decision made by a board, agency, or commission with respect to any matter considered at a meeting or hearing, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

In accordance with the Americans with Disabilities Act (ADA), if any person with a disability as defined by the ADA needs special accommodation to participate in this proceeding, then not later than two (2) business days prior to the proceeding, he or she should contact the Central Florida Expressway Authority at 407-690-5000.

Persons who require translation services, which are provided at no cost, should contact CFX at (407) 690-5000 x5317 or by email at [Iranetta.dennis@CFXway.com](mailto:Iranetta.dennis@CFXway.com) at least three business days prior to the event.

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## CONSENT AGENDA

January 12, 2017

### CONSTRUCTION

1. Authorization to Advertise for CEI Services for S.R. 408/S.R. 417 Interchange Improvements Phase 2, Project No. 253G, Contract No. 001278
2. Approval of Final Ranking and Authorization to enter into Fee Negotiations with RK&K for CEI Services for Resurfacing of S.R. 408 Widening from S.R. 417 to Alafaya Trail, Project 408-128, Contract No. 001194
3. Award of Contract to Arazoza Brothers Corp. for S.R. 429/S.R. 415 Systems Interchange Landscape Improvements Phase II, Project No. 429-200G; Contract No. 001261 (Agreement Value: 1,191,744.50)
4. Approval of construction contract modifications on the following contracts:
  - a. Project 599-624A Traffic Control Devices, Inc. \$18,235.37
  - b. Project 253F Lane Construction Corp. \$157,582.19
  - c. Project 528-313 Lane Construction Corp. \$51,973.56
  - d. Project 599-526B SICE, Inc. \$0
  - e. Project 599-525 Traffic Control Devices, Inc. \$0
  - f. Project 528-405 Southland Construction, Inc. \$238,703.24
  - g. Project 429-202 Prince Contracting, LLC \$112,148.11
  - h. Project 429-204 Southland Construction, Inc. \$610,000.53
  - i. Project 599-912 The Integration Factory, Inc. (\$172.80)

### ENGINEERING

5. Authorization to Advertise for Construction Bids S.R. 408 Aesthetic Coatings Renewal, Project 599-734, Contract No. 001279
6. Authorization to Advertise for Construction Bids Southbound S.R. 417 to Westbound S.R. 528 Ramp Realignment, Project 599-126, Contract No. 001206
7. Authorization to Advertise for Construction Bids South Access Dynamic Message Sign (DMS) Improvements, Project 599-530, Contract No. 001280
8. Approval of Subconsultant CAB Professional Consultant Services, Inc. for General Engineering Consultant Contract with Dewberry Engineers, Inc., Contract No. 001145 (Agreement Value: Anticipated-to-Exceed \$25,000.00)

### FINANCE/ACCOUNTING

9. Approval of Contract Award for External Auditing Services to Moore Stephens Lovelace, P.A., Contract No. 001241 (Agreement Value: Not-to-Exceed \$238,500.00)

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## INFORMATION TECHNOLOGY

10. Authorization to Advertise for Construction Bids for CFX Headquarters Building Security System Upgrades Project 599-527, Contract No. 001275

## INTERNAL AUDIT

11. Acceptance of the following Internal Audit Reports:
  - a) Public Records Review
  - b) DHSMV Data Security Assessment

## LEGAL

12. Approval of Contract Renewal with Shutts & Bowen LLP for Right of Way Counsel Services, Contract No. 000930 (Agreement Value: \$0)
13. Approval of Offer of Judgement in the amount of \$1,442,000 for Parcels 287/887 (CFX v. Kenneth W. Morris, et al)
14. Acceptance of proposed Mediated Settlement Agreement in the amount of \$1,845,000 to settle all pending claims for Parcel 301
15. Approval for acceptance of Special Warranty Deed from Emerson Point Phase II, LLC to CFX for Marden Road/SR 414 Interchange Project

## TOLL OPERATIONS

16. Approval of Assignment and Assumption of Contractual Obligations Between URS Energy & Construction, Inc. and AECOM Energy & Construction, Inc., Contract No. 001071 & 001169

## TRAFFIC OPERATIONS

17. Approval of Contract Renewal with Precision Contracting Services, Inc. for Maintenance of Fiber Optic Network Infrastructure, Contract No. 000990 (Agreement Value: \$125,000.00)
18. Approval of Supplemental Agreement No. 1 and Resolution Approving Execution of Joint Participation Agreement with Florida Department of Transportation (FDOT) for LiDAR Accident Scanning Pilot Program Contract No. 001213 (Agreement Value: \$100,000.00)

## SPECIAL PROJECTS

19. Approval of Supplemental Agreement with TransCore to Purchase Additional Toll Lane Equipment Not Included in the Original Toll System Upgrade Contract, Contract No. 001021 (Agreement Value: \$1,902,965.56)

C.

APPROVAL OF  
11/10/16 Board Meeting  
Minutes

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

**MINUTES  
CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
BOARD MEETING  
November 10, 2016**

**Location: Central Florida Expressway Authority  
4974 ORL Tower Road  
Orlando, FL 32807  
Board Room**

**Board Members Present:**

Commissioner Welton G. Cadwell, Lake County (Chairman)  
Commissioner S. Scott Boyd, Orange County (Vice Chairman)  
Commissioner Brenda Carey, Seminole County (Treasurer)  
Commissioner Fred Hawkins, Jr., Osceola County  
Andria Herr, Gubernatorial Appointment  
Mayor Teresa Jacobs, Orange County  
Jay Madara, Gubernatorial Appointment

**Board Members Not Present:**

Mayor Buddy Dyer, City of Orlando  
S. Michael Scheeringa, Gubernatorial Appointment

**Non-Voting Advisor Not Present:**

Diane Gutierrez-Scaccetti, Florida's Turnpike Enterprise

**Staff Present at Dais:**

Laura Kelley, Executive Director  
Joseph L. Passiatore, General Counsel  
Darleen Mazzillo, Executive Assistant/Recording Secretary

**A. CALL TO ORDER**

The meeting was called to order at 9:00 a.m. by Chairman Welton Cadwell.

**B. PUBLIC COMMENT**

There was no public comment.

**C. APPROVAL OF MINUTES**

A motion was made by Commissioner Boyd and seconded by Commissioner Hawkins to approve the October 13, 2016 Board Meeting Minutes as presented. The motion carried unanimously with seven (7) members present and voting AYE by voice vote; Mayor Dyer and Mr. Scheeringa were not present.

**D. APPROVAL OF CONSENT AGENDA**

The Consent Agenda was presented for approval.

**ACCOUNTING/FINANCE**

1. Approval of Supplemental Agreement No. 1 with Public Financial Management, Inc. for Financial Advisory Services – Contract No. 000833 (Agreement value: Not-to-Exceed \$55,000)

**CONSTRUCTION**

2. Approval of final ranking and authorization for fee negotiations with England-Thims & Miller, Inc. for Construction Engineering and Inspection (CEI) Services for S.R. 528 Bridge and Ramp Realignment Projects – Contract No. 001225
3. Authorization to advertise for bids for S.R. 417 Toll Plaza Roof Replacements – Contract No. 001262
4. Approval of contract renewal with Mehta & Associates, Inc. for Construction Engineering & Inspection (CEI) Services – Contract No. 000976 (Agreement value: \$1,300,000)
5. Approval of contract renewal with Page One Consultants, Inc. for Systemwide Materials Testing & Geotechnical Services – Contract No. 000975 (Agreement value: \$350,000)
6. Approval of contract renewal with Ardaman & Associates, Inc. for Systemwide Materials Testing & Geotechnical Services – Contract No. 000974 (Agreement value: \$450,000)
7. Approval of contract award to SEMA Construction, Inc. for S.R. 528 Econlockhatchee River Bridge Replacement – Project No. 528-131/Contract No. 001224 (Agreement value: \$17,777,000)
8. Approval of construction contract modifications on the following contracts:
  - a. Project 599-616B Traffic Control Products of FL, Inc. (\$58,402.00)
  - b. Project 429-202 Prince Contracting, LLC \$115,886.01
  - c. Project 599-526A Sice, Inc. (\$97,525.06)
  - d. Project 417-301C SEMA Construction \$394,893.92

e. Project 417-733	Ranger Construction Industries, Inc.	\$145,116.30
f. Project 599-132	Gomez Construction Co.	(\$26,581.97)
g. Project 528-313	Lane Construction Corp.	\$78,385.55
h. Project 417-731A	Preferred Materials, Inc.	(\$563,115.35)
i. Project 528-405	Southland Construction, Inc.	\$80,430.32

### ENGINEERING

9. Approval of Option and Sale Agreement with Holland Properties, Inc. to offset wetland impacts associated with the S.R. 528 Econlockhatchee River Bridge Replacements – Project No. 528-131/Contract No. 001224 (Agreement value: \$504,900)
10. Approval of contract renewal with URS Corporation Southern for S.R. 408/S.R. 417 Ultimate Interchange Improvements – Contract No. 000818 (Agreement value: \$0)
11. Approval of contract award to Traffic Control Devices, Inc. for Lake Nona Sports District Supplemental Signing – Project No. 417-625/Contract No. 001256 (Agreement value: Not-to-Exceed \$60,000)
12. Authorization to advertise for construction bids for S.R. 408 Milling & Resurfacing from Lake Underhill Bridge to Yucatan Drive – Project No. 408-739/Contract No. 001268
13. Authorization to advertise for construction bids for S.R. S.R. 528/Conway Interchange Pond Improvements – Project No. 528-138/Contract No. 001267
14. Authorization to advertise for construction bids for S.R. 429/C.R. 535 Northbound Entrance Ramp Improvements – Project No. 429-654D/Contract No. 001269
15. Authorization to advertise for design-build services for S.R. 408/S.R. 417 Interchange Improvements Phase 2 – Project No. 253G/Contract No. 001266

### INFORMATION TECHNOLOGY (IT)

16. Approval of agreement with EiQNetworks for Security Monitoring and Installation Services – Contract No. 001243 (Agreement value: \$455,358)

### LEGAL

17. Approval of Quit-Claim Deed to Orange County transferring CFX's interest in Valencia College Lane to Orange County – CFX Parcel Nos. 1137, 1138, 1139, 1140 - Project No. 253E-E1
18. Approval to accept settlement in the amount of \$522,114 in full settlement of all claims for compensation for the acquisition of Parcels 249 and 256, Wekiva Parkway Project 429-204



19. Approval to serve an Offer of Judgment in the amount of \$484,740 plus statutory attorney's fees and experts costs in full settlement of all claims for compensation in the acquisition of Parcel 260, Wekiva Parkway Project 429-204
20. Approval to serve an Offer of Judgment in the amount of \$1,239,400 plus statutory attorney's fees and experts costs in full settlement of all claims for compensation in the acquisition of Parcel 241, Wekiva Parkway Project 429-204
21. Approval to accept mediated settlement in the amount of \$170,698 in full settlement of all claims for compensation for the acquisition of Parcel 238, Wekiva Parkway Project 429-204
22. Approval to accept negotiated settlement in the amount of \$214,916 in full settlement of all claims for compensation for the acquisition of Parcel 315, Wekiva Parkway Project 429-206
23. Approval of Subordination of Easements Agreement with Duke Energy Florida LLC d/b/a Duke Energy relating to Parcels 252, 253, 304 and 305, Wekiva Parkway Project 429-204
24. Approval to serve an Offer of Judgment in the amount of \$ 1,375,000 plus statutory attorney's fees and experts costs in full compensation in the taking of Parcel 219, Wekiva Parkway Project 429-202
25. Approval of expert fees and costs in the amount of \$77,292.33 arising out of trial in CFX v. Milford S. Kirkland, Jr. and William H. Kelly et al. Case No. 2014-CA-003676-0 Parcels 209 & 221 Wekiva Parkway Project 429-202.

#### MAINTENANCE

26. Authorization to advertise for bids for S.R. 429/S.R. 414 Systems Interchange Landscape Improvements Phase II – Project No. 429-200G/Contract No. 001261
27. Approval of Cooperative Purchase Agreement with Convergent Technologies for Systemwide Monitoring, Maintenance and Repair of Building Security Systems – Contract No. 001265 (Agreement value: Not-to-Exceed \$482,150)

**A motion was made by Commissioner Boyd and seconded by Commissioner Carey to approve the Consent Agenda as presented. The motion carried unanimously with seven (7) members present and voting AYE by voice vote; Mayor Dyer and Mr. Scheeringa were not present.**

## **E. REPORTS**

### **1. CHAIRMAN'S REPORT**

Chairman Cadwell reported that we have met with the Penrose family to place a memorial sign at the Hiawassee Toll Plaza in honor of their loved one. They have committed to staying involved in the wrong-way driving program.

Chairman Cadwell reminded everyone that the Board meeting in December has been canceled.

Chairman Cadwell congratulated Commissioner Carey and Commissioner Hawkins on their reelections.

### **2. TREASURER'S REPORT**

Commissioner Carey reported that toll revenues for September were \$31,828,776 which is 8% above projections and 11% above prior year. CFX's total revenues were \$34.4 million for the month.

Total OM&A expenses were \$4.7 million for the month and \$11.7 million year-to-date, which is 6% under budget.

After debt service the total net revenue available for projects was \$15.3 million for September and \$50.2 million year-to-date.

### **3. EXECUTIVE DIRECTOR'S REPORT**

Executive Director Laura Kelley provided the Executive Director's Report in written form. She elaborated briefly on some of the items in the report.

## **F. REGULAR AGENDA ITEMS**

### **1. WEKIVA PARKWAY CONSTRUCTION UPDATE**

Don Budnovich, P.E. Resident Engineer/Sr. Project Manager gave an update on the Wekiva Parkway Construction.

Wekiva Parkway:

- 5 projects under construction
- \$271,643,087 under contract
- \$119,645,177 earned through 10/25/16
- 44% complete

- The first two projects (from Connector Road to Kelly Park Road) are scheduled to open in mid-2017
- The remaining three projects are scheduled to open in early-2018

(This item was for information only. No action was taken by the Board.)

## **2. AWARD OF CONTRACT FOR GENERAL ENGINEERING CONSULTANT (GEC) SERVICES**

Director of Engineering Glenn Pressimone provided information on the evaluation process for the General Engineering Consultant Services contract.

The Evaluation Committee recommends award of the General Engineering Consultant (GEC) Services contract to Dewberry Engineers, Inc. for an initial five year term in the amount of \$17,500,000 with five one-year options.

**A motion was made by Mayor Jacobs and seconded by Commissioner Hawkins to approve the award for the General Engineering Consultant (GEC) Services contract to Dewberry Engineers, Inc. for an initial five year term in the amount of \$17,500,000 with five one-year options. The motion carried unanimously with seven (7) members present and voting AYE by voice vote; Mayor Dyer and Mr. Scheeringa were not present.**

Jorge Figueredo of Atkins North America thanked CFX for the opportunity of working as GEC for the agency. They are committed to doing everything they can to assist in the transition.

## **3. S.R. 408 EASTERN EXTENSION PROJECT**

Executive Director Laura Kelley reported on the teleconference held yesterday with Diane Scaccetti, Executive Director/CEO of Florida's Turnpike to discuss the assignment of the contract for the PD&E Study for the extension of SR 408.

In that teleconference we learned that the Department was not interested in a contract assignment. They are requesting the incomplete engineering documents as a public records request. We have begun assembling those records for submittal to the Department.

(This item was for information only. No action was taken by the Board.)

4. **AWARD OF CONTRACT FOR RELOAD LANE PROGRAM EXPANSION / IN-LANE TRANSPONDER SALES & ACCOUNT REPLENISHMENT**

Michelle Maikisch, Chief of Staff/Public Affairs Officer and Corey Quinn, Chief of Technology/Operations gave an overview of the Reload Lane Program.

Going forward, staff recommends that we expand the Reload program to other locations on the system:

- S.R. 417 at John Young Mainline Plaza – late 2016/early 2017
- S.R. 429 at Forest Lake Mainline Plaza – 2017
- Others to be determined

Staff requested approval of Supplemental Agreement No. 2 with URS Energy and Construction, Inc. in the amount of \$3,727,219.25 for the continued and additional staffing of the Reload program for the next five years.

**A motion was made by Commissioner Boyd and seconded by Ms. Herr to approve Supplemental Agreement No. 2 with URS Energy and Construction, Inc. in the amount of \$3,727,219.25 for the continued and additional staffing of the Reload program for the next five years. The motion carried unanimously with seven (7) members present and voting AYE by voice vote; Mayor Dyer and Mr. Scheeringa were not present.**

G. **BOARD MEMBER COMMENT**

Outgoing board members Commissioner Welton Cadwell and Commissioner Scott Boyd were honored for their service to CFX.

H. **ADJOURNMENT**

Chairman Cadwell adjourned the meeting at 10:00 a.m.

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Chairman  
Central Florida Expressway Authority

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Darleen Mazzillo  
Recording Secretary/Executive Assistant  
Central Florida Expressway Authority

Minutes approved on \_\_\_\_\_, 2016.

*Pursuant to the Florida Public Records Law and CFX Records Management Policy, audio tapes of all Board and applicable Committee meetings are maintained and available upon request to the Records Management Liaison Officer at [publicrecords@CFXWay.com](mailto:publicrecords@CFXWay.com) or 4974 ORL Tower Road, Orlando, FL 32807. Additionally, video tapes of Board meetings commencing July 25, 2012 are available at the CFX website, [www.expresswayauthority.com](http://www.expresswayauthority.com)*

D.

Consent Agenda

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## CONSENT AGENDA January 12, 2017

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### ENGINEERING

5. Authorization to Advertise for Construction Bids S.R. 408 Aesthetic Coatings Renewal, Project 599-734, Contract No. 001279
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7. Authorization to Advertise for Construction Bids South Access Dynamic Message Sign (DMS) Improvements, Project 599-530, Contract No. 001280
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# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## FINANCE/ACCOUNTING

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## INFORMATION TECHNOLOGY

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## INTERNAL AUDIT

11. Acceptance of the following Internal Audit Reports:
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## LEGAL

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15. Approval for acceptance of Special Warranty Deed from Emerson Point Phase II, LLC to CFX for Marden Road/SR 414 Interchange Project

## TOLL OPERATIONS

16. Approval of Assignment and Assumption of Contractual Obligations Between URS Energy & Construction, Inc. and AECOM Energy & Construction, Inc., Contract No. 001071 & 001169

## TRAFFIC OPERATIONS

17. Approval of Contract Renewal with Precision Contracting Services, Inc. for Maintenance of Fiber Optic Network Infrastructure, Contract No. 000990 (Agreement Value: \$125,000.00)
18. Approval of Supplemental Agreement No. 1 and Resolution Approving Execution of Joint Participation Agreement with Florida Department of Transportation (FDOT) for LiDAR Accident Scanning Pilot Program Contract No. 001213 (Agreement Value: \$100,000.00)

## SPECIAL PROJECTS

19. Approval of Supplemental Agreement with TransCore to Purchase Additional Toll Lane Equipment Not Included in the Original Toll System Upgrade Contract, Contract No. 001021 (Agreement Value: \$1,902,965.56)




# **CONSENT AGENDA ITEM**

**#1**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: Aneth Williams   
Director of Procurement

DATE: December 20, 2016

SUBJECT: Authorization to Advertise for CEI Services for  
S.R. 408/S.R. 417 Interchange Improvements Phase 2  
Project No. 253G, Contract No. 001278

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Board authorization is requested to advertise for Letters of Interest from qualified firms to provide CEI services of the S.R. 408/S.R. 417 Interchange Improvements Phase 2.

A final ranking of the firms will be presented to the Board, and authorization to award the contract to the highest ranked firm will be requested.

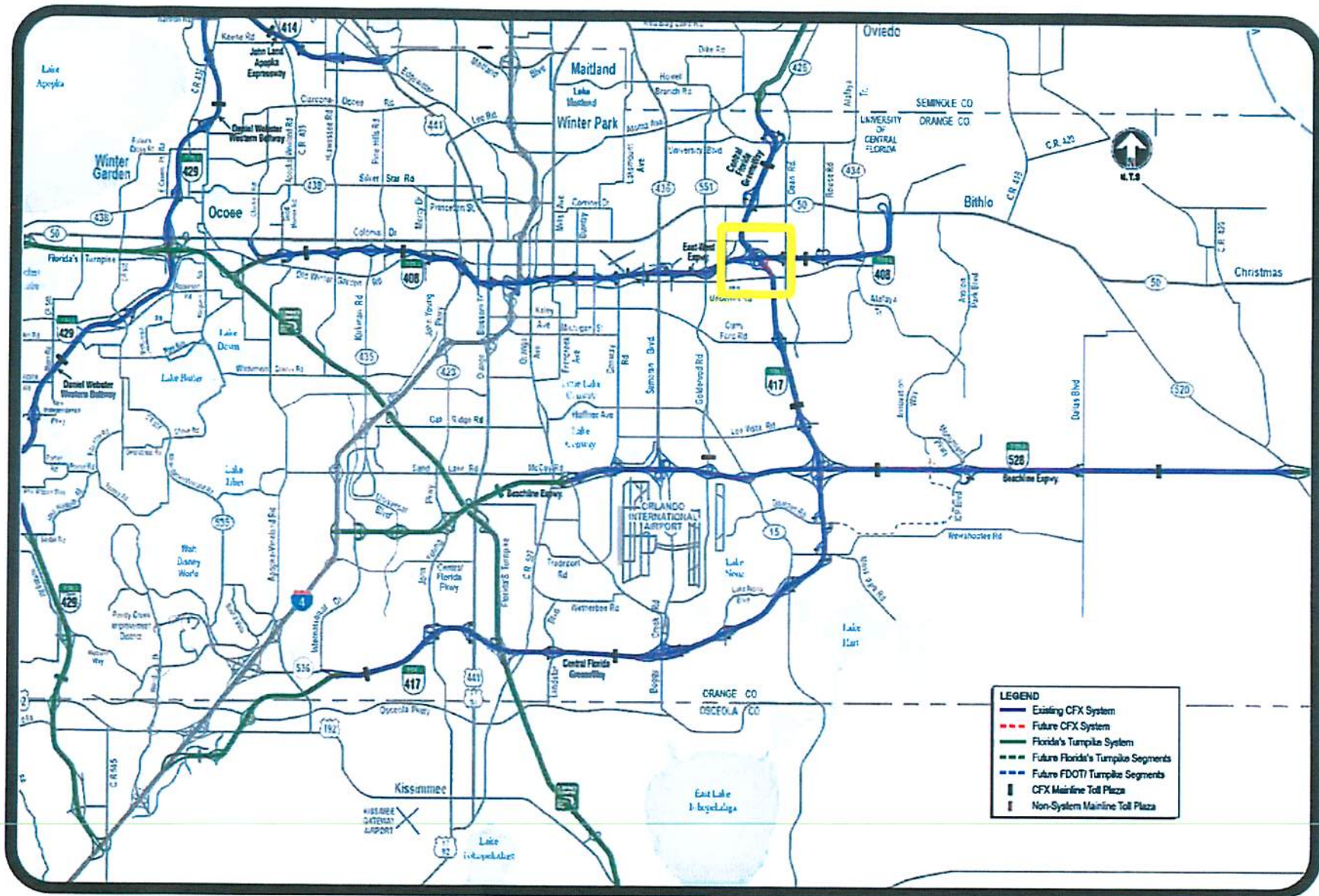
When complete, this design-build project will finalize the ultimate improvements to the S.R. 408/S.R. 417 Interchange.

This project is included in the current Five-Year Work Plan.

Reviewed by:

  
Ben Dreiling  
Director of Construction





Project Location Map for  
 SR 408 / SR 417 Ultimate Interchange Improvements Phase 2 (253G)

**CONSENT AGENDA ITEM**

**#2**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: Aneth Williams   
Director of Procurement

DATE: December 15, 2016

RE: Approval of Final Ranking and Authorization for Fee Negotiations for  
CEI Services for Resurfacing of S.R. 408 Widening from S.R. 417 to Alafaya Trail  
Project 408-128, Contract No. 001194

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Letters of Interest for the referenced project was advertised on May 15, 2016. Responses were received from eight firms by the August 31, 2016, deadline. Those firms were: RK&K; England-Thims & Miller, Inc.; GAI Consultants, Inc.; Carnahan, Proctor and Cross, Inc.; Volkert; CDM Smith; Ardmore; and Cardno, Inc.

After reviewing and scoring the letters of interest, the Evaluation Committee met on September 21, 2016, and shortlisted three firms: England-Thims & Miller, Inc., RK & K; and GAI Consultants. Technical Proposals were requested from the firms to be submitted for review and scoring by November 8, 2016.

England-Thims & Miller were withdrawn from consideration due to being awarded the CEI Services for the S.R. 528 Bridge and Ramp Realignment Projects contract; Contract 001225.

Technical Proposals were submitted by the remaining two firms for review and scoring by the deadline. As part of the scoring process, the Technical Review Committee heard oral presentations from the firms on December 6, 2016. After the orals presentations were completed, the Technical Review Committee convened and prepared its final ranking. The results of that process were as follows:

<u>Consultant Firm</u>	<u>Ranking</u>
RK & K	1
GAI Consultants	2

Board approval of the final ranking and authorization to enter into fee negotiations with RK & K is requested. Once fee negotiations are completed, Board approval of the fee amount and award of a contract will be requested. If negotiations with RK & K are not successful, Board authorization to enter into negotiations with the second ranked firm, GAI Consultants, is requested.

Reviewed by   
Ben Dreiling, P.E.  
Director of Construction



**LOI-001194 Project 408-128 Committee Meeting December 6, 2016 Minutes**

Technical Review Committee for CEI Services for Resurfacing of S.R. 408 Widening from S.R. 417 to Alafaya Trail; Contract No. 001194, Project 408-128, held a duly noticed meeting on Tuesday, December 6, 2016, commencing at 09:45 a.m. Pelican Conference Room (Room 107), at the CFX Administrative Bldg., Orlando, Florida.

**Committee Members Present:**

Ben Dreiling, Director of Construction  
Joe Berenis, Chief of Infrastructure  
Don Budnovich, CFX Resident Engineer

**Other Attendees:**

Robert Johnson, Manager of Procurement

**Interviews:**

Robert notified the technical committee that one of the three shortlisted firms, England – Thims & Miller, submitted a request to withdrawal from consideration due to being awarded the CEI Services for the S.R. 528 Bridge and Ramp Realignment Projects contract; Contract 001225. The request was approved by CFX. Committee Disclosure forms were collected.

Robert Johnson commenced each interview with a brief overview of the process and introduced the Technical Review Committee. Robert stated that this portion of the meeting is closed to the public and is being recorded in accordance with Florida Statute.

GAI Consultants	09:47 – 10:25 a.m.
RK&K, Inc.	10:37 – 11:12 a.m.

**Evaluation Portion:**

Robert stated the evaluation portion of the meeting is open to the public in accordance with Florida Statute. The committee members discussed the presentations.

Upon completion the committee members individually scored the proposers and submitted them to Robert for tallying, who tallied the score sheets utilizing the rankings assigned by each committee member based on the raw scores each Proposer received. Below are the results:

<u>FIRM</u>	<u>Points</u>	<u>Ranking</u>
GAI Consultants	05	02
RK&K, Inc.	04	01

Committee recommends CFX Board approve ranking and authorize negotiations in ranked order. The committee agreed that Ben Dreiling would review and approve the minutes on behalf of the committee.

They're being no other business to come before the Committee; the meeting was adjourned at 11:22 a.m. These minutes are considered to be the official minutes of the Technical Review Committee meeting held Tuesday, December 6, 2016, and no other notes, tapes, etc., taken by anyone takes precedence.

Submitted by:

  
Robert Johnson

Approved by:

  
Ben Dreiling, Director of Construction

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

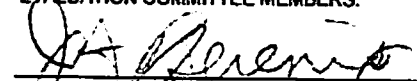


EVALUATION COMMITTEE MEMBER FINAL SUMMARY RANKING

CEI Services for Resurfacing of S.R. 408 Widening From S.R. 417 to Alafay Trail

PROJECT NO. 408-128; CONTRACT NO. 001194

CONSULTANT	Joe Berenis Score	Ben Dreiling Score	Don Budnovich Score	TOTAL SCORE	RANKING
GAI Consultants	2	1	2	5	2
RK&K, Inc.	1	2	1	4	1

EVALUATION COMMITTEE MEMBERS:

  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_

December 6, 2016

December 6, 2016

December 6, 2016

# **CONSENT AGENDA ITEM**


**#3**



# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: Aneth Williams   
Director of Procurement

DATE: December 21, 2016

RE: Authorization for Contract Award to Arazoza Brothers Corp.  
S.R. 429/S.R. 415 Systems Interchange Landscape Improvements Phase II  
Project No. 429-200G; Contract No. 001261

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The Board approved on November 10, 2016 to authorize advertisement for the project. An Invitation to Bid for the referenced project ran in the Orlando Sentinel on November 20, 2016. Response to the Invitation was received from only one (1) contractor by the December 20, 2016 deadline for submittal of bids. As required by the Procurement Procedures Manual, the Director of Procurement and the Chief of Infrastructure met to review CFX's options when less than three proposals are received. Based on the discussion at the meeting, the decision was made to accept the bid because the bid is within the established tolerances, and there were no irregularities that would result in the bid being rejected.

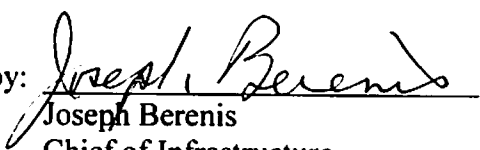
Bid result was as follows:

<u>Bidder</u>	<u>Bid Amount</u>
1. Arazoza Brothers Corp.	\$1,191,744.50

The Engineer's Estimate for this project is \$1,290,917.75

The Engineer of Record for Project 599-411 has reviewed the low bid submitted by Arazoza Brothers Corp., and determined that the low bid unit prices are not unbalanced.

The Procurement Department has evaluated the bids and has determined the bid from Arazoza Brothers Corp., to be responsible and responsive to the bidding requirements. Award of the contract to Arazoza Brothers Corp. in the amount of \$1,191,744.50 is recommended.

Reviewed by:   
Joseph Berenis  
Chief of Infrastructure

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
S.R. 429/S.R. 415 SYSTEMS INTERCHANGE LANDSCAPE IMPROVEMENTS  
PHASE II  
CONTRACT NO. 001261**

This Contract No. 001261 (the "Contract"), made this 12th day of January , 2016, between the CENTRAL FLORIDA EXPRESSWAY AUTHORITY, hereinafter called CFX and Arazoza Brothers Corp. of 15901 SW 242 Street, Homestead, Florida 33031, hereinafter the CONTRACTOR:

WITNESSETH: The CONTRACTOR shall, for the consideration herein mentioned and at its cost and expense, do all the work and furnish all the materials, equipment, supplies and labor necessary to perform this Contract in the manner and to the full extent as set forth in the Contract Documents (and under security as set forth in the attached Public Construction Bond) all of which are hereby adopted and made part of this Contract as completely as if incorporated herein. The Contract shall be performed to the satisfaction of the duly authorized representatives of CFX, who shall have at all times full opportunity to inspect the materials furnished and the work done under this Contract.

The work to be done under this Contract includes construction of all items associated with Project No. 429-200G, S.R. 429 / S.R. 414 Systems Interchange Landscape Improvements Phase II, as detailed in the Contract Documents and any addenda or modifications thereto. Contract time for this project shall be 820 calendar days. The Contract Amount is \$1,191,744.50. This Contract was awarded by the Governing Board of CFX at its meeting on January 12, 2017.

The Contract Documents consist of:

1. The Contract,
2. The Memorandum of Agreement,
3. The Addenda (if any), modifying the General Specifications, Technical Specifications, Special Provisions, Plans or other Contract Documents,
4. The Plans,
5. The Special Provisions,
6. The Technical Specifications,
7. The General Specifications,
8. The Standard Specifications,
9. The Design Standards, and
10. The Proposal.

In consideration of the foregoing premises, CFX agrees to pay the CONTRACTOR for work performed and materials furnished at the unit and lump sum prices, and under the conditions set forth, in the Proposal.

IN WITNESS WHEREOF, the authorized signatures named below have executed this Contract on behalf of the parties on the date set forth below.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

By: \_\_\_\_\_  
Director of Procurement

DATE: \_\_\_\_\_

ARAZOZA BROTHERS CORP.

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

ATTEST: \_\_\_\_\_(Seal)

DATE: \_\_\_\_\_

Approved as to form and execution, only.

General Counsel for CFX

\_\_\_\_\_

**BID ANALYSIS**  
**S.R. 429/S.R. 414 SYSTEMS INTERCHANGE LANDSCAPE IMPROVEMENTS PHASE II**  
**PROJECT NO. 429-200G; CONTRACT NO. 001261**  
**Bid Opening: December 20, 2016**  
**Engineer's Estimate: \$1,290,917.15**  
**2 Bidders**

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Arazoza Brothers Corporation  
Bid Amount: \$1,191,744.50

Irregularities Noted: None

1. Bidder did not submit a copy of the bid on a cd.  
(Note: Bidder included a copy of current certification from City of Orlando as an MBE for Landscaping Maintenance. Declared 100% of the M/WBE objective. No Good Faith Efforts documentation included.)

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Lafleur Nurseries and Garden Center  
Bid Amount: \$Unknown – Bid remains unopened

Irregularities Noted:

1. Bidder not a planholder of record

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**RESULTS OF ANALYSIS:** The apparent low bidder Arazoza Brothers Corporation. The determination of being the lowest responsible bidder will depend on review of the bid by the EOR as unbalanced and within acceptable tolerance when compared to the Engineer's Estimate and review of the proposed M/WBE participation objective.

Since less than three bids were received, the Procurement Procedures Manual requires that the Chief of Infrastructure and the Director of Procurement meet to discuss the CFX's options to either reject the bids and re-bid the project or recommend award of the contract.

Robert Johnson  
December 20, 2016

# **CONSENT AGENDA ITEM**

**#4**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

MEMORANDUM

TO: CFX Board Members

FROM: Ben Dreiling, P.E.  
Director of Construction

DATE: December 13, 2016

SUBJECT: Consent Agenda  
Construction Contract Modifications

Authorization is requested to execute the following Construction Contract Modifications. Supporting detailed information for the proposed Construction Contract Modifications is attached.

Project No.	Contractor	Contract Description	Original Contract Amount (\$)	Previous Authorized Adjustments (\$)	Requested (\$) January 2017	Total Amount (\$) to Date*	Time Increase or Decrease
599-624A	Traffic Control Devices, Inc.	Installation of E-Pass Overlay Sign Panels	\$ 97,175.00	\$ -	\$ 18,235.37	\$ 115,410.37	0
253F	Lane Construction Corp.	SR 408/SR 417 Interchange Improvements Phase I	\$ 36,744,623.00	\$ (715,908.52)	\$ 157,582.19	\$ 36,186,296.67	0
528-313	Lane Construction Corp.	SR 528/Innovation Way Interchange	\$ 62,452,032.01	\$ (1,062,287.36)	\$ 51,973.56	\$ 61,441,718.21	2
599-526B	SICE, Inc.	Wrong Way Driving Vehicle Detection & Countermeasures Equipment Installation	\$ 1,232,916.63	\$ -	\$ -	\$ 1,232,916.63	2
599-525	Traffic Control Devices, Inc.	Single Line Dynamic Message Sign Upgrades	\$ 4,555,555.55	\$ 43,363.95	\$ -	\$ 4,598,919.50	2
528-405	Southland Construction, Inc.	SR 528 Airport Mainline Toll Plaza Demolition & Ramp Plaza Construction	\$ 38,708,813.52	\$ 294,940.88	\$ 238,703.24	\$ 39,242,457.64	6
429-202	Prince Contracting, LLC	SR 429, US 441 to North of Ponkan Rd.	\$ 56,152,429.00	\$ 289,199.00	\$ 112,148.11	\$ 56,553,776.11	4
429-204	Southland Construction, Inc.	SR 429 Systems Interchange	\$ 79,625,302.60	\$ 1,059,386.88	\$ 610,000.53	\$ 81,294,690.01	4
599-912	The Integration Factory, Inc.	Audio/Video Equipment for CFX Boardroom	\$ 365,567.00	\$ -	\$ (172.80)	\$ 365,394.20	0
<b>TOTAL</b>					<b>\$ 1,188,470.20</b>		

\* Includes Requested Amount for this current month.

**Contract 599-624A: Installation of E-Pass Overlay Sign Panels**  
**Traffic Control Devices, Inc.**  
**SA 599-624A-0117-01**

Contract Pay Items Quantity Adjustments

This adjustment in contract pay item quantities is requested to accurately reflect the actual authorized quantities constructed under the Contract required to accomplish the original intent of the project.

OVERRUN THE FOLLOWING PAY ITEM:

Overtime Traffic Signal I Technician	\$	22,950.00
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UNDERRUN THE FOLLOWING PAY ITEMS:

Bucket Truck	\$	(779.63)
Service Vehicle, Project Supervisor Vehicles	\$	(1,597.50)
Police Officer	\$	<u>(2,337.50)</u>
	\$	(4,714.63)

<b><u>TOTAL AMOUNT FOR PROJECT 599-624A</u></b>	<b>\$</b>	<b><u>18,235.37</u></b>
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**Contract 253F: SR 408/SR 417 Interchange Improvements Phase I  
Lane Construction Corp.  
SA 253F-0117-003**

**Modify Existing Mechanically Stabilized Earth (MSE) Wall and Coping at Econ Trail**

The Contractor submitted RFI 044 regarding the existing Mechanically Stabilized Earth (MSE) wall soil reinforcement straps and the proposed bent caps at the Econ Trail bridges. The Engineer of Record (EOR) provided instructions to saw cut the existing MSE wall panels down to an elevation where the conflicting straps would be removed and the top of the new coping would be below the top of the bent cap. This is consistent with the contract details provided at the Lake Underhill bridges, but the same contract details were not provided at the Econ Trail bridges.

**ADD THE FOLLOWING ITEM:**

Coping Econ Trail End Bent 1/End Bent 3	\$	31,945.93
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**SR 408 Inside Shoulder Asphalt Overlay**

The contract documents do not provide for asphalt overlay on the eastbound SR 408 inside shoulder. However, the traffic control plans show the existing traffic lane will be shifted to the inside shoulder for the Phase 2 Stage 1 traffic lane configuration. Therefore, consistent with the rest of the contract, the inside shoulder in this area will require asphalt overlay in order to cover existing rumble strips and to modify the existing shoulder cross slope to match the adjacent travel lane.

**INCREASE THE FOLLOWING ITEM:**

Superpave Asphaltic Concrete (Traffic C)	\$	11,100.00
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**ADD THE FOLLOWING ITEM:**

Additional Paving SR 408 Phase 2-Stage 1 Maintenance Of Traffic	\$	<u>50,174.86</u>
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Subtotal: SR 408 Inside Shoulder Asphalt Overlay	\$	61,274.86
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Upgrade Roadway and Underdeck Lights to LED

CFX desires to upgrade the type of roadway and underdeck lighting provided on this contract from high pressure sodium to LED luminaires. CFX is making LED luminaires the standard on all new projects and desires to incorporate this upgrade as part of the current construction contract. This item represents the cost difference for the materials to implement this change.

ADD THE FOLLOWING ITEMS:

LED Luminaire for Light Pole Complete, F&I, 130, 40	\$	4,994.64
LED Luminaire for Light Pole Complete, F&I, 140, 45	\$	23,308.32
LED Luminaire for Underdeck Pendant Hung	\$	22,739.40
LED Luminaire for Light Pole Complete, Special Design, F&I, Single Arm Shoulder Mount, Al. 20'	\$	2,774.80
LED Luminaire for Light Pole Complete, Special Design, F&I, Single Arm Wall Mount, Al. 35'	\$	3,884.72
LED Luminaire for Light Pole Complete, Special Design, F&I, Single Arm Wall Mount, Al. 45'	\$	2,774.80
LED Luminaire for Light Pole Complete, Special Design, F&I, Double Arm Wall Mount, Al. 45'	\$	1,109.92
LED Luminaire for Light Pole Complete, Special Design, F&I, Single Arm Bridge Mount, Al. 35'	\$	554.96
LED Luminaire for Light Pole Complete, Special Design, F&I, Single Arm Bridge Mount, Al. 45'	\$	1,109.92
LED Luminaire for Light Pole Complete, Special Design, F&I, Double Arm Bridge Mount, Al. 45'	\$	1,109.92
	\$	<u>64,361.40</u>

**TOTAL AMOUNT FOR PROJECT 253F**

**\$ 157,582.19**

**Contract 528-313: SR 528/Innovation Way Interchange**  
**Lane Construction Corp.**  
**SA 528-313-0117-03**

Cast-In-Place Curb Inlet Tops

Orange County requested/required cast-in-place curb inlet tops in lieu of precast inlet tops for all arterial roads conveyed to Orange County upon final acceptance. The plans identify 50 curb inlets to be constructed along Innovation Way, Aerospace Parkway and Monument Parkway. This change compensates the Contractor for the cost variance attributed to the cast-in-place inlet tops. CFX is expecting reimbursement on 40 of these 50 inlets from Suburban Land Reserve (SLR).

ADD THE FOLLOWING ITEM:

Cast-In-Place Curb Inlet Tops	\$	51,973.56
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Time Extension - Hurricane Matthew

The Contractor's schedule was impacted on October 6, 2016 and October 7, 2016 due to impacts from Hurricane Matthew. CFX has agreed to grant 2 non-compensable calendar days for weather impacts from the storm in conformance with General Conditions, Article 11.02 of the contract.

Increase Contract Time 2 Non-Compensable Calendar Days

<b><u>TOTAL AMOUNT FOR PROJECT 528-313</u></b>	<b>\$</b>	<b><u>51,973.56</u></b>
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**Contract 599-526B: Wrong Way Driving Vehicle Detection & Countermeasures Equipment Installation**  
**SICE, Inc.**  
**SA 599-526B-0117-01**

Time Extension - Hurricane Matthew

The Contractor's schedule was impacted on October 6, 2016 and October 7, 2016 due to impacts from Hurricane Matthew. CFX has agreed to grant 2 non-compensable calendar days for weather impacts from the storm in conformance with General Specification 6.7.3 of the contract.

Increase Contract Time 2 Non-Compensable Calendar Days

**TOTAL AMOUNT FOR PROJECT 599-526B**

**\$0.00**

**Contract 599-525: Single Line Dynamic Message Sign Upgrades  
Traffic Control Devices, Inc.  
SA 599-525-0117-02**

**Time Extension - Hurricane Matthew**

The Contractor's schedule was impacted on October 6, 2016 and October 7, 2016 due to impacts from Hurricane Matthew. CFX has agreed to grant 2 non-compensable calendar days for weather impacts from the storm in conformance with General Specification 6.7.3 of the contract.

Increase Contract Time 2 Non-Compensable Calendar Days

**Plan Revisions 3 and 4 for Dynamic Message Sign (DMS) Cabinet Equipment**

Plan Revisions 3 and 4 changed the owner-furnished Dynamic Message Signs (DMS) from an AC system to a DC system. As a result of these changes, delays occurred to the Contractor's procurement of the cabinet that houses the DMS equipment. CFX wishes to increase the allowable substantial completion duration by 42 calendar days from 245 days to 287 days. This change does not extend the overall contract time allotted for the project to reach final acceptance.

**TOTAL AMOUNT FOR PROJECT 599-525**

**\$0.00**

**Contract 528-405: SR 528 Airport Mainline Toll Plaza Demolition & Ramp Plaza Construction**  
**Southland Construction, Inc.**  
**SA 528-405-0117-06**

Adjustments to Actual Quantities for Completed Contract Items

CFX wishes to adjust quantities for completed pay items in the contract to reflect the actual field measured quantities installed throughout the contract.

**INCREASE THE FOLLOWING ITEMS:**

Changeable Variable Message Sign, Temporary	\$	4,885.78
Milling Existing Pavement, 1" Avg Depth	\$	13,781.56
Superpave Asphalt, Traffic C	\$	132,415.96
Asphalt Concrete Friction Course Inc. Bit/PG 76-22, FC-5	\$	89,284.68
Misc. Asphalt Pavement	\$	1,621.82
Concrete Class I, End Walls	\$	3,864.12
Bridge Deck Grooving, Deck Thickness <8.5"	\$	5,261.56
Cleaning and Coating Concrete Surface, Class V	\$	4,084.80
Reinforcing Steel Roadway	\$	764.69
Desilting Pipe, 0-24"	\$	5,237.44
Desilting Pipe, 25-36"	\$	48.56
Pipe Culvert BCCMP, Round, Gutter Drain, 18"	\$	3,715.20
Pipe Culvert RCP, Round, 15" SS	\$	7,750.56
Pipe Culvert RCP, Round, 36" SS	\$	770.80
Pipe Culvert RCP, Round, 42" SS	\$	978.96
PVC Pipe, 4"	\$	333.26
Video Inspect Existing Pipe	\$	1,690.74
Prestressed Concrete Piling, 18" SQ	\$	26,196.87
Sheet Piling, Temporary-Critical	\$	86,691.00
Test Piles Prestressed Concrete, 18" SQ	\$	688.04
Bridge Deck Expansion Joint, New Construction-F&R, Pour Joint	\$	1,746.86
Concrete Curb and Gutter, Type F	\$	701.36
Concrete Ditch Pavement, Non Reinforced, 4"	\$	2,450.86
Rip Rap, Sand Cement	\$	6,234.02
Guardrail, Removal	\$	788.69
Glare Screen, F&I, Modular, 18"	\$	5,856.10
Fencing, Type B, 4' High, Black Vinyl	\$	28,521.81
Sign Structure Painting	\$	20,661.10
Signals, Fiber Optic Cable, F&I, UG, 72 SM	\$	161.50
ITS Fiber Optic Cable, F&I, Underground, 12 Single Mode Fibers	\$	2,647.75
Temporary Fiber Optic Cable, F&I, 72 Fibers	\$	707.38
Fiber Optic Cable, F&I, Single Mode, 24 Fibers	\$	926.72
Temporary Fiber Optic Cable, F&I, Single Mode, 144 Fibers	\$	25,887.36
Fiber Optic Splice Enclosure, F&I	\$	2,692.47
Fiber Optic Fusion Splice Enclosure, Existing Re-Entry	\$	4,296.74
Fiber Optic Fusion Splice	\$	30,638.82
Temporary Fiber Optic Fusion Splice	\$	5,242.04
Temporary Large Pull Box, F&I, Fiber Optic	\$	4,100.86
Junction Box, F&I, Surface Mounted	\$	685.44
Temporary Fiber Optic Conduit, 2-1" HDPE/SDR II, Trench	\$	17,618.46
Fiber Optic Conduit, 4-1" HDPE/SDR II, Directional Bore	\$	57,306.25

Fiber Optic, 6" BSP Split Outer Duct w/ Conduit, 9-1" HDPE/SDR II, Trench	\$	10,807.62
Fiber Optic, 4" PVC Outer Duct w/ Conduit, 4-1" HDPE/SDR II, Trench	\$	1,199.24
Fiber Optic, 6" PVC Outer Duct w/ Conduit, 9-1" HDPE/SDR 13.5, Trench	\$	340.05
Electrical Service Wires, F&I	\$	12,400.56
Loop Assembly, F&I, Type F, 6'x40'	\$	2,449.94
Fiber Optic Patch Panel, 12 Port, F&I	\$	1,465.74
Sign Panel, F&I-Overhead, 101-200 SF w/ Lighting	\$	4,735.14
Delineator, Flexible Tubular	\$	88.82
Retro-Reflective Pavement Marker	\$	144.00
Thermoplastic, Std., White, Solid, 18"	\$	332.40
Thermoplastic, Std., White, Arrows	\$	511.50
Thermoplastic, Std., White, Solid, 8"	\$	42.20
Thermoplastic, Std., Yellow, Solid, 6"	\$	2,148.71
Pavement Marking, Preformed Tape, Std., White/Black, Message	\$	11,082.88
Pavement Marking, Preformed Tape, HP, White, Solid, 8"	\$	3,185.25
Pavement Marking, Preformed Tape, HP, White, Solid, 12"	\$	287.64
Pavement Marking, Preformed Tape, HP, Yellow, Solid, 6"	\$	3,665.86
Pavement Marking, Preformed Tape, HP, Yellow, Solid, 18"	\$	46.88
Pavement Marking, Preformed Tape, HP, Contrast, Solid, 9"	\$	1,611.81
Pavement Marking, Preformed Tape, HP, Contrast, Skip, 10'-30', 9"	\$	2,676.50
Lighting Conductors, F&I, #10 or Smaller	\$	6,936.16
Lighting Conductors, F&I, #8 to #6	\$	16,113.60
4x6.5x6.5' Concrete Manhole, Doghouse, F&I	\$	8,688.30
Allowance for Disputes Review Board	\$	12,000.00
	\$	<u>712,899.79</u>

DECREASE THE FOLLOWING ITEMS:

MOT for Roadway Repair Contingency	\$	(41,178.50)
Superpave Asphalt Concrete, Traffic C, PG 76-22	\$	(19,120.21)
Roadway Repair Contingency	\$	(59,930.78)
Asphalt Concrete Friction Course Inc. Bit/Rubber, FC-9.5	\$	(19,766.98)
Desilting Pipe, 37-48"	\$	(3,355.74)
Desilting Concrete Box Culvert	\$	(27,494.20)
Mitered End Section, Optional Round, 18" CD	\$	(1,570.74)
Mitered End Section, Optional Round, 30" CD	\$	(1,731.09)
Performance Turf, Seed and Mulch, Bahia	\$	(2,869.35)
Conduit, F&I, Open Trench	\$	(11,799.20)
Conduit, F&I, Directional Bore	\$	(1,815.66)
Conduit, F&I, Aboveground	\$	(5,282.55)
Fiber Optic Cable Inventory	\$	(290.39)
Fiber Optic Splice Housing Inventory	\$	(290.39)
Fiber Optic Cable, F&I, Single Mode, 72 Fibers	\$	(10,631.04)
Fiber Optic Cable, F&I, Single Mode, 96 Fibers, Relocate	\$	(1,090.28)
Fiber Optic Fusion Splice Enclosure, 144 Splice, F&I	\$	(936.71)
Temporary Fiber Optic Fusion Splice Enclosure, 72 Splice, F&I	\$	(1,795.04)
Traffic Monitoring Station Composite Cable, F&I	\$	(326.25)
Pull Box, F&I, 13x24", Cover Size	\$	(1,495.42)
Small Pull Box, F&I, Fiber Optic	\$	(1,432.88)
Signals - Pull and Splice Boxes, F&I, 13x24", Pull Box	\$	(1,008.76)

Fiber Optic Conduit, 2-1" HDPE/SDR 11, Trench or Plow, F&I	\$	(3,577.12)
Temporary Fiber Optic Conduit, 6" BSP w/ 3-1" HDPE/SDR 11, Directional Bore	\$	(5,474.00)
Fiber Optic Conduit, 4-1" HDPE/SDR 11, Trench	\$	(6,278.08)
Fiber Optic Conduit, 9-1" HDPE/SDR 11, Trench or Plow	\$	(2,150.24)
Fiber Optic Conduit, 2-2" HDPE/SDR 11 Directional Bore, F&I	\$	(1,160.16)
Fiber Optic Conduit, 4" BSP Outer Duct w/ 2-1" HDPE/SDR 11, Directional Bore, F&I	\$	(3,978.72)
Fiber Optic Conduit, 9-1" HDPE/SDR 11, Directional Bore	\$	(890.64)
Fiber Optic 6" BSP Split Outer Duct w/ Conduit 2-1" HDPE/SDR 11, Trench	\$	(2,220.54)
Fiber Optic 6" BSP Split Outer Duct w/ Conduit 4-1" HDPE/SDR 11, Trench	\$	(1,349.60)
Traffic Controller Assembly, Modify, Nema, None	\$	(2,015.16)
CCTV Equipment Encoder, F&I	\$	(12,881.64)
CCTV Maintenance Unit, F&I	\$	(7,135.65)
Single Post Sign, F&I - GM, <12 SF	\$	(1,097.62)
Thermoplastic, Std., White, Solid, 12"	\$	(372.48)
Thermoplastic, Std., White, Solid, 24"	\$	(230.10)
Thermoplastic, Std., White, Skip, 12"	\$	(55.71)
Thermoplastic, Std., White, D/G/E, 6"	\$	(155.66)
Thermoplastic, Std., White, Message	\$	(5,967.68)
Thermoplastic, Std., White, Yield Line	\$	(21.32)
Thermoplastic, Std., Yellow, Solid, 18"	\$	(2,228.94)
Thermoplastic, Std., White, Solid, 6"	\$	(1,052.41)
Thermoplastic, Std., White, Skip, 6"	\$	(380.08)
Thermoplastic, Std., Yellow, Solid, 8"	\$	(748.80)
Pavement Marking, Preformed Tape, HP, White, Solid, 18"	\$	(972.76)
Pavement Marking, Preformed Tape, HP, White, Skip 3-12', 12"	\$	(384.86)
Pavement Marking, Preformed Tape, HP, Alt. White/Black, Skip 3-3-9', 12"	\$	(692.90)
Lighting Conductors, F&I, #4 to #2	\$	(1,866.65)
Lighting Conductors, F&I, #1/0 to #3/0	\$	(1,567.84)
4x4x4' Concrete Manhole, F&I	\$	(2,619.69)
	\$	<u>(284,739.21)</u>

Subtotal: Adjustments for Actual Quantity Completed Contract Items \$ 428,160.58

Aesthetic Columns

Due to different interpretations in the plans, CFX elected to participate in partial reimbursement for the removal, re-manufacture and re-installation of the aesthetic columns on the project.

ADD THE FOLLOWING ITEM:

Aesthetic Columns, Remove and Replace	\$	55,000.00
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Composite Pay Factor Adjustments

CFX wishes to make adjustments in accordance with Standard Specification 334-8.3, which provides for a pay item adjustment on asphalt placed with composite pay factors.

ADD THE FOLLOWING ITEM:

Composite Pay Factor Adjustments	\$	36,975.30
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**Fuel Price Index Adjustment**

The contract contains provisions for fuel price index adjustments. In accordance with the contract Specifications, the Engineer has calculated adjustments for the period of April 2016 - October 2016. Adjustments were made only if the current month fuel price is greater or less than 5% of bid/base fuel price. During this period of time \$4,827,075.62 of construction was performed/produced.

**ADD THE FOLLOWING ITEMS:**

*3/14 Gas Base Price=2.7729; Diesel Base Price=3.3311*

Fuel Price Adjustment April 2016 (Gas Price=1.3762/Diesel Price=1.2755)	\$	(39,158.91)
Fuel Price Adjustment May 2016 (Gas Price=1.5752/Diesel Price=1.4627)	\$	(44,428.43)
Fuel Price Adjustment June 2016 (Gas Price=1.6565/Diesel Price=1.6045)	\$	(45,044.83)
Fuel Price Adjustment July 2016 (Gas Price=1.5193/Diesel Price=1.5938)	\$	(25,651.09)
Fuel Price Adjustment August 2016 (Gas Price=1.3878/Diesel Price=1.3300)	\$	(3,253.62)
Fuel Price Adjustment September 2016 (Gas Price=1.4535/Diesel Price=1.4985)	\$	(115.09)
Fuel Price Adjustment October 2016 (Gas Price=1.5768/Diesel Price=1.6532)	\$	<u>(685.12)</u>
	\$	(158,337.09)

**Limerock Base Thickness Adjustment**

CFX wishes to make adjustments in accordance with contract Specification 285-8, which provides for the compensable thickness adjustment for optional base material placed in accordance with the plans and specifications. The proper entries and calculations were performed on the limerock core-out sheets and have been identified by required thickness and base group as shown in the contract plans.

**ADD THE FOLLOWING ITEM:**

Limerock Base Thickness Adjustment	\$	36,167.05
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**Tropical Storm Colin Time Extension**

Increase contract time 6 non-compensable calendar days due to schedule impacts from Tropical Storm Colin.

Increase Contract Time 6 Non-Compensable Calendar Days

**Bituminous Adjustments**

The Contractor is to be compensated for bituminous adjustments made throughout the life of the project in accordance with Article 7-2.1.2 as provided in the contract.

**ADD THE FOLLOWING ITEM:**

Bituminous Adjustments	\$	(212,883.99)
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**Asphalt Material Placed at Approach Slabs**

CFX is participating in costs for placement of asphalt placed at approach slabs on SR 528 to provide smooth transition and for enhanced ride quality through the corridor.

**ADD THE FOLLOWING ITEM:**

Asphalt for Approach Slabs on SR 528	\$	26,806.98
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**SR 528 Over Via Flora - End Bent #1 Joint Replacement**

An existing bridge joint failure occurred creating eroding conditions below SR 528 at Via Flora Avenue. The joints needed to be removed and replaced.

**ADD THE FOLLOWING ITEM:**

Bridge Joint Replacement - Via Flora	\$	26,814.41
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**TOTAL AMOUNT FOR PROJECT 528-405**

	\$	<u>238,703.24</u>
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**Contract 429-202: SR 429, US 441 to North of Ponkan Rd.**  
**Prince Contracting, LLC**  
**SA 429-202-0117-04**

**RFI 008: Partial Removal and Restoration of Mast Arm Structure 11 Drilled Shaft**

In order to maintain traffic at the Connector Road, it was necessary to cut-off and replace the top of an existing signal foundation. This work was not detailed in the plans.

**ADD THE FOLLOWING ITEM:**

Mast Arm 11, Foundation Removal/Reconstruct	\$ 17,288.85
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**RFI 063: Right-Of-Way Fence at Parcels 139 and 141 (Station 169-174 Right)**

The existing terrain along the right-of-way adjacent to Parcels 139 and 141 varied dramatically and was unsuitable for constructing the fencing as proposed. CFX was able to obtain right of entry agreements that allowed for the grading along the right-of-way to better accommodate construction of the Type B fencing.

**ADD THE FOLLOWING ITEM:**

R/W Fence at Parcels 139 and 141	\$ 19,690.97
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**INCREASE THE FOLLOWING ITEMS:**

Regular Excavation	\$ 999.00
Embankment	\$ 1,233.75
	\$ 2,232.75

Subtotal: RFI 063: ROW Fence at Parcels 139 and 141 (Station 169-174 Right)	\$ 21,923.72
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**Gutter Inlets - Grate Elevation Clarification**

The Contractor discovered a discrepancy in the plans as it relates to the gutter inlets grate elevations. Per Standard Index 220 the grate elevation should be the design elevation at the center of the box, 4.5" below the top of the structure. Once the Contractor realized the plan discrepancies, a review of the elevation of gutter inlets already installed was initiated. For those installed prior to the discovery, the Engineer confirmed the Contractor's findings and provided guidance to adjust the structures as necessary. This is full and complete settlement for the work required to adjust the elevation of 12 drainage structures that were already installed. CFX will be seeking recovery of these costs from the Engineer of Record.

**ADD THE FOLLOWING ITEM:**

Gutter Inlets - Grate Elevation Clarification	\$ 21,282.85
---	--------------

**Plan Revision 8 - RFI 054 RW-10 at Yothers**

CFX transmitted Plan Revision 8 providing adjustment to plan sheet BW-53, which extends the wall further north increasing the area of wall to construct by 770 SF. The revision was processed at a time when shop drawings for the original wall were submitted, reviewed and accepted; materials acquired and panels fabricated or under fabrication. This document pertains to the full and complete settlement for all issues related to constructing RW-10 as adjusted by the revision.

**ADD THE FOLLOWING ITEM:**

Additional Costs Plan Revision 8 at RW-10	\$ 9,994.24
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**INCREASE THE FOLLOWING ITEMS:**

Retaining Wall System, Permanent	\$ 19,250.00
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Subtotal: Plan Revision 8 - RFI 054 RW-10 at Yothers	\$ 29,244.24
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**NOI 13 Painting of Light Poles**

CFX desires a powder coat finish on all new light poles for this project. The plans call out this finish for 3 of the 5 light pole pay items, but do not for the remaining 2 pay items.

**ADD THE FOLLOWING ITEM:**

Powder Coat Finish Light Pole, 45'	\$	12,287.85
Powder Coat Finish Light Pole, 35'	\$	<u>10,120.60</u>
	\$	22,408.45

**Time Extension - Hurricane Matthew**

Increase contract time 4 non-compensable calendar days due to schedule impacts from Hurricane Matthew.

Increase Contract Time 4 Non-Compensable Calendar Days

**TOTAL AMOUNT FOR PROJECT 429-202** **\$ 112,148.11**

**Contract 429-204: SR 429 Systems Interchange**  
**Southland Construction, Inc.**  
**SA 429-204-0117-02**

Time Extension - Tropical Storm Colin and Hurricane Hermine

Increase contract time 4 non-compensable calendar days due to schedule impacts from Tropical Storm Colin and Hurricane Hermine.

Increase Contract Time 4 Non-Compensable Calendar Days

Cost Savings Initiative Proposal (CSIP) #01

This change provided an alternate design that permitted the lowering of the pile cap (footer) of Bridge 3, Piers 11 and 12, and resulted in a cost savings/credit to CFX.

ADD THE FOLLOWING ITEM:

CSIP #01	\$	(6,761.88)
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Increase in Subsurface Pressure Grouting

The contract identified the remediation of an existing sink hole at Station 408+00 (offset 75ft. RT) centerline construction SR 429. The plans call for 3,240 cubic yards of grout, but 7,131 cubic yards were required. This item compensates for the additional 3,891 cubic yards of grout at the existing contract unit price.

INCREASE THE FOLLOWING ITEMS:

Subsurface Pressure Grouting	\$	616,762.41
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**TOTAL AMOUNT FOR PROJECT 429-204**

**\$ 610,000.53**

**Contract 599-912: Audio/Video Equipment for CFX Boardroom**  
**The Integration Factory, Inc.**  
**SA 599-912-0117-01**

Alternate Audio/Video Equipment for CFX Boardroom

CFX wishes to accept the Contractor's proposed alternate Crestron audio/video system. The Crestron system is an equivalent and cost effective alternative to the AMX system specified in the contract documents.

DELETE THE FOLLOWING PAY ITEMS:

Equipment	\$ (236,936.00)
Equipment Installation, Programming, Incidentals and Warranty Services	<u>\$ (94,663.00)</u>
	\$ (331,599.00)

ADD THE FOLLOWING PAY ITEMS:

Alternate Equipment	\$ 186,116.00
Alternate Equipment Installation, Programming, Incidentals and Warranty Services	\$ 83,334.00
Audio/Visual Presentation System @ Rooms 239, 337 & 317, CFX HQ	\$ 38,035.00
Electrical Work @ CFX HQ Board Room	\$ 17,024.70
UPS, Rack System & Mounting Bracket @ CFX HQ Board Room	<u>\$ 6,916.50</u>
	\$ 331,426.20

**TOTAL AMOUNT FOR PROJECT 599-624A** **\$ (172.80)**


**CONSENT AGENDA ITEM**

**#5**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: Aneth Williams   
Director of Procurement

DATE: December 19, 2016

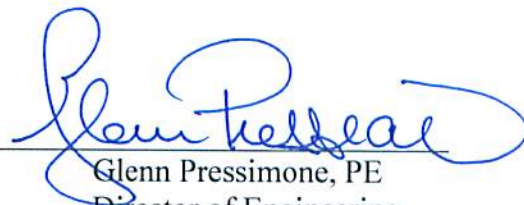
SUBJECT: Authorization to Advertise for Construction Bids  
S.R. 408 Aesthetic Coatings Renewal  
Project 599-734, Contract No. 001279

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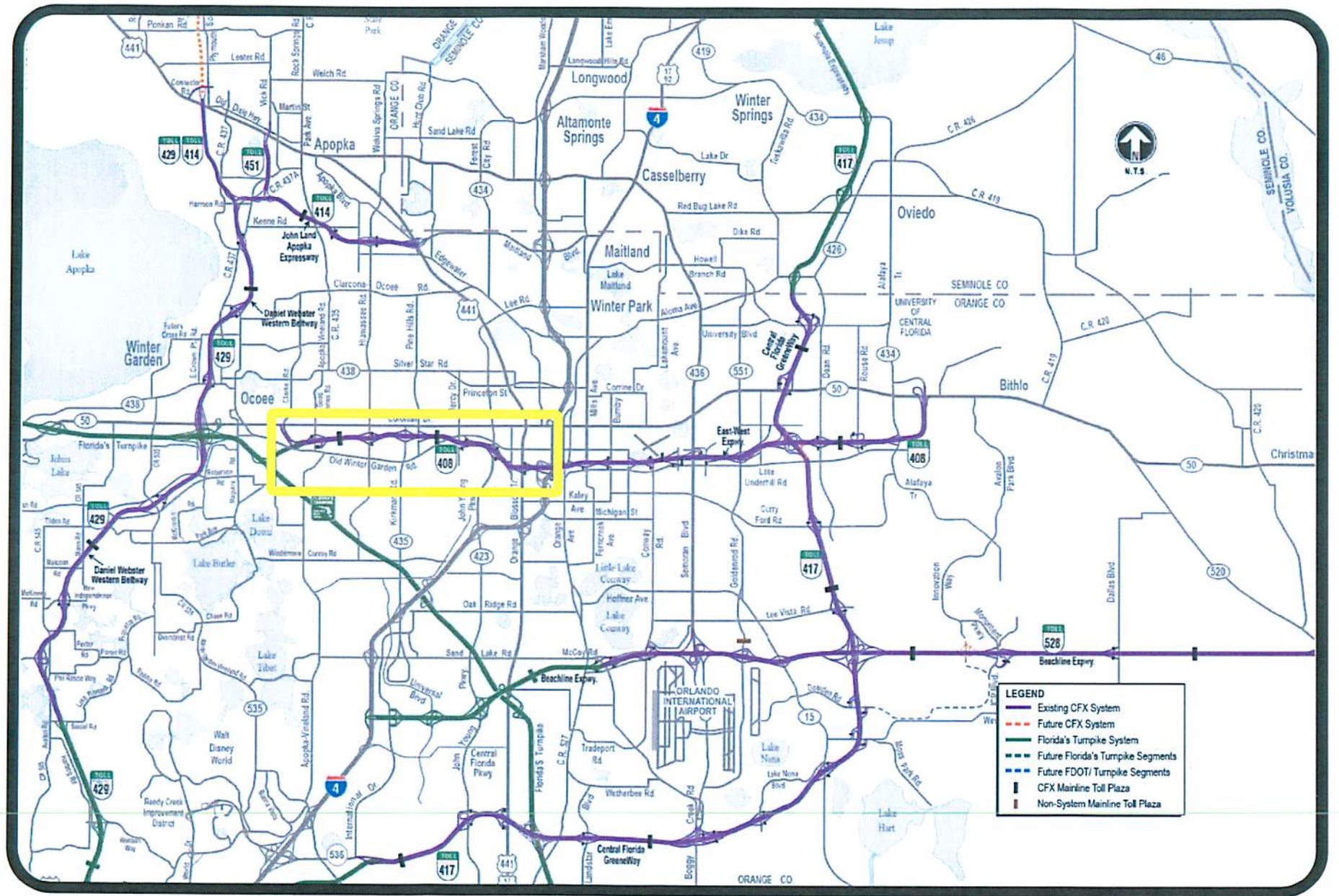
Board authorization is requested to advertise for construction bids for the S.R. 408 Aesthetic Coatings renewal. This project consists of the renewal of all aesthetic coatings on S.R. 408 from the Clark Road ramps to Interstate 4. The areas of S.R. 408 that are included in the I-4 Ultimate limits are excluded from this project.

This project is included in the current Five-Year Work Plan.

Reviewed by:

  
Glenn Pressimone, PE  
Director of Engineering





Project Location Map for  
S.R. 408 Aesthetic Coatings Renewal (599-734)




# **CONSENT AGENDA ITEM**

**#6**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: Aneth Williams   
Director of Procurement

DATE: December 19, 2016

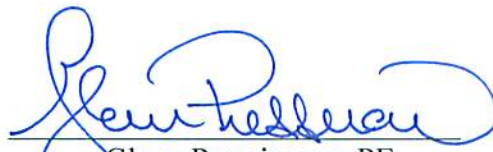
SUBJECT: Authorization to Advertise for Construction Bids  
Southbound S.R. 417 to Westbound S.R. 528 Ramp Realignment  
Project 599-126, Contract No. 001206

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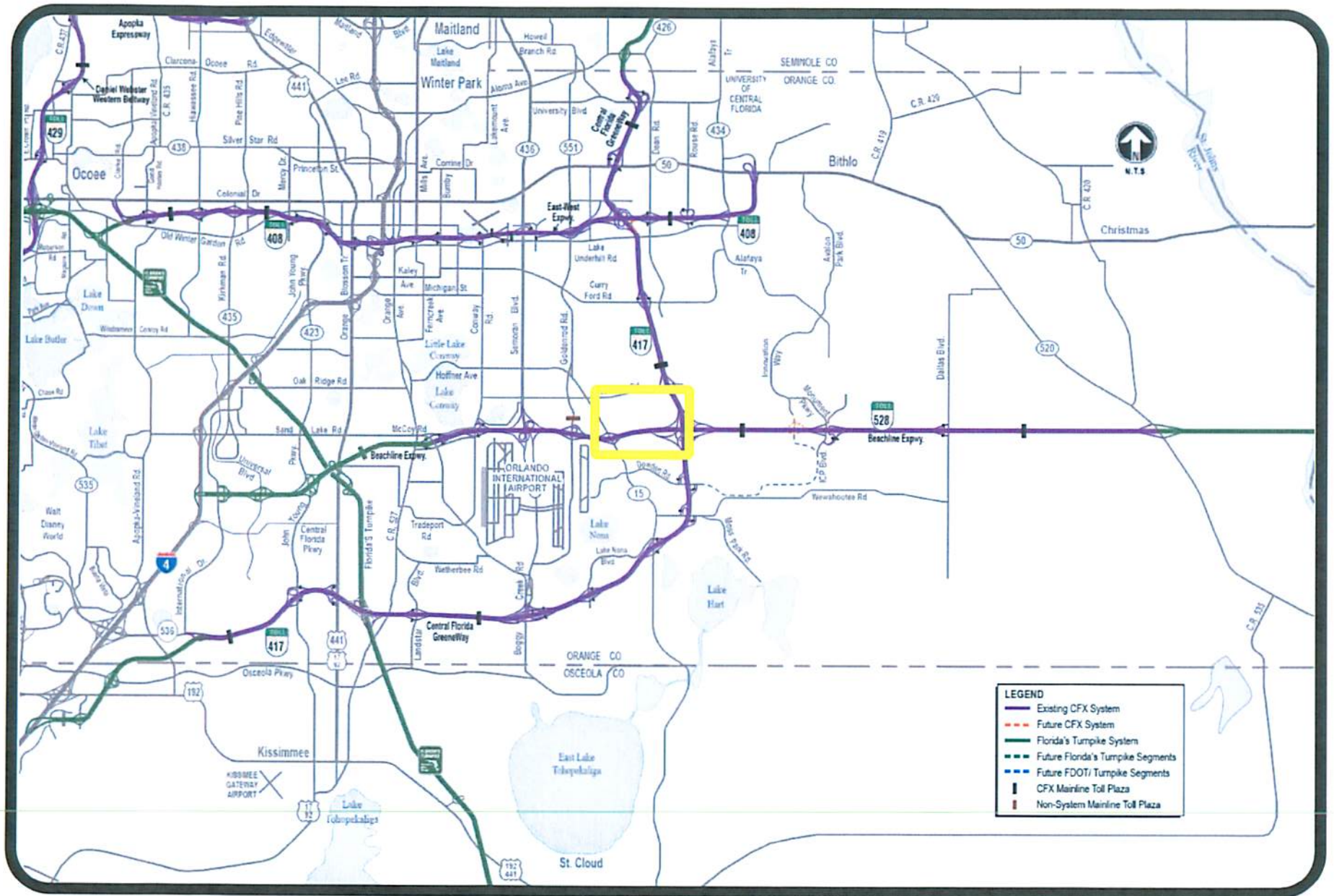
Board authorization is requested to advertise for construction bids for the Southbound S.R. 417 to Westbound S.R. 528 Ramp Realignment. This project consists of adding an auxiliary lane between S.R. 417 and the westbound S.R. 528 exit ramp to Narcoossee Road. In addition, the existing southbound S.R. 417 to westbound S.R. 528 ramp will be modified to provide upgraded traffic operations at this location.

This project is included in the current Five-Year Work Plan.

Reviewed by:

  
Glenn Pressimone, PE  
Director of Engineering





Project Location Map for  
 Southbound S.R. 417 to Westbound S.R. 528 Ramp Realignment (599-126)


# **CONSENT AGENDA ITEM**

**#7**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: Aneth Williams   
Director of Procurement

DATE: December 19, 2016

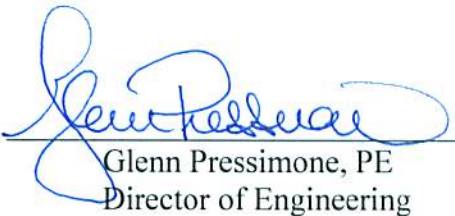
SUBJECT: Authorization to Advertise for Construction Bids  
South Access Dynamic Message Sign (DMS) Improvements  
Project 599-530, Contract No. 001280

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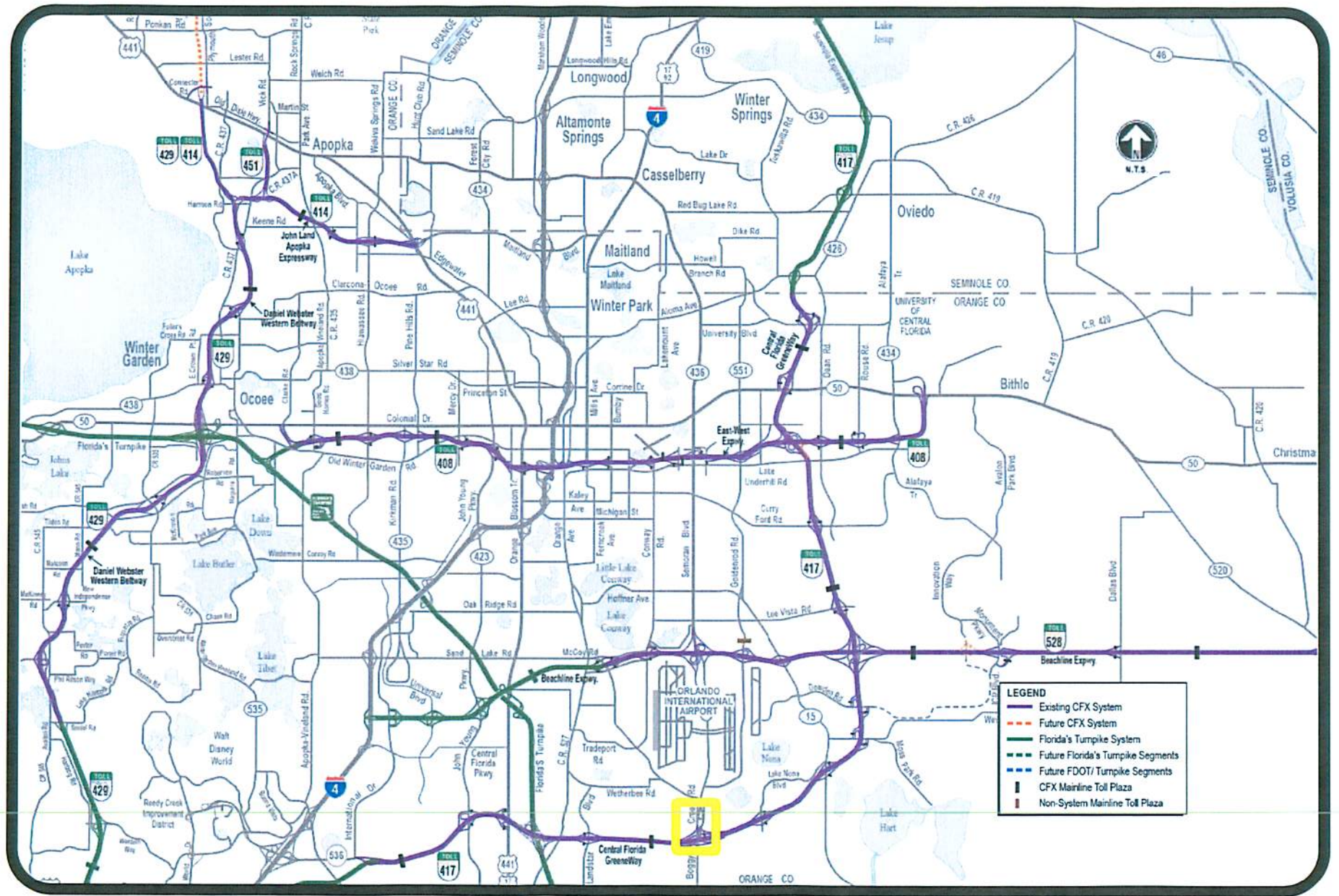
Board authorization is requested to advertise for construction bids for the Dynamic Message Sign (DMS) improvements located near the South Access of Orlando International Airport. This project includes the addition of an arterial (one-line) DMS panel and modifications to the existing sign panel notifying motorists of the last exit before entering S.R. 417.

This project is included in the current Five-Year Work Plan.

Reviewed by:

  
Glenn Pressimone, PE  
Director of Engineering





Project Location Map for  
 South Access Dynamic Message Sign (DMS) Improvements (599-530)


# **CONSENT AGENDA ITEM**

**#8**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: Aneth Williams   
Director of Procurement

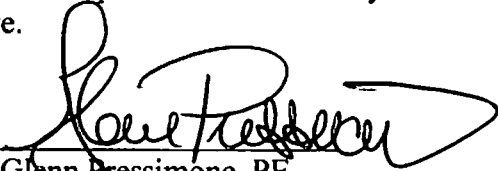
DATE: December 19, 2016

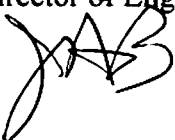
RE: Approval of Subconsultant for  
General Engineering Services Contract with  
Dewberry Engineers, Inc.  
Contract No. 001145

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Dewberry Engineers, Inc., CFX's General Engineering Consultant, has requested approval to use CAB Professional Consultant Services, Inc., as a subconsultant. CAB will be providing services related to the maintenance rating program inspections for CFX roadways.

Negotiations between Dewberry Engineers, Inc., and CAB have not been completed, but it is anticipated to exceed the \$25,000.00 threshold established by the Procurement Policy for subconsultants not disclosed by Dewberry when its contract with CFX was originally awarded. Board approval is requested for Dewberry to subcontract with CAB to provide the services described above.

Reviewed by:   
Glenn Pressimone, PE  
Director of Engineering






# **CONSENT AGENDA ITEM**

**#9**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: Aneth Williams   
Director of Procurement

DATE: December 15, 2016

RE: Approval of Contract Award for External Auditing Services to  
Moore Stephens Lovelace, P.A.  
Contract No. 001241

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Request for Proposals (RFP) from qualified independent Certified Public Accountant firms to serve as CFX's External Auditor was advertised on October 16, 2016. Responses were received from three (3) firms by the November 17, 2016, deadline for submittal of Technical Proposals. Those firms were Cherry Bekaert; Mauldin & Jenkins, and Moore Stephens Lovelace, P.A.



The Evaluation Committee met on December 6, 2016, and after reviewing the Technical Proposals shortlisted two firms, Cherry Bekaert and Moore Stephens Lovelace, P.A., to schedule interviews with.

Interviews with the firms were held on December 14, 2016. At the conclusion of the interviews the Fee Proposals were opened and scored. The combined scores for the Technical Proposals and Fee Proposals as submitted by each firm were calculated and the result is shown below:

<u>Firm</u>	<u>Ranking</u>
Moore Stephens Lovelace, P.A.	1
Cherry Bekaert	2

The Audit Committee at its December 15, 2016 meeting accepted the ranking and recommended Moore Stephens Lovelace, P.A. to be awarded the contract.

Board award of the contract to Moore Stephens Lovelace, P.A. with a not to exceed amount of \$238,500.00 is requested.

Reviewed by:   
Michael Carlisle  
Director of Accounting and Finance 

**RFP-001241 Committee Meeting December 14, 2016 Minutes**

Evaluation Committee for External Auditing Services; RFP-001241, held a duly noticed meeting on Wednesday, December 14, 2016, commencing at 10:03 a.m. in the Ibis Conference Room at the CFX Administrative Bldg., Orlando, Florida.

**Committee Members:**

Michael Carlisle., Director of Accounting and Finance  
Marc Ventura, Assistance Manager of Accounting and Finance  
Emily Rouse, Accounting Supervisor  
Bruce McMenemy, Chairman, Audit Committee

**Other Attendees:**

Aneth Williams, CFX Director of Procurement

**Discussion and Motions:**

Aneth explained that today's meeting was to conduct interviews of the proposers, open the price proposals, finalize the evaluation, and make a recommendation to be presented to the Audit Committee for recommendation to the Board.

**Interviews:**

Aneth commenced each interview with an outline of the interview process. For the record it was stated the interview portion of the meeting is closed to the public and is being recorded in accordance with Florida Statute.

Cherry Bekaert	10:03 – 10:20 a.m.
Moore Stephens Lovelace, P.A.	10:27 – 10:43 a.m.

Upon completion of the last interview the recorder was stopped and the meeting was considered no longer closed to the public.

**Evaluation Portion:**

The committee members individually scored the interviews and submitted them to Aneth for tallying. Aneth then tallied the score sheets utilizing the raw scores assigned by each committee member and averaged the raw scores for each Proposal received. Below are the results:

<u>Proposer</u>	<u>Total Raw Points</u>	<u>Average Points</u>
Cherry Bekaert	300	75
Moore Stephens Lovelace	312	78

**Pricing**

Upon completion of the evaluation of the technical portion, Aneth opened the pricing proposals and scored the pricing proposals in accordance with the RFP requirements.

<u>Proposer</u>	<u>Total Price</u>	<u>Points</u>
Cherry Bekaert	\$246,000.00	19.39
Moore Stephens Lovelace	\$238,500.00	20.00

**Total Points and Rankings**

<u>Proposer</u>	<u>Tech. Points</u>	<u>Pricing Points</u>	<u>Total Points</u>	<u>Ranking</u>
Cherry Bekaert	75	19.39	94.39	2
Moore Stephens Lovelace	78	20.00	98.00	1

The Committee recommends the Audit Committee approve the ranking and recommend award of the Contract to the top ranked Proposer Moore Stephens Lovelace, P.A. If the top ranked firm is unable to execute a Contract the recommendation of award will go to the second ranked Proposer.

There being no further business to come before the Committee, the meeting was adjourned at 11:01 a.m. These minutes are considered to be the official minutes of the interview, opening of the Price Proposals and final evaluation by the Evaluation Committee at its meeting held Wednesday, December 14, 2016.

Submitted by:



\_\_\_\_\_  
Aneth Williams, CFX Director of Procurement

On behalf of the Evaluation Committee these minutes have been review and approved by:



\_\_\_\_\_  
Michael Carlisle, Director of Accounting and Finance

CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
 TECHNICAL AND PRICE PROPOSAL SCORING SUMMARY  
 External Auditing Services, Contract No. 001241

EVALUATOR	Cherry Bekaert		Moore, Stephens, Lovelace P.A.		TECHNICAL	PRICE	TECHNICAL	PRICE	TECHNICAL	PRICE
	TECHNICAL	PRICE	TECHNICAL	PRICE						
Michael Carise	78		76							
Marc Ventura	78		79							
Emily Rouse	73		77							
Bruce McNemamy	73		80							
<b>TOTAL</b>	<b>300</b>		<b>312</b>							
<b>AVG. TECH. POINTS</b>	<b>75.00</b>		<b>78.00</b>							

PRICE PROPOSAL SUMMARY

PROPOSER	PROPOSAL AMOUNT	POINT VALUE
Cherry Bekaert & Holland, LLP	\$246,000.00	19.39
Moore, Stephens, Lovelace P.A.	\$238,500.00	20.00

POINT TOTALS AND FINAL RANKING

PROPOSER	TECHNICAL POINTS	PRICE POINTS	TOTAL POINTS	FINAL RANKING
Cherry Bekaert & Holland, LLP	75.00	19.39	94.39	2
Moore, Stephens, Lovelace P.A.	78.00	20.00	98.00	1

Committee Members:

*Marc Ventura*  
 \_\_\_\_\_  
*Michael Carise*  
 \_\_\_\_\_  
*Emily Rouse*  
 \_\_\_\_\_  
*Bruce McNemamy*  
 \_\_\_\_\_

12/14/2016  
 12/14/2016  
 12/14/2016  
 12/14/2016

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
AGREEMENT FOR EXTERNAL AUDITING SERVICES  
CONTRACT NO. 001241**

This Contract No. 001241 (the "Contract" as defined herein below), is made this \_\_\_th day of \_\_\_\_\_, 2017, between the CENTRAL FLORIDA EXPRESSWAY, a body politic and agency of the State of Florida, hereinafter called ("CFX") and MOORE STEPHENS LOVELACE, P.A., hereinafter the ("AUDITOR").

**WITNESSETH:**

**WHEREAS**, CFX was created by statute and is charged with acquiring, constructing, operating and maintaining a system of limited access roadways known as the Central Florida Expressway Authority System; and,

**WHEREAS**, CFX has been granted the power under Section 348.754(2)(m) of Florida Statutes, to do everything necessary or convenient for the conduct of its business and the general welfare of CFX, in order to comply with the law; and,

**WHEREAS**, CFX desires to retain the services of an auditor to perform external auditing services and related tasks as may be assigned to AUDITOR by CFX and,

**WHEREAS**, on or about October 16, 2016, CFX issued a Request for Proposals seeking qualified firms to perform such tasks; and,

**WHEREAS**, based upon the recommendation of the Evaluation Committee at its meeting held on December 14, 2016 and the recommendation of the Audit Committee at its meeting held on December 15, 2016, the Governing Board of CFX at its meeting held on January 12, 2017 selected Moore Stephens Lovelace, P.A. to serve as External Auditor;

**WHEREAS**, AUDITOR is competent, qualified and duly authorized to practice external auditing services in the State of Florida and desires to provide professional auditing services to CFX according to the terms and conditions stated herein.

**NOW, THEREFORE**, in consideration of the mutual understandings and covenants set forth herein, CFX and AUDITOR agree as follows:

**1. SERVICES TO BE PROVIDED**

AUDITOR shall, for the consideration herein stated and at its cost and expense, do all the work and furnish all the materials, equipment, supplies and labor necessary to perform this Contract in the manner and to the full extent as set forth in the Contract Documents all of which are hereby adopted and made part of this Contract as completely as if incorporated herein. The Contract shall be performed and services provided to the satisfaction of the duly authorized

representatives of CFX, who shall have at all times full opportunity to evaluate the services provided under this Contract.

The services to be provided under this Contract include performing external auditing services as detailed in the Contract Documents and any amendments, supplements, or modifications thereto. CFX does not guarantee that all of the services described in the Scope of Services will be assigned during the term of the Contract. Further, AUDITOR is providing these services on a non-exclusive basis. CFX, at its option, may elect to have any of the services set forth herein performed by other contractors or CFX staff.

The Contract Documents, in order of precedence, consist of:

- 1.1 The Contract,
- 1.2 The Scope of Services,
- 1.3 The Method of Compensation,
- 1.4 The Technical Proposal, and
- 1.5 The Fee Schedule

(collectively, the "Contract").

## **2. TERM AND NOTICE**

The term of this Contract shall begin upon the date of signature of the last party to sign. The initial term of the Contract will be three (3) years. There shall be two (2) renewal options of one (1) year each. The options to renew are at the sole discretion and election of CFX. Renewals will be based, in part, on a determination by CFX that the value and level of service provided by AUDITOR are satisfactory and adequate for CFX's needs. If a renewal option is exercised, CFX will provide AUDITOR with written notice of its intent at least 90 days prior to the expiration of the initial three-year Contract Term.

CFX shall have the right to terminate or suspend the Contract, in whole or in part, at any time with 30 days notice for convenience or 10 days with cure notice for cause for AUDITOR's material failure to perform the provisions of the Contract. Under no circumstances shall a properly noticed termination by CFX (with or without cause) constitute a default by CFX. In the event of a termination for convenience or without cause, CFX shall notify AUDITOR (in writing) of such action with instructions as to the effective date of termination or suspension, in accordance with the time frames set forth hereinabove. AUDITOR will be paid for all work performed prior to termination and any reasonable, documented, direct, normal, and ordinary termination expenses. AUDITOR will not be paid for special, indirect, consequential, or undocumented termination expenses. Payment for work properly performed will be based on Contract prices, which prices are deemed to include profit and overhead. No profit or overhead will be allowed for work not performed, regardless of whether the termination is for cause.

If AUDITOR: (i) fails to perform the Contract terms and conditions; (ii) fails to begin the work under the Contract within the time specified in the "Notice to Proceed"; (iii) fails to perform the work with sufficient personnel or with sufficient materials to assure the prompt performance of

the work items covered by the Contract; (iv) fails to comply with the Contract, or (v) performs unsuitably or unsatisfactorily in the opinion of CFX reasonably exercised, or for any other cause whatsoever, fails to carry on the work in an acceptable manner, CFX will give notice in writing to AUDITOR of such delay, neglect or default. If the Contract is declared in default, CFX may take over the work covered by the Contract.

If AUDITOR (within the curative period, if any, described in cure notice) does not correct the default, CFX will have the right to remove the work from AUDITOR and to declare the Contract in default and terminated.

Upon declaration of default and termination of the Contract, CFX will have the right to appropriate or use any or all documents as CFX determines, and may retain others for the completion of the work under the Contract, or may use other methods which in the opinion of CFX are required for Contract completion. All costs and charges incurred by CFX because of, or related to, AUDITOR's default (including the costs of completing Contract performance) shall be charged against AUDITOR. If the expense of Contract completion exceeds the sum which would have been payable under the Contract, AUDITOR shall pay CFX the amount of the excess. If, after the default notice curative period has expired, but prior to any action by CFX to complete the work under the Contract, AUDITOR demonstrates an intent and ability to cure the default in accordance with CFX's requirements, CFX may, but is not obligated to, permit AUDITOR to resume work under the Contract. In such circumstances, any costs of CFX incurred by the delay (or from any reason attributable to the delay) will be deducted from any monies due or which may become due AUDITOR under the Contract. Any such costs incurred by CFX which exceed the remaining amount due on the Contract shall be reimbursed to CFX by AUDITOR. The financial obligations of this paragraph, as well as any other provision of the Contract which by its nature and context survives the expiration of earlier termination of the Contract, shall survive the expiration or earlier termination of the Contract.

CFX shall have no liability to AUDITOR for expenses or profits related to unfinished work on a Contract terminated for default.

CFX reserves the right to terminate or cancel this Contract in the event AUDITOR shall be placed in either voluntary or involuntary bankruptcy or an assignment is made for the benefit of creditors. Such termination shall be deemed a termination for default.

### **3. CONTRACT AMOUNT AND COMPENSATION FOR SERVICES**

3.1 The Contract Amount for the Contract term is \$238,500.00.

3.2 CFX agrees to pay AUDITOR for services performed in accordance with the Method of Compensation.

### **4. AUDIT AND EXAMINATION OF RECORDS**

4.1 Definition of Records:



(i) "Contract Records" shall include, but not be limited to, all information, communications and data, whether in writing or stored on a computer, computer disks, microfilm, writings, working papers, drafts, computer printouts, field notes, charts or any other data compilations, books of account, photographs, videotapes and audiotapes supporting documents, any other papers or preserved data in whatever form, related to the Contract or AUDITOR's performance of the Contract determined necessary or desirable by CFX for any purpose. Proposal Records shall include, but not be limited to, all information and data, whether in writing or stored on a computer, writings, working papers, computer printouts, charts or other data compilations that contain or reflect information, data or calculations used by AUDITOR in determining labor, unit price, or any other component of a bid submitted to CFX.

(ii) "Proposal Records" shall include, but not be limited to, any material relating to the determination or application of equipment rates, home and field overhead rates, related time schedules, labor rates, efficiency or productivity factors, arithmetic extensions, quotations from subcontractors, or material suppliers, profit contingencies and any manuals standard in the industry that may be used by AUDITOR in determining a price.

CFX reserves and is granted the right (at any time and from time to time, for any reason whatsoever) to review, audit, copy, examine and investigate in any manner, any Contract Records (as herein defined) or Proposal Records (as hereinafter defined) of AUDITOR or any subcontractor. By submitting a response to the Request for Proposal, AUDITOR or any subcontractor submits to and agree to comply with the provisions of this section.

If CFX requests access to or review of any Contract Documents or Proposal Records and AUDITOR refuses such access or review, AUDITOR shall be in default under its Contract with CFX, and such refusal shall, without any other or additional actions or omissions, constitute grounds for suspension or disqualification of AUDITOR. These provisions shall not be limited in any manner by the existence of any AUDITOR claims or pending litigation relating to the Contract. Disqualification or suspension of AUDITOR for failure to comply with this section shall also preclude AUDITOR from acting in the future as a subcontractor of another AUDITOR doing work for CFX during the period of disqualification or suspension. Disqualification shall mean AUDITOR is not eligible for and shall be precluded from doing future work for CFX until reinstated by CFX.

Final Audit for Project Closeout: AUDITOR shall permit CFX, at CFX'S option, to perform or have performed, an audit of the records of AUDITOR and any or all subcontractors to support the compensation paid AUDITOR. The audit will be performed as soon as practical after completion and acceptance of the contracted services. In the event funds paid to AUDITOR under the Contract are subsequently determined to have been inadvertently paid by CFX because of accounting errors or charges not in conformity with the Contract, AUDITOR agrees that such amounts are due to CFX upon demand. Final payment to AUDITOR shall be adjusted for audit results.

AUDITOR shall preserve all Proposal Records and Contract Records for the entire term of the Contract and for a period of five (5) years after the later of: (i) final acceptance of the project by CFX, (ii) until all claims (if any) regarding the Contract are resolved, or (iii) expiration of the

Proposal Records and Contract Records' status as public records, as and if applicable, under Chapter 119, Florida Statutes.

## 5. PUBLIC RECORDS

**IF AUDITOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO AUDITOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (407-690-5000, publicrecords@CFXWay.com, and 4974 ORL Tower Road, Orlando, FL. 32807).**

Notwithstanding Paragraph 11, AUDITOR acknowledges that CFX is a body politic and corporate, an agency of the State of Florida, and is subject to the Public Records Act codified in Chapter 119, Florida Statutes. To the extent that the AUDITOR is in the possession of documents fall within the definition of public records subject to the Public Records Act, which public records have not yet been delivered to CFX, AUDITOR agrees to comply with Section 119.0701, Florida Statutes, and to:

1. Keep and maintain public records required by the public agency to perform the service.

2. Upon request from the public agency's custodian of public records, provide the public agency with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in this chapter or as otherwise provided by law.

3. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if AUDITOR does not transfer the records to the public agency.

4. Upon completion of the contract, transfer, at no cost, to the public agency all public records in possession of AUDITOR or keep and maintain public records required by the public agency to perform the service. If AUDITOR transfers all public records to the public agency upon completion of the contract, AUDITOR shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If AUDITOR keeps and maintains public records upon completion of the contract, AUDITOR shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the public agency, upon request from the public agency's custodian of public records, in a format that is compatible with the information technology systems of the public agency.

Upon receipt of any request by a member of the public for any documents, papers, letters, or other material subject to the provisions of Chapter 119, Florida Statutes, made or received by AUDITOR in conjunction with this Contract (including without limitation AUDITOR Records and Proposal Records, if and as applicable), AUDITOR shall immediately notify the CFX. In

the event AUDITOR has public records in its possession, AUDITOR shall comply with the Public Records Act.

## **6. CONFLICT OF INTEREST AND STANDARDS OF CONDUCT**

AUDITOR warrants that it has not employed or retained any entity or person, other than a bona fide employee working solely for AUDITOR, to solicit or secure this Contract, and that AUDITOR has not paid or agreed to pay any person, company, corporation, individual or firm any fee, commission, percentage, gift or any other consideration, contingent upon or resulting from the award or making of this Contract. It is understood and agreed that the term "fee" shall also include brokerage fee, however denoted.

AUDITOR acknowledges that CFX officials and employees are prohibited from soliciting and accepting funds or gifts from any person who has, maintains, or seeks business relations with CFX in accordance with CFX's Code of Ethics. AUDITOR acknowledges that it has read the CFX's Code of Ethics and, to the extent applicable, AUDITOR will comply with the aforesaid CFX's Code of Ethics in connection with performance of the Contract.

In the performance of the Contract, AUDITOR shall comply with all applicable local, state, and federal laws and regulations and obtain all permits necessary to provide the Contract services.

AUDITOR covenants and agrees that it and its employees, officers, agents, and subcontractors shall be bound by the standards of conduct provided in Florida Statutes 112.313 as it relates to work performed under this Contract, which standards will be reference be made a part of this Contract as though set forth in full.

AUDITOR hereby certifies that no officer, agent or employee of CFX has any "material interest" (as defined in Section 112.312(15), Florida Statutes) either directly or indirectly, in the business of AUDITOR, and that no such person shall have any such interest at any time during the term of this Agreement.

## **7. DISADVANTAGED/MINORITY/WOMEN BUSINESS ENTERPRISES**

CFX has adopted a program to provide opportunities for small business, including Disadvantaged/Minority Business Enterprises ("D/MBEs") and Women's Business Enterprises ("WBEs"). Under CFX's program, CONSULTANT is encouraged to grant small businesses the maximum opportunity to participate in the provision of the Services with respect to the operation and maintenance of the System. CONSULTANT shall provide information regarding its employment of such businesses and the percentage of payments made to such businesses and others. CONSULTANT shall provide an annual report to CFX on or before each anniversary of the Contract Date hereof and throughout the Term, regarding use of small business D/MBEs and WBEs and the percentage of payments made to enterprises falling within such categories. Such report shall consolidate the information contained in CONSULTANT's invoices, and shall be in a form reasonably acceptable to CFX.

**8. INSOLVENCY.** If AUDITOR shall file a petition in bankruptcy or shall be adjudged bankrupt, or in the event that a receiver or trustee shall be appointed for AUDITOR, the parties agree that CFX may immediately terminate this Agreement with respect to the party in bankruptcy or receivership.

**9. AUDITOR INSURANCE**

AUDITOR shall carry and keep in force during the period of this Contract, the required amount of coverage as stated below. All insurance must be underwritten by insurers that are qualified to transact business in the State of Florida and that have been in business and have a record of successful and continuous operations for at least five (5) years. Each shall carry a rating of "A-" (excellent) and a financial rating of Class XII, as defined by A.M. Best and Company's Key Rating Guide and must be approved by CFX. AUDITOR shall carry and keep in force the following insurance coverage, and provide CFX with correct certificates of insurance (ACORD forms) upon Contract execution:

**9.1 Commercial General Liability Insurance** having a minimum coverage of One Million Dollars (\$1,000,000.00) per occurrence of bodily injury or property damage and a minimum of Two Million Dollars (\$2,000,000.00) annual aggregate for both General and Products and Completed Operations. Liability insurance shall be current ISO simplified form including products and completed operations coverage. The contractual liability insurance coverage shall include coverage for responsibilities and liabilities assumed by AUDITOR under this Agreement.

**9.2 Business Automobile Liability** (for bodily injury, death and property damage) having a minimum coverage of One Million Dollars (\$1,000,000.00) for each accident;

**9.3 Workers' Compensation Insurance Coverage**, including all coverage required under the laws of the state of Florida (as amended from time to time hereafter);

**9.4 Unemployment Insurance Coverage** in amounts and forms required by Florida law, as it may be amended from time to time hereafter.

Such insurance policies shall be without co-insurance, and shall (a) include CFX, and such other applicable parties CFX shall designate, as additional insureds for commercial general liability and business automobile liability, (b) be primary insurance, (c) include contractual liability for commercial general liability, (d) provide that the policy may not be canceled or materially changed without at least thirty (30) days prior written notice to CFX from the company providing such insurance, and (e) provide that the insurer waives any right of subrogation against CFX, to the extent allowed by law and to the extent the same would not void primary coverage for applicable insurance policies. AUDITOR shall be responsible for any deductible it may carry. At least fifteen (15) days prior to the expiration of any such policy of insurance required to be carried by AUDITOR hereunder, AUDITOR shall deliver insurance certificates to CFX evidencing a renewal or new policy to take the place of the one expiring. Procurement of insurance shall not be construed to limit AUDITOR's obligations or liabilities under the Contract. The requirement of insurance shall not be deemed a waiver of sovereign immunity by CFX.

Any insurance carried by CFX in addition to AUDITOR's policies shall be excess insurance, not contributory.

If AUDITOR fails to obtain the proper insurance policies or coverages, or fails to provide CFX with certificates of same, CFX may obtain such policies and coverages at AUDITOR's expense and deduct such costs from AUDITOR payments.

## **10. AUDITOR RESPONSIBILITY**

AUDITOR shall comply with, and shall cause its employees, agents, officers and subcontractors and all other persons for whom AUDITOR may be legally or contractually responsible to comply with, applicable laws, ordinances, rules, regulations, orders of public authorities, sound business practices, including without limitation:

- (i) those relating to the safety of persons and property and their protection from damage, injury or loss, and
- (ii) all workplace laws, regulations, and posting requirements, and
- (iii) implementation of a drug-free workplace policy at least of a standard comparable to, and in compliance with, CFX'S Drug-Free Workplace Policy; And
- (iv) compliance with the public records laws of Chapter 119, Florida Statutes.

## **11. INDEMNITY**

AUDITOR shall indemnify, defend and hold harmless CFX and all of its respective officers, contractor's or employees from actual suits, actions, claims, demands, costs as defined elsewhere herein, expenses (including reasonable attorneys' fees as defined elsewhere herein), judgments, liabilities of any nature whatsoever (collectively, "Claims") arising out of, because of, or due to breach of the Contract by AUDITOR (its subcontractors, officers, agents or employees) or due to any negligent or intentional act or occurrence of omission or commission of AUDITOR (its subcontractors, officers, agents or employees), including without limitation any misappropriation or violation of third party copyright, trademark, patent, trade secret, publicity, or other intellectual property rights or other third party rights of any kind by or arising out of any one or more of the following:

- 11.1 violation of same by AUDITOR, its subcontractors, officers, agents or employees,
- 11.2 CFX's use or possession of AUDITOR Property,
- 11.3 CFX's full exercise of its rights under any license conveyed to it by AUDITOR,
- 11.4 AUDITOR's violation of the confidentiality and security requirements associated with CFX Property (as defined herein below),

11.5 AUDITOR's failure to include terms in its subcontracts as required by this Contract,

11.6 AUDITOR's failure to ensure compliance with the requirements of the Contract by its employees, agents, officers, or subcontractors, or

11.7 AUDITOR's breach of any of the warranties or representations contained in this Contract,

Except that AUDITOR will not be liable for damages arising out of injury or damage to persons or property directly caused or resulting from the sole negligence of CFX or any of its officers, agents or employees. The parties agree that 1% of the total compensation to AUDITOR for performance of each task authorized under the Contract is the specific consideration from CFX to AUDITOR for AUDITOR's indemnity and the parties further agree that the 1% is included in the amount negotiated for each authorized task.

## **12. PRESS RELEASES**

AUDITOR shall make no statements, press releases or publicity releases concerning the Contract or its subject matter, or otherwise disclose or permit to be disclosed any of the data or other information obtained or furnished under the Contract, or any particulars thereof, including without limitation CFX Property, without first notifying CFX and securing its consent in writing.

## **13. PERMITS, LICENSES, ETC.**

Throughout the Term of the Contract, AUDITOR shall procure and maintain, at its sole expense, all permits and licenses that may be required in connection with the performance of Services by AUDITOR; shall pay all charges, fees, royalties, and taxes; and shall give all notices necessary and incidental to the due and lawful prosecution of the Services. Copies of required permits and licenses shall be furnished to CFX upon request.

## **14. NONDISCRIMINATION**

AUDITOR, its employees, officers, agents, and subcontractors shall not discriminate on the grounds of race, color, religion, sex, national origin, or other protected class, in the performance of work or selection of personnel under this Contract.

## **15. NOTIFICATION of CONVICTION of CRIMES**

CONSULTANT shall notify CFX if any of CONSULTANT's Key Personnel shall be convicted of any crime, whether state or federal, or felony or misdemeanor of any degree. Such notification shall be made no later than thirty (30) days after the conviction, regardless of whether such conviction is appealed.

## **16. COMPLIANCE WITH LAWS; EQUAL OPPORTUNITY EMPLOYMENT.**

AUDITOR shall conform and comply with and take reasonable precaution to ensure that every one of their directors, officers and employees abides by and complies with all applicable laws of the United States and the State of Florida, and all local laws and ordinances. Furthermore, AUDITOR agrees to and shall comply with all federal, state and local laws and ordinances prohibiting discrimination with regard to race, color, national origin, ancestry, creed, religion, age, sex, marital status or the presence of any sensory, mental or physical handicap or other disability, and will take affirmative steps to insure that applicants are employed and employees are treated during employment without regard to race, color, religion, sex, age, disability or national origin. This provision shall include, but not be limited to, the following: employment; promotion; demotion; transfer; recruitment; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

## **17. SUBLETTING AND ASSIGNMENT**

CFX has selected AUDITOR to perform the Services based upon characteristics and qualifications of AUDITOR and its employees. Therefore, AUDITOR shall not sublet, sell, transfer, assign, delegate, subcontract, or otherwise dispose of this Contract or any portion thereof, or of AUDITOR's right, title, or interest therein without the written consent of CFX, which may be withheld in CFX'S sole and absolute discretion. Any attempt by AUDITOR to dispose of this Contract as described above, in part or in whole, without CFX'S written consent shall be null and void and shall, at CFX's option, constitute a default under the Contract.

If, during the term of the Contract, AUDITOR desires to subcontract any portion(s) of the work to a subcontractor that was not disclosed by AUDITOR to CFX at the time that the Contract was originally awarded, and such subcontract would, standing alone or aggregated with prior subcontracts awarded to the proposed subcontractor, equal or exceed twenty five thousand dollars (\$25,000.00), AUDITOR shall first submit a request to CFX's Director of Procurement for authorization to enter into such subcontract. Except in the case of an emergency, as determined by the Executive Director or his/her designee, no such subcontract shall be executed by AUDITOR until it has been approved by CFX Board. In the event of a designated emergency, AUDITOR may enter into such a subcontract with the prior written approval of the Executive Director or his/her designee, but such subcontract shall contain a provision that provides that it shall be automatically terminated if not approved by CFX Board at its next regularly scheduled meeting.

## **18. DISPUTES**

All services shall be performed by AUDITOR to the reasonable satisfaction of CFX's Executive Director (or his designee), who shall decide all questions, difficulties and disputes of any nature whatsoever that may arise under or by reason of this Contract, the prosecution and fulfillment of the services described and the character, quality, amount and value thereof. The Executive Director's decision upon all claims, questions and disputes shall be final agency action.

Adjustments of compensation and Contract time, because of any major changes in the work that may become necessary or desirable as the work progresses shall be left to the absolute discretion of the Executive Director (and CFX Board if amendments are required) and supplemental agreement(s) of such nature as required may be entered into by the parties in accordance herewith.

#### **19. PREVAILING PARTY ATTORNEY'S FEES**

If any contested claim arises hereunder or relating to the Contract (or AUDITOR's work hereunder), and either party engages legal counsel, the prevailing party in such dispute, as "prevailing party" is hereinafter defined, shall be entitled to recover reasonable attorneys' fees and costs as defined herein, from the non-prevailing party.

In order for AUDITOR to be the prevailing party, AUDITOR must receive an adjusted judgment or adjusted award equal to at least eighty percent (80%) of its contested claims filed with CFX, failing which CFX will be deemed the prevailing party for purposes of this Contract.

Should this section be judged void, unenforceable or illegal, in whole or in substantial part, by a court of competent jurisdiction, this section shall be void in its entirety and each party shall bear its own attorneys' fees and costs.

#### **20. OTHER SEVERABILITY**

If any section of this Contract, other than the immediately preceding Prevailing Party Attorneys' Fees section, be judged void, unenforceable or illegal, then the illegal provision shall be, if at all possible, interpreted or re-drafted into a valid, enforceable, legal provision as close to the parties' original intention, and the remaining portions of the Contract shall remain in full force and effect and shall be enforced and interpreted as closely as possible to the parties' intention for the whole of the Contract.

**21. ENTIRE AGREEMENT.** It is understood and agreed that the entire Agreement of the parties is contained herein (including all attachments, exhibits and appendices) and that this Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter hereof as well as any previous agreements presently in effect between the parties relating to the subject matter hereof.

**22. PUBLIC ENTITY CRIMES.** AUDITOR hereby acknowledges that it has been notified that under Florida Law a person or affiliate, as defined in Section 287.133, Florida Statutes, who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor or consultant under a contract with any public entity and may not transact business with any public entity in excess



of the threshold amount provided in Section 287.017, Florida Statutes, for CATEGORY TWO, for a period of 36 months from the date of being placed on the convicted vendor list.

### **23. APPLICABLE LAW; VENUE**

This Contract shall be governed by and construed in accordance with the laws of Florida. Venue of any legal or administrative proceedings arising out of this Contract shall be exclusively in Orange County, Florida.

In consideration of the foregoing premises, CFX agrees to pay AUDITOR for work performed and materials furnished at the prices submitted with the Proposal.

### **24. RELATIONSHIPS**

AUDITOR acknowledges that no employment relationship exists between CFX and AUDITOR or AUDITOR's employees. AUDITOR shall be responsible for all direction and control of its employees and payment of all wages and salaries and other amounts due its employees. AUDITOR shall be responsible for all reports and obligations respecting such employees, including without limitation social security tax and income tax withholding, unemployment compensation, workers compensation, and employment benefits.

AUDITOR shall conduct no act or omission that would lead AUDITOR's employees or any legal tribunal or regulatory agency to believe or conclude that AUDITOR's employees would be employees of CFX.

Any approval by CFX of a subcontract or other matter herein requiring CFX approval for its occurrence shall not be deemed a warranty or endorsement of any kind by CFX of such subcontract, subcontractor, or matter.

### **25. INTERPRETATION**

For purposes of this Contract, the singular shall include the plural, and the plural shall include the singular, unless the context clearly requires otherwise. Except for reference to women's business enterprises and matters relating thereto, reference to one gender shall include all genders. Reference to statutes or regulations include all statutory or regulatory provisions consolidating, amending, or replacing the stated statute or regulation. Words not otherwise defined and that have well-known technical, industry, or legal meanings, are used in accordance with such recognized meanings, in the order stated. References to persons include their respective permitted successors and assigns and, in the case of governmental persons, persons succeeding to their respective functions and capacities. If AUDITOR discovers any material discrepancy, deficiency, or ambiguity in this Contract, or is otherwise in doubt as to the meaning of any provision of the Contract, AUDITOR may immediately notify CFX and request clarification of CFX's interpretation of the Contract. The Contract Documents, together with and including all exhibits, comprise the entire agreement of the parties and supersedes and nullifies all prior and contemporaneous negotiations, representations, understandings, and agreements, whether written or oral, with respect to the subject matter hereof.

## **21. WAGE RATES AND TRUTH-IN-NEGOTIATIONS CERTIFICATE**

AUDITOR hereby certifies, covenants and warrants that wage rates and other factual unit costs as shown in attached documentation supporting the compensation are accurate, complete and current as of the date of this Contract. It is further agreed that said price shall be adjusted to exclude any significant sums where CFX shall determine the price was increased due to inaccurate, incomplete or non-current wage rates and other factual unit costs. All such adjustments shall be made within one year following the date of final billing or acceptance of the work by CFX, whichever is later.

## **22. SURVIVAL OF EXPIRATION OR TERMINATION**

Any clause, sentence, paragraph, or section providing for, discussing, or relating to any of the following shall survive the expiration or earlier termination of the Contract:

22.1 Trademarks, service marks, patents, trade secrets, copyrights, publicity, or other intellectual property rights, and terms relating to the ownership, security, protection, or confidentiality thereof; and

22.2 Payment to AUDITOR for satisfactory work performed or for termination expenses, if applicable; and

22.3 Prohibition on non-competition agreements of AUDITOR's employees with respect to any successor of AUDITOR; and

22.4 Obligations upon expiration or termination of the Contract; and

22.5 Any other term or terms of this Contract which by their nature or context necessarily survive the expiration or earlier termination of the Contract for their fulfillment.

## **23. OBLIGATIONS UPON EXPIRATION OR TERMINATION OF CONTRACT**

23.1 Immediately upon expiration or termination of this Contract AUDITOR shall submit to CFX, upon request, a report containing the last known contact information for each subcontractor or employee of AUDITOR who performed work under the Contract; and

23.2 AUDITOR shall initiate settlement of all outstanding liabilities and claims, if any, arising out of the Contract and any subcontracts or vending agreements to be canceled. All settlements shall be subject to the approval of CFX.

**24. INSPECTOR GENERAL.** AUDITOR understands and shall comply with subsection 20.055(5), Florida Statutes, and to cooperate with the Inspector General in any investigation, audit, inspection, review, or hearing pursuant to this section. The undersigned further agrees that any subconsultants / subcontractors to the undersigned participating in the performance of this contract shall also be bound contractually to this and all applicable Florida statutory requirements.

**25. NOTICE TO THE PARTIES**

Whenever either party desires to give notice unto the other, it must be given by written notice, sent by registered or certified United States mail, with return receipt requested, addressed to the party to whom it is intended, at the place last specified, and the place for giving of notice shall remain such until it shall have been changed by written notice in compliance with the provisions of this paragraph. For the present, the parties designate the following as the respective places for giving of notice, to wit:

**CFX:**           **CENTRAL FLORIDA EXPRESSWAY CFX**  
                    4974 ORL Tower Road  
                    Orlando, Florida 32807  
                    ATTN: Chief Financial Officer

**AUDITOR:**       **MOORE STEPHENS LOVELACE, P.A.**  
                    255 South Orange Avenue, Suite  
                    Orlando, Florida 32801  
                    ATTN: Daniel J. O'Keefe

IN WITNESS WHEREOF, the authorized signatures named below have executed this Contract on behalf of the parties as of the day and year first above written. This Contract was awarded by the Governing Board of CFX at its meeting on \_\_\_\_\_, 2016.

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY**

By: \_\_\_\_\_  
Director of Procurement

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

**AUDITOR**

By: \_\_\_\_\_  
\_\_\_\_\_  
Title

ATTEST: \_\_\_\_\_ (Seal)

DATE: \_\_\_\_\_

Approved as to form and execution, only.

\_\_\_\_\_  
General Counsel for CFX

**EXHIBIT A**  
**EXTERNAL AUDITING SERVICES**  
**SCOPE OF SERVICES**

**1.0 Description**

The Auditor shall provide External Auditing Services to CFX as required by this Scope of Services including Attachments A, B and C hereto. The Auditor shall implement an audit plan approved by CFX and complete its audit field work to ensure the issuance of the Annual Financial Report by October 15th of each respective year. Subject to such notification, the Management Letter shall also be completed by September 30th of each respective year and shall include management's responses to the comments. The Management Letter shall be included in and bound with the Annual Financial Report.

**2.0 Annual Independent Audit Requirements**

- The audit shall be a financial audit as defined in Section 11.45(1)(c) of Florida Statutes comprising the Annual Financial Report including the general purpose financial statements and certain supplementary financial data. CFX also produces a Comprehensive Annual Financial Report (CAFR), which is subject to review and includes the audited financial statements.
- Annual financial and compliance audit of all Federal and State grant-in-aid programs in accordance with OMB Circular A-133 and the Single Audit Act of 1984, as amended, if applicable under requirements of OMB Circular A-133 and the Uniform Administrative Requirements.
- Annual compliance attestation of State grants and aids appropriations to the extent required by Chapter 10.550, Rules of the Auditor General.
- Annual Management Letter as defined by Auditor General Rule 10.554(1)(i). The Management Letter must also include a statement in accordance with Sections 218.39(7), Florida Statutes.

**3.0 Performance Specifications and Reports**

- A. In performing the Annual Independent Audit and services pursuant to the Contract, the Auditor shall, where applicable, adhere to:
1. "Generally Accepted Auditing Standards" applicable to governmental units, as promulgated by the AICPA.
  2. Governmental Accounting Standards promulgated by the GASB. GAO standards, regulations and guidelines applicable in the State of Florida, and will conduct the audit in accordance with these requirements existing, or as may be pronounced during the period or term of this audit engagement.

3. Federal and State statutes, reporting requirements under both the Single Audit Act of 1984 and OMB Circular A-133.
- B. The audit report shall contain:
1. Opinion of the Auditor on the general purpose financial statements.
  2. Report on internal control.
  3. Reports on compliance with laws and regulations.
  4. Report on compliance with bond covenants.
  5. An “in relation to” opinion on supplementary schedules.
  6. Any other report required by General Accounting and Auditing Standards (GAAS).
- C. Review of the system of internal accounting control and internal administrative control to the extent required by generally accepted auditing standards and requirements of the Single Audit Act.
- D. Fulfill requirements of Section 10.556 and 10.557 of the Rules of the Auditor General, including:
1. Preparation of Annual Financial Audit Report.
  2. Preparation of Single Audit Report and other necessary Federal and State Reports, as needed.
- E. A final and complete report of the audit shall be submitted to the members of CFX’s Audit Committee no later than October 15<sup>th</sup> of each succeeding fiscal year, subject to the event of notification as may be specified elsewhere. The report shall also be presented to CFX’s Governing Board.
- F. Submission of the previously mentioned Management Letter, which shall include applicable comments regarding internal control and compliance matters as well as disclosures required by the Auditor General. The final Management Letter to CFX shall include responses to such comments.
- G. The Auditor shall format, process, and reproduce 15 hard copies of the Annual Financial Report, 5 hard copies of the Single Audit Report, as well as provide an electronic copy, suitable for publication.
- H. The Auditor shall upon reasonable written notice and without charge, make available its work papers to any Federal or State agency in accordance with Federal and State Law Regulations and Attachment B hereto. The Auditor shall cooperate with any successor auditor appointed by CFX in accordance with applicable laws, regulations and professional standards.
- I. Auditor shall attend all Audit Committee meetings as requested for no additional fee.

#### 4.0 Other Services

- A. Additional auditing services that may be required include the preparation of special reports for financing purposes, as determined by the Chief Financial Officer, or litigation support as determined by CFX's General Counsel.
- B. Any other additional audit work is limited to an annual fee cap of no more than 25% of the annual audit contract. Such work may arise from changes in GAAP, GAAS, Federal requirements, or client imposed scope changes and must be approved by the Chief Financial Officer.
- C. For items A and B above, CFX will request engagement letters as the need arises.
- D. If any major department activity, or fund presently operated by CFX is transferred to another agency or authority, or a new major activity, department or fund is added to the responsibility of CFX (and subject to audit under the terms of the Contract), the annual fee provided for shall be increased or decreased after re-negotiation for such change, the same being agreed to in writing, by CFX and the Auditor.
- E. The Auditor acknowledges CFX has and will continue to issue revenue bonds. As a result of issuance of such bonds, CFX is subject to Section 10B (referred to as the "fraud provisions") of Securities Act of 1933. Should additional legislation be passed subjecting CFX to any other Federal or State securities laws, the Contract may be renegotiated to address the additional amount of work required by the Securities Reporting Provisions. The Auditor agrees that should such legislation be passed, the Auditor will meet all conditions imposed by the AICPA relative to firms practicing in the SEC Practice Section.

#### 5.0 Internal Assistance

- A. CFX staff and responsible management personnel will be available during the audit to assist the Auditor by providing information, documentation and explanations. The Finance Department staff will do the preparation of trial balances. Any information provided will be in the format maintained by CFX. Any additional or reformatted schedules will be the responsibility of the Auditor.
- B. CFX will provide the Auditor with reasonable workspace, desks and chairs. The Auditor will also be provided with access to telephones, photocopying facilities and FAX machines.

## **Attachment A**

### **LIMITATIONS OF THE AUDITING PROCESS**

The objective of an audit is the expression of our opinion concerning whether the basic financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. CFX's audits will include procedures designed to obtain reasonable assurance of detecting misstatements due to errors or fraud that are material to the financial statements. Absolute assurance is not attainable because of the nature of audit evidence and the characteristics of fraud. For example, audits performed in accordance with generally accepted auditing standards ("GAAS") are based on the concept of selective testing of the data being examined and are, therefore, subject to the limitation that material misstatements due to errors or fraud, if they exist, may not be detected. Also, an audit is not designed to detect matters that are immaterial to the financial statements. In addition, an audit conducted in accordance with GAAS does not include procedures specifically designed to detect illegal acts having an indirect effect (e.g., violations of fraud and abuse statutes that result in fines or penalties being imposed on CFX) on the financial statements.

As applicable, in accordance with requirements of the Single Audit Act Amendments of 1996, OMB Circular A-133 and the Florida Single Audit Act, CFX's audits will include tests of transactions related to major federal and state award programs for compliance with applicable laws and regulations and the provisions of contracts and grant agreements. Because an audit is designed to provide reasonable, but not absolute assurance and because the Auditor will not perform a detailed examination of all transactions, there is a risk that material errors, fraud, other illegal acts, or noncompliance may exist and not be detected by the Auditor. In addition, an audit is not designed to detect immaterial errors, fraud, or other illegal acts or illegal acts that do not have a direct effect on the basic financial statements or to major programs. It should be recognized that the audits generally provide no assurance that illegal acts will be detected, and only reasonable assurance that illegal acts having a direct and material effect on the determination of financial statement amounts will be detected. However, the Auditor will inform appropriate CFX representatives with respect to material errors and fraud, or illegal acts that come to the Auditor's attention during the course of the audits. The Auditor will include such matters in the reports as required for a Single Audit.

If, for any reason, the Auditor is unable to complete the audits, or is unable to form or has not formed an opinion on the basic financial statements, the Auditor may decline to express an opinion or decline to issue a report as a result of the engagement.

### **RESPONSIBILITIES AS TO INTERNAL CONTROLS**

As a part of the audits, the Auditor will consider CFX's internal control structure, as required by auditing standards generally accepted in the United States of America and *Government Auditing Standards*, sufficient to plan the audit and to determine the nature,



timing, and extent of auditing procedures necessary for expressing our opinion concerning the basic financial statements. CFX recognizes that the basic financial statements and the establishment and maintenance of an effective internal control over financial reporting are the responsibility of management. CFX also recognizes that management is responsible for identifying and ensuring that CFX complies with the laws and regulations applicable to its activities. Appropriate supervisory review procedures are necessary to provide reasonable assurance that adopted policies and prescribed procedures are adhered to and to identify errors, fraud, or illegal acts. An audit is not designed to provide assurance on internal control. As part of the Auditor's consideration of CFX's internal control structure, however, the AUDITOR will inform appropriate CFX representatives of reportable conditions and other matters that come to the Auditor's attention that represent significant deficiencies in the design or operation of the internal control structure, if any, as required by OMB Circular A-133.

As required by OMB Circular A-133, the Auditor will perform tests of controls to evaluate the effectiveness of the design and operation of controls that the Auditor considers relevant to preventing or detecting material noncompliance with compliance requirements, applicable to each major federal award program. However, tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in the Auditor's report on internal control issued pursuant to OMB Circular A-133.

CFX is also responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing the Auditor about all known or suspected fraud affecting CFX involving (a) management, (b) employees who have significant roles in internal control, and (c) others where the fraud could have a material effect on the financial statements. CFX management is also responsible for informing the Auditor of knowledge of any allegations of fraud or suspected fraud affecting CFX received in communications from employees, former employees, regulators, or others.

## **RESPONSIBILITIES AS TO COMPLIANCE**

CFX's audits will be conducted in accordance with the standards referred to in the Contract. As part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, the Auditor will perform tests of CFX's compliance with applicable laws and regulations and the provisions of contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and the Auditor will not express such an opinion in the Auditor's report on compliance issued pursuant to *Government Auditing Standards*.

OMB Circular A-133 requires that the Auditor also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. The Auditor's procedures will consist of the applicable procedures described in the OMB Circular A-133 Compliance Supplement for the types of compliance requirements that could have a direct and material effect of each of CFX's major programs. The purpose of those procedures will be to express an opinion on CFX's

compliance with requirements applicable to major programs in the Auditor's report on compliance issued pursuant to OMB Circular A-133.

### **REPRESENTATION FROM MANAGEMENT**

Management is responsible for the fair presentation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America, for making all financial records and related information available to the Auditor, and for identifying and ensuring that CFX complies with the laws and regulations applicable to its activities. Management is also responsible for adjusting the financial statements to correct material misstatements. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on prior audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan. The summary schedule of prior audit findings and the corrective action plan should be made available to the Auditor during the course of the engagement. Management, at the conclusion of the engagement, will provide to the Auditor a representation letter that, among other things, addresses these matters and confirms certain representations made during the audit, including, to the best of their knowledge and belief, the absence of fraud involving management or those employees who have significant roles in CFX's internal control, or others where it could have a material effect on the basic financial statements. The representation letter will also affirm to the Auditor that management believes that the effects of any uncorrected misstatements aggregated pertaining to the current year financial statements are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

The Auditor will rely on CFX's management providing these representations, both in the planning and performance of the audit, and in considering the fees that the Auditor will charge to perform the audit.

### **ACCESS TO WORKING PAPERS**

The working papers for the engagement are the property of Auditor and constitute confidential information. Except as discussed below, any requests for access to the Auditor's working papers will be discussed with CFX Management prior to making them available to requesting parties.

The Auditor, as well as all other major accounting firms, participates in a "peer review" program, covering audit and accounting practices. This program requires that once every three years the Auditor is to subject its quality assurance practices to an examination by another accounting firm. As part of the process, the other firm will review a sample of the Auditor's work. It is possible that the work the Auditor performs for CFX may be selected by the other firm for their review. If it is, they are bound by professional standards to keep all information confidential. If CFX objects to having the work done by the Auditor subjected to peer review, CFX is to notify the Auditor in writing.

## **USE OF THIRD PARTY SERVICE PROVIDERS**

Auditor may from time to time, and depending on the circumstances, use third-party service providers in serving CFX. Auditor may share confidential information about CFX with these service providers, but will remain committed to maintaining the confidentiality and security of information. Accordingly, the Auditor maintains internal policies, procedures and safeguards to protect the confidentiality of CFX's information. In addition, the Auditor will secure confidentiality agreements with all service providers to maintain the confidentiality of CFX's information and will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of confidential information to others. In the event that the Auditor is unable to secure an appropriate confidentiality agreement, CFX will be asked to provide its consent prior to the sharing of your confidential information with the third-part service provider. Furthermore, the Auditor will remain responsible for the work provided by any such third-party service providers.

## **Attachment B**

### **AUDITOR ASSOCIATION WITH FINANCIAL STATEMENTS**

CFX agrees not to publish the audited financial statements, and the Auditor's report thereon, in a misleading manner, and further agrees that the Auditor's report shall accompany any publication of said financial statements by CFX. Provided the Auditor is not considered associated with an official statement, the financial statements issued under the Contract may be used for any lawful purpose of CFX without the Auditor's consent. However, should the Auditor become associated with an official statement, the Auditor is required by auditing standards generally accepted in the United States of America to perform certain procedures related to the offering document. These procedures, if applicable, will be subject to written arrangements and fees under this contract. If not associated with the official statement, the Auditor will not have performed, since the date of the Auditor's report, any procedures on the financial statements addressed in that report. Further, the Auditor will not have performed any procedures relating to the official statement for which the Auditor is not associated.

The Auditor will be considered associated with an official statement if (a) the Auditor assists in preparing financial information included in the official statement, (b) CFX requests the Auditor to review a draft of the official statement, (c) the Auditor provides an original manual signature on the Auditor's report included in the official statement, (d) the Auditor is asked to provide a revised Auditor's report for inclusion in a specific official statement, (e) the Auditor issues a comfort letter or a letter described in SAS No. 72, *Letters for Underwriters and Certain Other Requesting Parties*, as amended, or an attestation engagement report in lieu of a comfort or similar letter on information included in the official statement, (e) the Auditor provides written agreement for use of the Auditor's report in the official statement (consent letter) or (f) the Auditor issues an attestation report related to the debt offering.

## **Attachment C**

### **PREPARATION OF FINANCIAL STATEMENTS**

As part of this Contract, Auditor shall prepare the financial statements and note disclosures that CFX prepares. CFX Management is responsible for the financial statements and note disclosures. In management's representation to Auditor, management will be asked to acknowledge Auditor's role in this regard, and management's review, approval, and responsibility for the financial statements and note disclosures. Further, management is responsible for designating a qualified management-level individual to be responsible and accountable for overseeing these services.

End of Scope of Services


# **CONSENT AGENDA ITEM**

**#10**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: Aneth Williams   
Director of Procurement


DATE: December 28, 2016

RE: Authorization to Advertise for Construction Bids  
CFX Headquarters Building Security System Upgrades  
Project 599-527; Contract No. 001275

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Board authorization is requested to advertise for construction bids for the CFX Headquarters Building Security System Upgrades project. Upgrades to the CFX Headquarters Building Security System will include replacing and adding new Security Surveillance Cameras (CCTV), adding access control points and integrating the existing access system with the CCTV control system.

This project is funded in the Five-Year Work Plan.

Reviewed by:   
Corey Quinn  
Chief of Technology/Operations

# **CONSENT AGENDA ITEM**

**#11**



MEMORANDUM

TO: CFX Board Members

FROM: Jeff Tecau, Protiviti

  
DATE: December 15, 2016

SUBJECT: Internal Audit Reports

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Attached, please find the following Internal Audit reports as reviewed and accepted by the Audit Committee on December 15, 2016.

- A. Public Records Review
- B. DHSMV Data Security Assessment

Reviewed by:





# Central Florida Expressway Authority

## 2017 Public Records Review

November 4, 2016

© 2016 Protiviti Inc. All Rights Reserved. This document has been prepared for use by CFX's management, audit committee, and board of directors. This report provides information about the condition of risks and internal controls at one point in time. Future events and changes may significantly and adversely impact these risks and controls in ways that this report did not and cannot anticipate.

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*Face the Future with Confidence*

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## Executive Summary

### Background

As a public agency, the Central Florida Expressway Authority (CFX) is required to comply with Chapter 119 of the Florida Statute, Florida Public Records Law. The law provides that any records made or received by any public agency in the course of its official business are available for inspection, unless specifically exempted by the Florida Legislature. Public records include all documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software or other material, regardless of physical form, characteristics, or means of transmission, made or received pursuant to law or ordinance or in connection with the transaction of official business by CFX.

The CFX Records Management department consists of a Records Specialist and a Manager of Public Records, who also serves as the agency's Records Management Liaison Officer (RMLO) with Florida's Division of Library and Information Services. CFX selects Record Coordinators within each department to work with Records Management. The Records Management function and Record Coordinators are jointly responsible for maintenance, retention, preservation, and destruction of public records as required by the Public Records Law. CFX manages public records in various forms, including paper records, electronic documents, electronic mail (email), and text messages. CFX engages a document imaging vendor to microfilm permanent public records for preservation and an offsite storage vendor to store records with long-term or permanent retention. CFX uses a combination of the offsite storage vendor and a shredding vendor for public records destruction.

In accordance with the FY 2017 Internal Audit Plan, Internal Audit performed a review of CFX's process to manage public records, including electronic records management, record collection and document retention.

### Objectives

The objectives of this review were to:

- (1) Evaluate CFX's public records management policy and procedures to comply with public records laws surrounding custodial requirements, maintenance, preservation, retention, and destruction of public records;
- (2) Assess the data retention processes, technologies, and software utilized to capture electronic records, such as mobile phone, email, and voice mail;
- (3) Evaluate the Records Management and Coordinator training program;
- (4) Benchmark CFX public records management policy and procedures with local industry practices.

## Summary of Project Scope, Approach, and Results

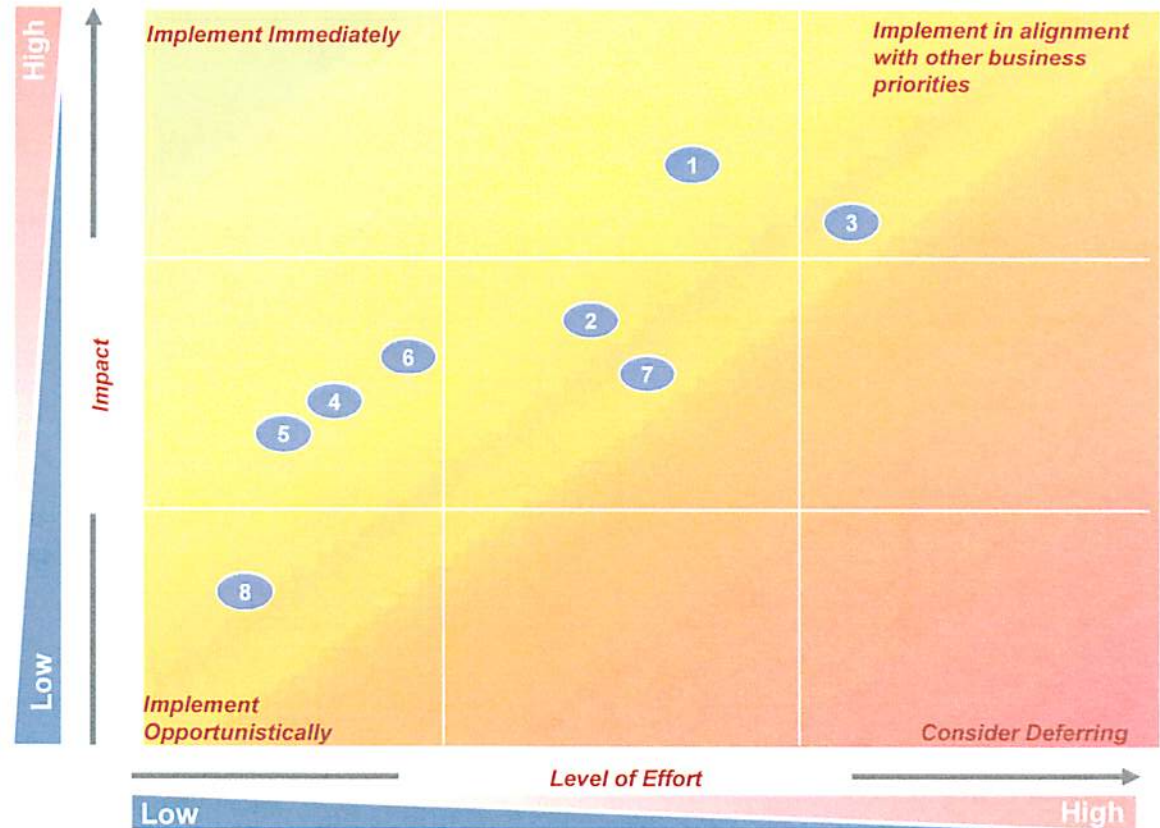
Internal Audit evaluated CFX's public records management processes and internal controls for design effectiveness based on the requirements of the Florida Public Records Law. Based upon the work performed, Internal Audit identified eight opportunities that would strengthen CFX's overall public records management process and internal control environment. The table below provides an overview of the areas reviewed and opportunities identified.

Key Areas Reviewed	Procedures Performed	Number of Observations	Observation Reference
<b>Policies and Procedures</b>	<ul style="list-style-type: none"> <li>✓ Reviewed CFX's public records management process to comply with the Florida Public Records statutes surrounding custodial requirements, maintenance, preservation, retention, exemptions, and destruction of public records.</li> <li>✓ Benchmarked CFX's public records policy and procedures, including training requirements, with other Florida-based tolling agencies.</li> </ul>	1	1
<b>Training &amp; Awareness</b>	<ul style="list-style-type: none"> <li>✓ Determined how public records requirements are communicated to Authority employees, committee members, and the board of directors.</li> <li>✓ Evaluate the public records management training procedures.</li> </ul>	1	2
<b>Technology</b>	<ul style="list-style-type: none"> <li>✓ Determined what technologies are currently utilized to retain electronic communication via mobile phone, email, and voice mail at CFX.</li> <li>✓ Reviewed the configurations of identified technologies to determine how electronic communication is stored within each.</li> <li>✓ Reviewed the processes in place to review the records that are captured and stored within CFX's environment.</li> </ul>	2	3,4
<b>Records Collection and Retention</b>	<ul style="list-style-type: none"> <li>✓ Reviewed CFX's records management process for organizing, identifying, and tracking offsite storage records.</li> </ul>	2	5,6
<b>Records Destruction</b>	<ul style="list-style-type: none"> <li>✓ Reviewed CFX's process and internal controls for destroying public records that have met retention requirements.</li> </ul>	2	7,8
<b>TOTAL:</b>		<b>8</b>	

## Recommendations for Improvement

- I. **Define Records Management Policy and Procedures**
  1. Revise records management policy and create desktop procedures
- II. **Enhance Training & Awareness Program**
  2. Annual Record Coordinator training
- III. **Enhance Technology**
  3. Update or replace outdated records management database
  4. Implement additional layers of protection for text message collection
- IV. **Improve Records Collection and Retention Processes**
  5. Issue CFX electronic mail account to non-public board and committee members
  6. Develop a barcode tracking reconciliation
- V. **Develop Records Destruction Processes**
  7. Limit record retention to required term
  8. Enforce offsite storage vendor contract compliance

### Impact vs. Level of Effort



Impact versus level of effort was judgmentally evaluated through joint discussions between CFX management and Internal Audit.



## Detailed Observations

## Detailed Observations

### Policies and Procedures

#### Observation 1 – Records Management Policy and Procedures

CFX has a records management policy in place and a records management plan, which was created in 2011 by a third-party consultant to provide long-term, forward-looking guidelines and recommendations for governing CFX's records management program. The CFX records management policy contains portions of the records management plan.

### Training & Awareness

CFX does not have a records management procedural document that provides the detailed records management practices that are currently in place.

### Technology

Policies should contain clear, simple statements of how an organization or entity intends to conduct its operations and provide a set of guiding principles to help management with decision making, while procedures should help govern the actions necessary to fulfill the organization's policies for operations. Procedures containing an appropriate level of detail can help reduce misunderstanding and increase distribution of pertinent information to those involved in the process.

### Records Collection and Retention

#### Recommendation

CFX should consider revising the records management policy to clearly state the direction of the Records Management function and create separate "desktop" procedures that clearly define and document key aspects of CFX's records management activities that are currently in place, including, but not limited to the following:

- Record Coordinator procedures by department
- Frequently used GS1-SL Retention Schedules by department and any departures from the GS1-SL Retention Schedule for specific records
- Barcode and database tracking process for offsite storage of records
- Public records request tracking and quality control review process
- Use of the records management database and email search tool for public records requests
- Exemptions to public records law that are frequently used and/or relevant to CFX's business
- Examples of confidential information that should not be disclosed in response to a public records request
- Methods for electronic records retention
- Preservation process for permanent public records
- Public records destruction process

### Records Destruction

*Continued on the following page...*



## Detailed Observations

Policies and  
Procedures

### Observation 1 – Records Management Policy and Procedures

#### Management Response

Concur.

Training &  
Awareness

#### Management Action Plan

CFX will develop a revised policy and desktop procedures based on the recommendations in this report and the new records management plan from the third-party consultant.

Technology

#### Action Plan Owner / Due Date

Michelle Maikisch, Chief of Staff /

Policy revision – June 30, 2017

Desktop procedures – June 30, 2018

Records Collection  
and Retention

Records  
Destruction

## Detailed Observations

### Policies and Procedures

### Training & Awareness

### Technology

### Records Collection and Retention

### Records Destruction

#### **Observation 2 – Record Coordinator Training**

CFX policy requires that all employees complete an annual public records training, which is currently accomplished in conjunction with Ethics and Sunshine Law training provided by the CFX Legal department. The Manager of Public Records receives additional training to ensure the employee has the appropriate knowledge and skills to serve as the Records Management Liaison Officer.

In addition, CFX selects Record Coordinators within each department to work with the Manager of Public Records to ensure departmental public records are managed in compliance with Florida Public Records Law. The Record Coordinators perform a key role in the organization's public records management processes. However, specialized training for Record Coordinators is not in place.

#### **Recommendation**

Management should implement an annual public records management training program for the Record Coordinator role. The training should include the following, at a minimum:

- Internal processes and expectations for Record Coordinators
- Application of Florida Public Records Law to accomplish assigned responsibilities
- Exemptions and confidential information per Florida Public Records Law as applicable to the individual departments
- Upcoming public records related projects
- Opportunities to discuss challenges and questions related to the Record Coordinator role

#### **Management Response**

Concur.

#### **Management Action Plan**

CFX will develop a formalized training process for the Record Coordinators with the assistance of the records management consultant. Training will be in addition to the basic public records training for all employees and will include detail specific to their role and responsibilities as Record Coordinators.

#### **Action Plan Owner / Due Date**

Michelle Maikisch, Chief of Staff / December 31, 2017

## Detailed Observations

Policies and  
Procedures

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Records Collection  
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### Observation 3 – Records Management Database

Although CFX's IT department built a custom Access Database for the Records Management department to store and retrieve location data for hard copy public records, it is no longer supported or maintained by the IT department (although it is stored on the Network File Share and subject to normal backup processes). Due to this, the Records Management department, the users of the database, have experienced issues and errors accessing the information contained within the database including:

- Reliance on web search results in order to troubleshoot problems with the database.
- Orphaned data that points to records that no longer exist, or have already been destroyed.
- Data integrity issues, such as the incorrect modification of the retention schedule of all records (which was changed to "retain permanently" for all documents).
- Unnecessary custom queries, tables, and search forms built approximately 10 years ago that affect the user interface and performance of the Access Database

### Recommendation

CFX should consider migrating the current Access Database to a records management tool designed for this purpose. The selected tool should be provisioned and managed by the IT department, and should include a user-friendly interface, such as a web-based front end application to allow the Records Management department to access the information needed to fulfill public records requests. CFX should also consider contacting the offsite storage vendor to determine if they have a records management tool that can be leveraged to query, retrieve, and maintain records.

### Management Response

Concur.

### Management Action Plan

CFX will research solutions to replace the records management database and will include the procurement of a new database in the budget for next fiscal year.

### Action Plan Owner / Due Date

Michelle Maikisch, Chief of Staff and Corey Quinn, Chief Technology/Operations / June 30, 2018

## Detailed Observations

Policies and  
Procedures

Training &  
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### Observation 4 – Text Message Collection

CFX utilizes the Smarsh application to collect and store text messages sent to or from CFX cellular telephones. Due to the configuration of Apple devices, any text message sent between two Apple devices (e.g. iPhone to iPhone), whether the message is between two CFX employees or between CFX and an external party, is not captured in the Smarsh application. This is due to the manner in which the iMessage communication platform was designed by Apple.

Once the issue of record retention specific to Apple device messaging was identified, CFX's IT department quickly escalated the concern with the Smarsh application vendor. The solution provided by Smarsh included turning off the iMessage feature on each enrolled Apple device so that messages are forced to use Short Message Service (SMS) or Multimedia Messaging Service (MMS) instead of iMessage. The request to make this configuration change has been distributed to CFX's user base, and at the time of the audit, was completed for all iPhone users within the environment.

### Recommendation

Management should update user procedures for CFX connected devices to include the requirement to keep iMessage turned off. Management should also enhance the current mobile phone provisioning process and related procedures to include a step for turning off iMessage on Apple devices before they are issued to the user.

Management should consider the following options to monitor compliance with the procedures and ensure collection of text message records:

- Develop a manual process to periodically review user settings on enrolled Apple devices
- Implement "parental controls" on enrolled devices with a password known by two CFX IT employees
- Implement a mobile device management (MDM) tool to automate the control process

*Continued on the following page...*

## Detailed Observations

Policies and  
Procedures

### Observation 4 – Text Message Collection

#### Management Response

Concur.

Training &  
Awareness

#### Management Action Plan

Management is completely confident that due to the redundancy of safeguards currently in place that all text messages are retrievable. Notwithstanding, management agrees to implementing additional layers of safeguards.

Technology

#### Action Plan Owner / Due Date

Corey Quinn, Chief of Technology/Operations /

Turn off iMessage capability – complete as of November 30, 2016

Procedure updates – June 30, 2017

Review vendor MDM capabilities – March 31, 2017

Records Collection  
and Retention

Records  
Destruction

## Detailed Observations

Policies and  
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### Observation 5 – Electronic Mail Collection

The CFX Board is comprised of government employees and three gubernatorial appointed citizens. The gubernatorial appointed citizens serving on the CFX Board have been provided CFX electronic mail (email) addresses, which helps with record collection and retention for compliance with Florida Public Records law. However, Board members do not serve on committees, and instead appoint representatives to serve in their place. The non-government citizens serving at the Committee level have not been provided with CFX email addresses, creating greater opportunity for emails regarding agency business to be sent outside of CFX's Exchange deployment, leaving them absent from the public records files or CFX-established records retention schedules.

### Recommendation

CFX should assign a CFX email address to each non-government Committee member and should communicate the expectation that all agency business be conducted using this email address. If this is not possible, CFX should consider requiring that any email messages related to agency business conducted outside of a CFX email address be forwarded to a designated CFX address for collection and retention.

### Management Response

Concur.

### Management Action Plan

CFX will issue email addresses to the non-government committee members and will require committee members to utilize the email address for agency business or to forward all related emails to the address for collection and retention.

### Action Plan Owner / Due Date

Michelle Maikisch, Chief of Staff / December 31, 2017

## Detailed Observations

Policies and  
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### **Observation 6 – Records Barcode Tracking**

To aid in tracking the movement, storage, and retrieval of paper records, when records are ready to be sent to the offsite storage vendor for retention, barcodes are issued to Record Coordinators or custodians by the Records Management department. The Record Coordinator or custodian completes and returns a box inventory form to Records Management, which identifies the records within the box, attaches the barcode, and sends the box to offsite storage. The Records Management department enters the detailed box contents into the records management database, by barcode, for record tracking and retrieval purposes. All available and issued barcodes are tracked by Records Management in Excel, but Records Management does not currently follow up on the status of barcodes where no box inventory form was returned and does not confirm receipt of the box by the offsite storage vendor.

During the audit, one instance was identified in which a barcode was issued to a Record Coordinator ten months prior but could not be located in the records management database, indicating that the box inventory form was not returned to Records Management. The box was subsequently located onsite; however, inadequate tracking of barcodes, box inventory forms, and receipt of boxes by the offsite storage vendor increases the risk of undetected loss and an inability to subsequently comply with any public records request specific to those records.

### **Recommendation**

To improve the tracking process of public record boxes, Records Management should perform a monthly reconciliation of the barcodes issued, box inventory forms received, and boxes received by the offsite storage vendor. CFX may consider including a barcode tracking tool in the records management database and developing reports to facilitate and formalize the tracking and reconciliation processes for records sent to the offsite vendor for storage.

### **Management Response**

Concur.

### **Management Action Plan**

CFX will implement the monthly reconciliation process as recommended.

### **Action Plan Owner / Due Date**

Michelle Maikisch, Chief of Staff / March 31, 2017

## Detailed Observations

### Policies and Procedures

#### Observation 7 – Electronic Public Records Destruction

Although a records retention schedule is clearly defined in policies, electronic records are not being destroyed according to the retention schedule. Currently, CFX is permanently retaining records for the following digital technologies with no defined procedures or technology in place to guide destruction beyond the required retention limits:

### Training & Awareness

- Microsoft Exchange (electronic mail, calendar, and contacts)
- Smarsh (text messages)
- Network Shared Drive (electronic documents and other records)
- SharePoint (electronic documents and other records)

### Technology

CFX's Records Management Policy and Public Records Training are documented and establish the records retention schedule. The training states that "a public record may only be destroyed or disposed of in accordance with the retention schedules", and "after the retention period, public records that are no longer needed must be systematically disposed".

### Records Collection and Retention

Florida Administrative Code 1B-24.003(1)(a) states that "Retention periods are determined by the content, nature, and purpose of records, and are set based on their legal, fiscal, administrative, and historical values, regardless of the format in which they reside or the method by which they are transmitted." This means that certain emails or text messages may need to be retained longer than others based on their content.

### Records Destruction

#### Recommendation

Review existing policies and procedures surrounding the disposition or destruction of documents to ensure they provide sufficient detail around record retention and destruction.

Develop an approach to destroy records from the systems they are stored within (such as Smarsh, Exchange, SharePoint, Shared Drives, etc.) once their retention schedule has been met. To facilitate this, consider developing a method within each digital technology instance to classify records and document their associated destruction date according to the retention schedule and Authority policy.

The timely destruction of public records once retention is met would help reduce electronic and manual resource requirements and associated costs to store records. In addition, public records held beyond the retention period would need to be produced in the event of a public record request. Timely destruction of records could reduce labor requirements for the discovery of items that should have been destroyed in the event of a sizeable public record request.

*Continued on the following page...*



## Detailed Observations

Policies and  
Procedures

### Observation 7 – Electronic Public Records Destruction

Specific to Microsoft Exchange, CFX should consider the following actions to assist in managing email correspondence so emails can be categorized and destroyed when necessary:

Training &  
Awareness

- Set mailbox limits that automatically delete messages after a pre-determined period of time
- Restrict the creation of .PST files so that all messages reside within user's inbox (and not on their local machine)
- Create a "vault" to store important emails that must be kept for a certain number of days on each user's inbox, and outline the type of content within emails that would warrant the message to be placed within the "vault". This "vault" would not be subject to the automatic delete processes outlined above so that all messages that must be kept are secured and can be retrieved when necessary.

Technology

CFX may consider implementing an email management tool that does the above and allows for categorization of emails by retention schedule.

### Management Response

Concur.

Records Collection  
and Retention

### Management Action Plan

CFX will establish a systematic destruction process for each type of electronic technology. The process will be documented in the policies and desktop procedures. CFX will explore email management tools available to assist with the destruction process.

Records  
Destruction

### Action Plan Owner / Due Date

Michelle Maikisch, Chief of Staff / June 30, 2018

## Detailed Observations

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and Retention

Records  
Destruction

### Observation 8 – Offsite Public Records Destruction

Florida Regulation 1B-24.003(10) requires all destruction of public records be conducted in a manner that safeguards the interests of the state and safety, security and privacy of individuals. The current CFX process is to have a witness present during onsite or offsite destruction of public records, which helps ensure compliance with the statute. Per CFX's contract with its offsite storage vendor, the vendor must complete a Certificate of Destruction each time records are destroyed, which is to include the name of the person performing destruction and the name of the witness. However, during the audit, upon inspection of these Certificates of Destruction, the names of the people performing the destruction and the name of the witness were not consistently documented on the Certificates of Destruction submitted to CFX.

### Recommendation

CFX should contact its offsite storage vendor and request compliance with the contract terms through timely submission of complete Certificates of Destruction. In addition, CFX should implement a consistent management review control to check the completeness of Certificates of Destruction as received to verify the information provided is in accordance with the contractual requirements.

### Management Response

Concur.

### Management Action Plan

CFX will review the contractual requirements with the offsite storage vendor and will review future certificates to ensure the person performing destruction and the name of the witness are included.

### Action Plan Owner / Due Date

Michelle Maikisch, Chief of Staff / March 31, 2017

# **DHSMV Data Security Assessment**

**Central Florida Expressway Authority**

**September 2016**

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## Overview

During the period of August 8, 2016 to September 12, 2016, Internal Audit performed a Data Security Assessment of the Department of Highway Safety and Motor Vehicles (DHSMV) data within the Central Florida Expressway Authority (CFX) environment. The objectives of the assessment were to review internal controls for gaps in design related to the requirements set forth in *Section V – Safeguarding Information*, of the DHSMV Drivers License or Motor Vehicle Record Data Exchange Memorandum of Understanding (MOU).

The summarized objectives of Section V are:

- Information exchanged will not be used for any purposes not specifically authorized by the MOU. Unauthorized use includes, but is not limited to, queries not related to a legitimate business purposes, personal use, and the dissemination, sharing, copying or passing of this information to unauthorized persons.
- Information exchanged by electronic means will be stored in a place physically secure from access by unauthorized persons.
- Access to the information will be protected in such a way that unauthorized persons cannot review or retrieve the information.
- All personnel with access to the information exchanged under the terms of the MOU will be instructed of, and acknowledge their understanding of, the confidential nature of the information. These acknowledgements must be maintained in a current status by the Requesting Party (CFX).
- All personnel with access to the information will be instructed of, and acknowledge their understanding of, the criminal sanctions specified in state law for unauthorized use of the data. These acknowledgements must be maintained in a current status by the Requesting Party (CFX).
- All access to the information must be monitored on an on-going basis by the Requesting Party (CFX). In addition, the Requesting Party (CFX) must complete an annual audit to ensure proper and authorized use and dissemination.

# Executive Summary

---

## **Scope & Approach**

Internal Audit conducted an assessment of the process used for safeguarding DHSMV data in the CFX environment. In order to complete this review, the following procedures were performed:

- Reviewed policies and procedures related to the safeguarding of electronic and physical data transfers, data storage, and data access.
- Conducted interviews with key personnel to understand the *Drivers License or Motor Vehicle Record Data Exchange* process.
- CFX Management approved the scope of work and believed it to be sufficient to meet the requirements of the MOU. Conducted testing of controls related to the following areas:
  - Policies and Procedures
  - Application Access
  - Segregation of Duties
  - Change Control
  - Data Storage
  - Data Transfer
  - Network Firewall
  - Network Architecture
  - Active Directory
  - Physical Security
- After testing was completed, analysis was performed to compare the results of testing to the control objectives outlined in the MOU.

## Executive Summary

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### ***Summary of Results***

As a result of this review, Internal Audit identified zero (0) observations that should be addressed in order to enhance CFX's Drivers License or Motor Vehicle Data Exchange process.

## Appendix A – Controls Tested

	Control Objective	Control Description	Testing Results
1	Information exchanged will not be used for any purposes not specifically authorized by this agreement. Unauthorized use includes, but is not limited to, queries not related to a legitimate business purpose, personal use, and the dissemination, sharing, copying or passing of this information to unauthorized persons.	<b>Policies and Procedures:</b> CFX implements company-wide policies and procedures that enforce the safeguarding of company data and other sensitive customer data whether or not it is currently being used or accessed.	<b>Control Effective</b>
2	All personnel with access to the information exchanged under the terms of the Drivers License or Motor Vehicle Record Data Exchange MOU will be instructed of, and acknowledge their understanding of, the confidential nature of the information. These acknowledgements must be maintained in a current status by the requesting party.	<b>Training:</b> CFX requires in the hiring process that all users sign an acknowledgement after reviewing either the employee or contractor security guidelines handbook which covers the safeguarding of data. These acknowledgments must be maintained for all current/active users.	<b>Control Effective</b>
3	Access to the information exchanged will be protected in such a way that unauthorized persons cannot review or retrieve the information.	<b>TRIMS Access:</b> System access to the TRIMS applications for new users is appropriately administered through the submission of a New User Authorization Form. This form is completed by the new user's Manager and the proper approvals/signatures are obtained. Access to the applications is then administered by IT support.	<b>Control Effective</b>
4	Access to the information exchanged will be protected in such a way that unauthorized persons cannot review or retrieve the information.	<b>TRIMS Access - Terminated Users:</b> System access to the TRIMS application and company network is appropriately revoked in a timely fashion for terminated users. Upon receipt of a termination notification (email, authorization form, phone call, etc.) from HR or a Manager responsible for the terminated user, the user's system account is disabled immediately.	<b>Control Effective</b>
5	Access to the information exchanged will be protected in such a way that unauthorized persons cannot review or retrieve the information.	<b>Database-level Access:</b> Database-level access is restricted to the appropriate individuals through the use of unique accounts.	<b>Control Effective</b>



## Appendix A – Controls Tested

	Control Objective	Control Description	Testing Results
6	Access to the information exchanged will be protected in such a way that unauthorized persons cannot review or retrieve the information.	<b>Server-level Access:</b> Server-level access is restricted to the appropriate individuals through the use of unique accounts.	<b>Control Effective</b>
7	Access to the information exchanged will be protected in such a way that unauthorized persons cannot review or retrieve the information.	<b>FTP Gateway Access:</b> All individuals / user accounts with access to the FTP Gateway are authorized and appropriate.	<b>Control Effective</b>
8	Access to the information exchanged will be protected in such a way that unauthorized persons cannot review or retrieve the information.	<b>Host (HT250) Access:</b> All individuals / user accounts with access to the Host (HT250) are authorized and appropriate.	<b>Control Effective</b>
9	Access to the information exchanged will be protected in such a way that unauthorized persons cannot review or retrieve the information.	<b>Oracle DB Access:</b> All individuals / user accounts with access to the Oracle DB are authorized and appropriate.	<b>Control Effective</b>
10	Access to the information exchanged will be protected in such a way that unauthorized persons cannot review or retrieve the information.	<b>DOCPRD1 Access:</b> All individuals / user accounts with access to the DOCPRD1 server are authorized and appropriate.	<b>Control Effective</b>
11	Access to the information exchanged will be protected in such a way that unauthorized persons cannot review or retrieve the information.	<b>Infoview Crystal Reports (RTPRD4) Server Access:</b> All individuals / user accounts with access to the Infoview Crystal Reports (RTPRD4) server are authorized and appropriate.	<b>Control Effective</b>
12	Information exchanged will not be used for any purposes not specifically authorized by this agreement. Unauthorized use includes, but is not limited to, queries not related to a legitimate business purpose, personal use, and the dissemination, sharing, copying or passing of this information to unauthorized persons.	<b>DHSMV Data Access:</b> Management performs a periodic review of user access across each of the in-scope entities to ensure that the assigned access level is commensurate with his/her job function.	<b>Control Effective</b>

## Appendix A – Controls Tested

	Control Objective	Control Description	Testing Results
13	Access to the information exchanged will be protected in such a way that unauthorized persons cannot review or retrieve the information.	<b>Change Control / Patch Management:</b> Dedicated Test environments exist for the testing of changes and patches, where practical. CFX appropriately documents and tests each change.	<b>Control Effective</b>
14	Access to the information exchanged will be protected in such a way that unauthorized persons cannot review or retrieve the information.	<b>Change Control / Patch Management:</b> All changes and patches are authorized, executed, and documented according to stated procedures.	<b>Control Effective</b>
15	Access to the information exchanged will be protected in such a way that unauthorized persons cannot review or retrieve the information.	<b>Data Encryption:</b> Driver's license number as it is obtained from the DHSMV is encrypted when stored in the Oracle database. Also test encryption methods at all other transmission points, including at network, application, and database layers (if applicable).	<b>Control Effective</b>
16	Access to the information exchanged will be protected in such a way that unauthorized persons cannot review or retrieve the information.	<b>Network - Firewall:</b> CFX has an operational firewall in place to restrict access to the internal network.	<b>Control Effective</b>
17	Access to the information exchanged will be protected in such a way that unauthorized persons cannot review or retrieve the information.	<b>Network - Active Directory:</b> All individuals with Active Directory credentials are current, active users and all rights granted through Active Directory are commensurate with their current job responsibilities.	<b>Control Effective</b>
18	Information exchanged by electronic means will be stored in a place physically secure from access by unauthorized persons.	<b>Physical Security - Data Center:</b> Access to the data center(s) is restricted to appropriate personnel and is provided through the use of a physical key, key card, biometric, or other form of physical security.	<b>Control Effective</b>

## Appendix A – Controls Tested

	Control Objective	Control Description	Testing Results
19	Information exchanged by electronic means will be stored in a place physically secure from access by unauthorized persons.	<b>Physical Security - Work Areas:</b> Access to the work areas is restricted to appropriate personnel and is provided through the use of a physical key, key card, biometric, or other form of physical security.	<b>Control Effective</b>
20	All access to the information must be monitored on an on-going basis by the Requesting Party. In addition the Requesting Party must complete an annual audit to ensure proper and authorized use and dissemination.	<b>Logging &amp; Monitoring:</b> Logging and auditing functions are enabled on all in-scope entities. In addition, all system logs are monitored for unauthorized access and irregular activity.	<b>Control Effective</b>
21	All access to the information must be monitored on an on-going basis by the Requesting Party. In addition the Requesting Party must complete an annual audit to ensure proper and authorized use and dissemination.	<b>Vulnerability Scanning / Penetration Testing:</b> CFX performs periodic external vulnerability scans and penetration tests.	<b>Control Effective</b>


**CONSENT AGENDA ITEM**

**#12**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: Aneth Williams   
Director of Procurement

DATE: December 14, 2016


RE: Approval of Contract Renewal with Shutts & Bowen LLP for  
Right of Way Counsel Services  
Contract No. 000930

---

Board approval is requested for the first renewal of the referenced Contract with Shutts & Bowen LLP, for one a one year period, beginning February 28, 2017, and ending on February 27, 2018 with no additional funding. The terms and conditions of this renewal, including hourly rates, will remain unchanged from the original contract executed in 2013.

Original Contract Amount	\$ 2,535,000.00
Supplemental Agreement No. 1	\$ 2,500,000.00
Supplemental Agreement No. 2	0
Supplemental Agreement No. 3	\$ 2,000,000.00
Supplemental Agreement No. 4	\$ 4,000,000.00
Contract Renewal No. 1	\$ <u>0</u>
Total	\$11,035,000.00

This renewal was approved by the Right of Way Committee at their meeting on December 1, 2016.

Reviewed by:   
Joseph L. Passiatore  
General Counsel

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
CONTRACT RENEWAL AGREEMENT  
CONTRACT NO. 000930**

THIS CONTRACT RENEWAL AGREEMENT (the "Renewal Agreement"), made and entered into this 12<sup>th</sup> day of January, 2017, by and between the Central Florida Expressway Authority, hereinafter called "CFX" and Shutts & Bowen LLP, herein after called the "Counsel."

**WITNESSETH**

WHEREAS, CFX and the Counsel entered into a Contract Agreement (the "Original Agreement") dated February 27, 2013, whereby CFX retained the Counsel to perform services related to Right of Way Counsel Services; and

WHEREAS, pursuant to Article 7 of the Original Agreement, CFX and Counsel wish to renew the Original Agreement for a period of one (1) year;

NOW, THEREFORE, for and in consideration of the mutual benefits to flow each to the other, CFX and Counsel agree to a first renewal of said Original Agreement beginning the 28<sup>th</sup> day of February, 2017 and ending the 27<sup>th</sup> day of February, 2018 with no additional funding.

Counsel states that, upon its receipt and acceptance of Final Payment for Services renders under the first Contract renewal ending February 27, 2017, the Counsel shall execute a "Certificate of Completion of the Original Contract and Acceptance of Final Payment" that waives all future right of claim for additional compensation for services rendered under the original Contract ending February 27, 2017.

All terms and conditions of said Original Agreement and any supplements and amendments thereto shall remain in full force and effect during the full term of this Renewal Agreement.

IN WITNESS WHEREOF, the parties have executed this Renewal Agreement by their duly authorized officers on the day, month and year set forth above.

SHUTTS & BOWEN LLP

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

BY: \_\_\_\_\_  
Authorized Signature

BY: \_\_\_\_\_  
Director of Procurement

Title: \_\_\_\_\_

ATTEST: \_\_\_\_\_ (SEAL)  
Secretary or Notary

If Individual, furnish two witness:

Witness (1) \_\_\_\_\_  
Witness (2) \_\_\_\_\_

Legal Approval as to Form

\_\_\_\_\_  
General Counsel for CFX

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
SUPPLEMENTAL AGREEMENT NO. 4**

**Contract Name: Right of Way Counsel Services**

**Contract No: 000930**

**This Supplemental Agreement No. 4 entered into this 10<sup>th</sup> day of March, 2016, by and between the CENTRAL FLORIDA EXPRESSWAY AUTHORITY ("CFX"), and SHUTTS & BOWEN, LLP (the "Counsel"), the same being supplementary to the contract between the aforesaid, dated February 27, 2013, for Right of Way Counsel Services, (the "Agreement").**

- 1. CFX has determined it necessary to extend the term of the Contract to February 27, 2017, and to increase the Contract amount by \$4,000,000.00 in order to continue the required services to completion. Rates currently being paid to Counsel shall remain unchanged during the extension.**
- 2. Counsel hereby agrees to the extension of the Contract term and the increase in the Contract amount.**
- 3. CFX and Counsel agree that this Supplemental Agreement No. 4 shall not alter or change in any manner the force and effect of the Contract except insofar as the same is altered and amended by this Supplemental Agreement No. 4; that acceptance of this Supplemental Agreement No. 4 signifies Counsel's waiver of all future rights for additional compensation which is not already defined herein or in the fee proposal.**
- 4. This Supplemental Agreement No. 4 is necessary to extend the term of the Contract and to provide additional compensation to completion of the required services.**

SUPPLEMENTAL AGREEMENT NO. 4

Contract Name: Right of Way Counsel Services

Contract No.: 000930

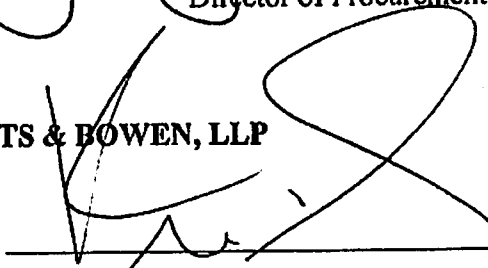
Cost: \$4,000,000.00

This Supplemental Agreement No. 4 entered into as of the day and year first written above.


**CENTRAL FLORIDA EXPRESSWAY AUTHORITY**

By:   
Director of Procurement

**SHUTTS & BOWEN, LLP**

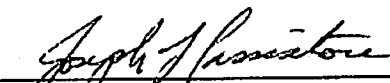
By:   
KENNETH WRIGHT  
Print Name

Title: PARTNER

Witness: 

Date: 4-18-16

Approved as to form and execution, only.

  
General Counsel for CFX



**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
SUPPLEMENTAL AGREEMENT NO. 3**

**Contract Name: Right of Way Counsel Services**

10/08/2015 15:42:11

**Contract No: 000930**

This Supplemental Agreement No. 3 entered into this 8<sup>th</sup> day of October, 2015, by and between the CENTRAL FLORIDA EXPRESSWAY AUTHORITY (the "Authority"), and SHUTTS & BOWEN, LLP (the "Counsel"), the same being supplementary to the contract between the aforesaid, dated February 27, 2013, for Right of Way Counsel Services, (the "Agreement").

1. The Authority has determined it necessary to increase the Agreement amount by \$2,000,000.00 in order to continue the required services to completion, and
2. The Counsel hereby agrees to the increase in the Agreement amount, and
3. The Authority and Counsel agree that this Supplemental Agreement No.3 shall not alter or change in any manner the force and effect of the Agreement except insofar as the same is altered and amended by this Supplemental Agreement No. 3; that acceptance of this Supplemental Agreement No. 3 signifies the Counsel's waiver of all future rights for additional compensation which is not already defined herein or in the fee proposal.
4. This Supplemental Agreement No. 3 is necessary to fund the continuation of the required services to completion.

**SUPPLEMENTAL AGREEMENT NO. 3**

Contract Name: Right of Way Counsel Services

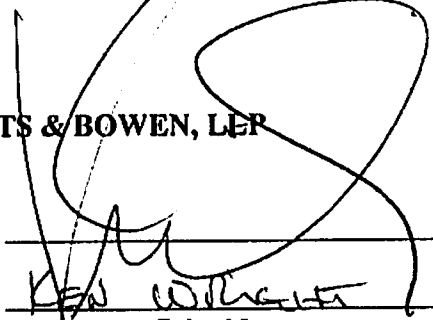
Contract No.: 000930

Cost: \$2,000,000.00

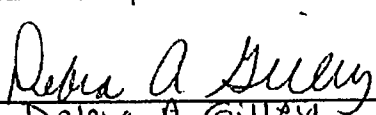
This Supplemental Agreement No. 3 entered into as of the day and year first written above.

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY**

By:   
Director of Procurement

**SHUTTS & BOWEN, LLP**  
By:   
Print Name

Title: Partner

Witness:   
Debra A Gilley

Date: 10-13-15

Approved as to form and execution, only.

  
General Counsel for the AUTHORITY

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
SUPPLEMENTAL AGREEMENT NO. 2**

**Contract Name: Right of Way Counsel Services**

5/12/2015 10:00 AM

**Contract No: 000930**

**This Supplemental Agreement No. 2 entered into this 31<sup>st</sup> day of December, 2014, by and between the CENTRAL FLORIDA EXPRESSWAY AUTHORITY (the "Authority"), and SHUTTS & BOWEN, LLP (the "Counsel"), the same being supplementary to the contract between the aforesaid, dated February 27, 2013, for Right of Way Counsel Services, (the "Agreement").**

- 1. The Authority desires a reduction in Counsel's hourly rates for Senior Partner and Senior Associate, and**
- 2. Counsel hereby agrees to a reduction in the hourly rate for Senior Partner from \$300.00 per hour to \$250.00 per hour, and for Senior Associate from \$250.00 per hour to \$200.00 per hour effective January 1, 2015, and**
- 3. The Authority and Counsel agree that this Supplemental Agreement No.2 shall not alter or change in any manner the force and effect of the Agreement except insofar as the same is altered and amended by this Supplemental Agreement No. 2; that acceptance of this Supplemental Agreement No. 2 signifies the Counsel's waiver of all future rights for additional compensation which is not already defined herein or in the fee proposal.**
- 4. This Supplemental Agreement No. 2 is necessary to reduce the hourly rates for Senior Partner and Senior Associate.**

**SUPPLEMENTAL AGREEMENT NO. 2**

**Contract Name: Right of Way Counsel Services**

**Contract No.: 000930**

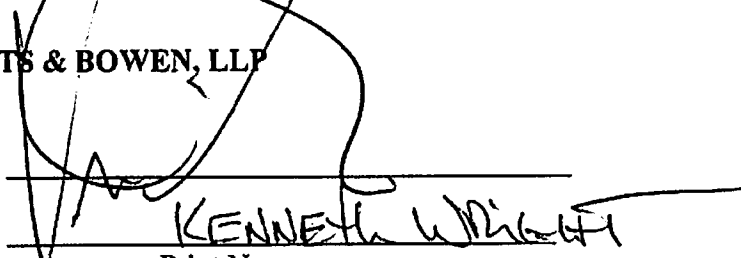
**Cost: \$0.00**

**This Supplemental Agreement No. 2 entered into as of the day and year first written above.**

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY**

By:   
Director of Procurement

**SHUTTS & BOWEN, LLP**

By:   
KENNETH W. WRIGHT  
Print Name

Title: PARALEGAL

Witness: 

Date: 1-7-15

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
SUPPLEMENTAL AGREEMENT NO. 1**

Contract Name: Right of Way Counsel Services

19 NOV 14 PM 12:58

Contract No: 000930

This Supplemental Agreement No. 1 entered into this 13<sup>th</sup> day of November, 2014, by and between the CENTRAL FLORIDA EXPRESSWAY AUTHORITY (the "Authority"), and SHUTTS & BOWEN, LLP (the "Counsel"), the same being supplementary to the contract between the aforesaid, dated February 27, 2013, for Right of Way Counsel Services, (the "Agreement").

1. The Authority has determined it necessary to increase the Agreement amount by \$2,500,000.00 in order to continue the required services to completion, and
2. The Counsel hereby agrees to the increase in the Agreement amount, and
3. The Authority and Counsel agree that this Supplemental Agreement No.1 shall not alter or change in any manner the force and effect of the Agreement except insofar as the same is altered and amended by this Supplemental Agreement No. 1; that acceptance of this Supplemental Agreement No. 1 signifies the Counsel's waiver of all future rights for additional compensation which is not already defined herein or in the fee proposal.
4. This Supplemental Agreement No. 1 is necessary to fund the continuation of the required services to completion.

SUPPLEMENTAL AGREEMENT NO. 1

Contract Name: Right of Way Counsel Services

Contract No.: 000930

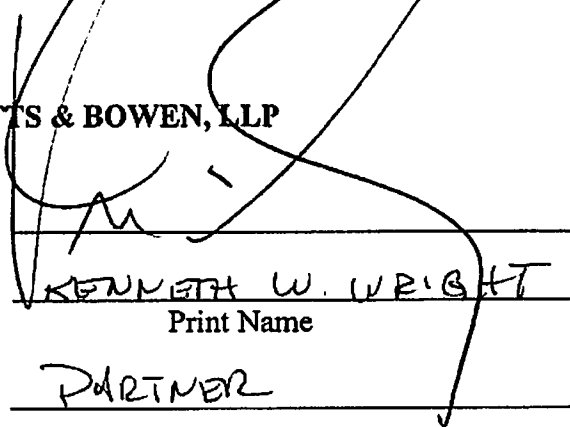
Cost: \$2,500,000.00

This Supplemental Agreement No. 1 entered into as of the day and year first written above.

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY**

By:   
Director of Procurement

**SHUTTS & BOWEN, LLP**

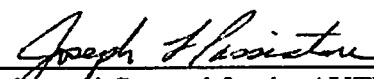
By:   
KENNETH W. WRIGHT  
Print Name

Title: PARTNER

Witness: Diana Hochstetler

Date: NOV 19, 2014



Approved as to form and execution, only.

  
General Counsel for the AUTHORITY

RECEIVED  
CONTRACTS DEPT  
CS 11/21/14  
SIGNATURE / DATE

== CENTRAL FLORIDA EXPRESSWAY AUTHORITY ==

**MEMORANDUM**

**TO:** Central Florida Expressway Authority Board  
**FROM:**  Joseph L. Passiatore, General Counsel  
**DATE:**  October 29, 2014  
**SUBJECT:** First Supplemental Agreement to Shutts & Bowen Contract

---

On February 27, 2013 CFX entered into a contract with Shutts & Bowen wherein the firm agreed to provide right of way services to the Authority for a three year period with the option for two one year renewals.

The upset limit in the contract was for an amount of \$2,535,000 which amount was based on the attached Scope of Services and Price Proposal submitted as part of the request for proposal process. As of this time the contract's initial cap has been almost fully utilized.

There are several reasons why the contract balance has been depleted. To begin with, as is shown on the spreadsheet, the original budget was for legal services only. The bulk of the work performed by Shutts has been acquiring right of way through condemnation for the Wekiva Parkway. The firm has acquired 35 parcels in Section 203 and has initiated the process for acquisition of another 44 parcels in Sections 204, 205 & 206.

The condemnation process requires the services of land appraisers who in turn require the services of engineers and land planners. Shutts has utilized the services of five different appraisal firms and one review appraiser firm on this project. These services are provided pursuant to contracts between the firm and the appraisers in order to preserve the work product privilege. The Authority approves the contracts and authorizes the original caps and any supplemental amounts, but the privity is between the firm and the expert. Accordingly, billings for these services are run through the right of way counsel contract and booked against the cap for the firm's legal services.

To date, the amount of appraisal/expert invoices for Wekiva booked against and paid from the Shutts' contract is \$1,182,407.07.

To date, the amount billed and paid for legal services and costs on the Wekiva project is \$1,318,871.10. Thus, if one evaluates the amount expended strictly for Wekiva legal services versus the initial cap the contract is actually slightly under budget. Roughly speaking, contract duration is at 55% and legal service/costs for Wekiva are at 52%.

However, in addition to the appraisal billings, there are three other reasons why the contract now requires additional funding:

- (1) in addition to the Wekiva project, there have been significant legal expenses arising out of the All Aboard Florida and Innovation Way Interchange projects which could not have been anticipated at the time the contract was entered into back in February of 2013;
- (2) the Authority agreed in the Wekiva Interlocal Agreement with FDOT that the project would be federalized resulting in additional legal services on the project; and
- (3) subsequent to entry of the Shutts' contract, the Authority decided to apply for a TIFIA loan which funding requires accelerated acquisition in order to meet the loan's deadline for the road to be in operation and open to the public. This last factor requires acquisition of the 204, 205 & 206 parcels by July 2015.

Based upon all of the above, especially considering the fact that the appraisal billings will continue to be assessed against the cap set forth in the legal services contract and that the need for continuing legal services on the Wekiva and All Aboard projects will continue, I recommend that an additional two million five hundred thousand dollars (\$2,500,000) be authorized for the right of way services contract with Shutts & Bowen, CFX Contract #000930.

Finally, at its October 22, 2014 meeting, the Right of Way Committee directed that all future appraisal assignments be negotiated on a flat fee basis unless there are extenuating circumstances unique to certain parcels which justify an hourly rate method of compensation. In addition, I have instructed Shutts to provide me with monthly updates on their fees and expert costs so that costs will be more closely monitored. Lastly, all future assignments will be given via written task authorization with separate caps included for each assignment. I believe that with these procedures in place we will be better able to track our legal expenses on these important projects.

**ACTION REQUESTED:** Based on the above, staff requests authorization for execution of Supplemental Agreement No. 1 to Contract No. 000930 Right of Way Counsel Services with Shutts & Bowen, LLP.

JLP/ml

Enclosures (Supplemental Agreement No. 1, Shutts & Bowen Right of Way Counsel Services Agreement #000930 and Shutts & Bowen Parcel Assignment)

cc: Joe Berenis, CFX  
Laura Kelley, CFX  
Ken Wright, Esq., Shutts & Bowen, LLP



# **AGREEMENT**

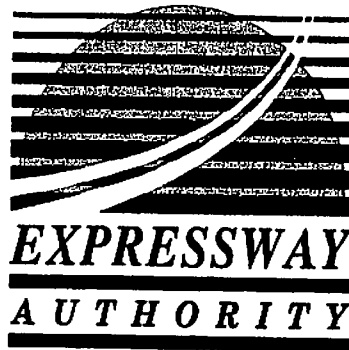
**ORLANDO-ORANGE COUNTY EXPRESSWAY AUTHORITY  
AND  
SHUTTS & BOWEN LLP**

**RIGHT-OF-WAY COUNSEL SERVICES**

**CONTRACT NO. 000930**

**CONTRACT DATE: FEBRUARY 27, 2013**

**CONTRACT AMOUNT: \$2,535,000.00**



**ORLANDO-ORANGE COUNTY  
EXPRESSWAY AUTHORITY**

**AGREEMENT, SCOPE OF SERVICES, TECHNICAL  
PROPOSAL AND PRICE PROPOSAL**

**AGREEMENT, SCOPE OF SERVICES, TECHNICAL PROPOSAL AND PRICE  
PROPOSAL  
FOR  
RIGHT-OF-WAY COUNSEL SERVICES**

**CONTRACT NO. 000930**

**February 2013**

**Members of the Board**

**Walter A. Ketcham, Jr., Chairman  
R. Scott Batterson, P.E., Vice Chairman  
Teresa Jacobs, Secretary/Treasurer  
Noranne B. Downs, P.E., Ex-Officio Member**

**Executive Director**

**Max Crumit, P.E.**

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**AGREEMENT  
RIGHT-OF-WAY COUNSEL SERVICES  
CONTRACT NO. 000930**

THIS AGREEMENT ("Agreement") is entered into as of February 27, 2013, by and between the ORLANDO-ORANGE COUNTY EXPRESSWAY AUTHORITY, a body politic and corporate, and an agency of the State of Florida, 4974 ORL Tower Road, Orlando, Florida 32807 ("AUTHORITY"), and SHUTTS & BOWEN LLP ("COUNSEL").

**WITNESSETH:**

WHEREAS, the AUTHORITY desires to retain the services of competent and qualified legal counsel to provide right-of-way counsel services on an as-needed basis;

WHEREAS, on December 15, 2012, the AUTHORITY issued a Request for Proposals for Right-of-Way Counsel Services;

WHEREAS, based upon the recommendation of the Evaluation Committee at its meeting held on February 6, 2013, the Board of Directors of the AUTHORITY at its meeting held on February 27, 2013, selected COUNSEL to serve as Right-of-Way Counsel; and

WHEREAS, COUNSEL is competent, qualified and duly authorized to practice law in the State of Florida and desires to provide professional legal services to the AUTHORITY according to the terms and conditions stated herein.

NOW, THEREFORE, in consideration of the mutual understandings and covenants set forth herein, the AUTHORITY and COUNSEL agree as follows:

**SECTION 1. SERVICES.** The AUTHORITY does hereby retain COUNSEL to furnish professional services and perform those tasks generally described as legal services related to AUTHORITY right-of-way matters as further described in the Scope of Services attached hereto and incorporated herein as Exhibit "A."

**SECTION 2. NO ASSURANCE REGARDING SCOPE OR QUANTITY OF SERVICE.**

(a) Although the AUTHORITY currently anticipates using the services of COUNSEL, the AUTHORITY provides no assurance to COUNSEL regarding the amount or quantity of legal services that COUNSEL will provide the AUTHORITY under this Agreement.

(b) It is recognized that questions in the day-to-day conduct of performance pursuant to this Agreement may arise from time to time. The AUTHORITY designates the AUTHORITY's General Counsel or Assistant General Counsel as the AUTHORITY employees to whom all communications pertaining to the day-to-day conduct of this Agreement shall be addressed. The designated representatives shall have the authority to transmit instructions, receive information, and interpret and define the AUTHORITY's policy and decisions pertinent to the work covered by this Agreement. The AUTHORITY may, from time to time, notify

COUNSEL of additional employees to whom communications regarding day-to-day conduct of this Agreement may be addressed.

### **SECTION 3. RESPONSIBILITIES OF COUNSEL.**

(a) COUNSEL agrees to timely provide the professional services and facilities required by the Scope of Services and to assist the AUTHORITY in other areas of responsibility as deemed necessary by the AUTHORITY.

(b) COUNSEL shall keep abreast of statutes, regulations, codes, tax codes and applicable case law in all areas of responsibility at its sole expense.

(c) COUNSEL designates David A. Shontz, as the primary attorney to provide services to the AUTHORITY and will be assisted from time to time by other members of the firm, as he deems appropriate to the needs of the particular activity.

(d) COUNSEL agrees to utilize associates and legal assistants/paralegals, under the supervision of COUNSEL, where appropriate to accomplish cost effective performance of services.

(e) It shall be the responsibility of COUNSEL to specifically request all required information and to provide itself with reasonably sufficient time to review all information so as not to delay without good cause performance under this Agreement.

(f) COUNSEL shall be responsible for the professional quality, technical accuracy, competence and methodology of the work done under this Agreement.

### **SECTION 4. PAYMENT FOR SERVICES AND BILLING.**

(a) In consideration of the promises and the faithful performance by COUNSEL of its obligations, the AUTHORITY agrees to pay COUNSEL an amount not-to-exceed \$2,535,000.00 based on the hourly rates attached hereto in the Price Proposal. AUTHORITY will not provide a retainer and there will be no increase in the rates during the three year term of the agreement.

(b) Reimbursable expenses shall be paid in addition to the payment due under subsection (a) above and shall include actual expenditures made by COUNSEL, its employees or its professional consultants in the interest of the work effort for the expenses listed in the following subsections; provided; however, that all reimbursements of expenses shall be subject to the AUTHORITY's policies and procedures, including those for travel expenses:

(1) Reasonable expenses of transportation, when traveling outside of Orlando, pursuant to Section 112.061, Florida Statutes.

(2) COUNSEL will be reimbursed for the following out-of-pocket expenses, but only at cost and only to the extent they are incurred directly in connection with the Scope of Services: court reporters, deposition transcripts, exhibits.

COUNSEL will also be reimbursed for monthly computer research charges, provided that such costs are documented and provided that if such monthly amount is anticipated to exceed \$400, that COUNSEL will first obtain permission from the General Counsel's Office to exceed such amount.

COUNSEL will not be reimbursed for expenses such as telecopy, local telephone, internal word processing, data processing, courier or other service that would be deemed to be part of your firm's overhead expenses. However, COUNSEL will notify the General Counsel's Office of any large copy and print jobs in order for a determination to be made as to how the copying will be handled and expensed.

(3) Express approval by the AUTHORITY's Board is required before the retention of consultants equal to or in excess of \$25,000. Written authorization from the General Counsel's Office is required for consultant or expert contracts less than \$25,000.

#### **SECTION 5. GENERAL TERMS AND PAYMENT.**

(a) COUNSEL shall have a documented invoice procedure and shall invoice the AUTHORITY as designated by the AUTHORITY. The AUTHORITY will pay COUNSEL within thirty (30) days of receipt of a valid invoice.

(b) COUNSEL agrees to maintain any and all books, documents, papers, accounting records and other evidences pertaining to services performed under this Agreement in such a manner as will readily conform to the terms of this Agreement and to make such materials available at its office at all reasonable times during the Agreement period and for five (5) years from the date of final payment under this Agreement.

**SECTION 6. OWNERSHIP OF DOCUMENTS.** All legal opinions or any other form of written instrument or document that may result from COUNSEL's services or have been created during the course of COUNSEL's performance under this Agreement shall become the property of the AUTHORITY after final payment is made to COUNSEL; however, COUNSEL retains the right to retain copies of its work product and to use same for appropriate purposes. COUNSEL shall incorporate a similar provision into any subcontracts.

**SECTION 7. TERM.** This Agreement shall become effective on the date first written above and, unless earlier terminated as provided for herein, shall run for a term of three (3) years, with two one-year renewals at the AUTHORITY's option. The options to renew are at the sole discretion and election of the AUTHORITY. Renewals will be based, in part, on a determination by the AUTHORITY that the value and level of service provided by COUNSEL are satisfactory and adequate for the AUTHORITY's needs. If a renewal option is exercised, the AUTHORITY will provide COUNSEL with written notice of its intent at least 90 days prior to the expiration of the initial 3-year Contract Term.

**SECTION 8. CONFLICT OF INTEREST.** COUNSEL hereby certifies that no officer, agent or employee of the AUTHORITY has any "material interest" (as defined in Section 112.312(15), Florida Statutes) either directly or indirectly, in the business of COUNSEL,

and that no such person shall have any such interest at any time during the term of this Agreement.

**SECTION 9. NO ASSIGNMENT.** The parties fully understand and agree that the professionalism and specialization involved in serving as Right-of-Way Counsel is of paramount importance and that this Agreement would not be entered into by the AUTHORITY except for its confidence in, and assurances provided for, the character, abilities, and reputation of COUNSEL. Therefore, COUNSEL shall not assign or transfer their rights, duties and obligations provided for herein, nor allow such assignment or transfer by operation of law or otherwise without the prior written approval of the AUTHORITY.

**SECTION 10. AMENDMENT.** No waiver, alterations, consent or modification of any of the provisions of this Agreement, including any change in the Scope of Services, shall be binding unless made in writing and duly approved and executed by the parties hereto.

**SECTION 11. LOSS OF ESSENTIAL LICENSE.** The parties agree that any occurrence, whether within or beyond the control of COUNSEL, which renders one or more Key Personnel incapable of performing the duties and obligations required hereunder, including the loss or suspension of license to practice law in Florida, shall constitute an extraordinary breach of this Agreement and shall give the AUTHORITY the right to terminate this Agreement immediately upon written notice to COUNSEL. It shall be solely within the discretion of the AUTHORITY whether the affected member of COUNSEL's law firm is considered Key Personnel for purposes of this Agreement. This Section shall apply irrespective of the reason for the loss or suspension of any essential license.

**SECTION 12. INDEPENDENT CONTRACTOR.** COUNSEL shall be considered as an independent contractor with respect to all services performed under this Agreement and in no event shall anything contained within this Agreement or the Scope of Services be construed to create a joint venture, association, or partnership by or among the AUTHORITY and COUNSEL (including its officers, employees, and agents), nor shall COUNSEL hold itself out as or be considered an agent, representative or employee of the AUTHORITY for any purpose, or in any manner, whatsoever. COUNSEL shall not create any obligation or responsibility, contractual or otherwise, on behalf of the AUTHORITY nor bind the AUTHORITY in any manner.

**SECTION 13. INSOLVENCY.** If COUNSEL shall file a petition in bankruptcy or shall be adjudged bankrupt, or in the event that a receiver or trustee shall be appointed for COUNSEL, the parties agree that the AUTHORITY may immediately terminate this Agreement with respect to the party in bankruptcy or receivership.

**SECTION 14. INSURANCE.** COUNSEL, at its own expense, shall keep and maintain at all times during the term of this Agreement:

(a) Professional Liability or Malpractice Insurance with coverage of at least One Million Dollars (\$1,000,000) per occurrence.

(b) Workers' Compensation Coverage as required by Florida law.

COUNSEL shall provide the AUTHORITY with properly executed Certificate(s) of Insurance forms on all the policies of insurance and renewals thereof in a form(s) acceptable to the AUTHORITY. The AUTHORITY shall be notified in writing of any reduction, cancellation or substantial change of policy or policies at least thirty (30) days prior to the effective date of said action.

All insurance policies shall be issued by responsible companies licensed and authorized to do business under the laws of the State of Florida and having a financial rating of at least B+ Class VI and a claims paying ability rating of at least A+ from Best, or equivalent ratings from another nationally recognized insurance rating service.

**SECTION 15. ALTERNATIVE DISPUTE RESOLUTION.** In the event of a dispute related to any performance or payment obligation arising under this Agreement, the parties agree to exercise best efforts to resolve disputes through voluntary mediation. Mediator selection and the procedures to be employed in voluntary mediation shall be mutually acceptable to the parties. Costs of voluntary mediation shall be shared equally among all parties participating.

**SECTION 16. WAIVER.** The failure of the AUTHORITY to insist upon strict and prompt performance of any of the terms and conditions of this Agreement shall not constitute a waiver of the AUTHORITY's right to strictly enforce such terms and conditions thereafter.

**SECTION 17. NOTICES.** Whenever either party desires to give notice unto the other, it must be given by written notice, sent by registered or certified United States mail, with return receipt requested, addressed to the party to whom it is intended, at the place last specified, and the place for giving of notice shall remain such until it shall have been changed by written notice in compliance with the provisions of this paragraph. For the present, the parties designate the following as the respective places for giving of notice, to wit:

For the AUTHORITY:

Mr. Joseph Passiatore, General Counsel  
Ms. Dyana Petro, Assistant General Counsel  
Orlando-Orange County Expressway Authority  
4974 ORL Tower Road  
Orlando, Florida 32807

For COUNSEL:

Mr. David A. Shontz  
Mr. Kenneth Wright  
Shutts & Bowen LLP  
300 South Orange Avenue, Suite 1000  
Orlando, Florida 32801

**SECTION 18. TERMINATION.** The AUTHORITY may, by written notice to COUNSEL terminate this Agreement, in whole or in part, at any time, with or without cause. Upon receipt of such notice, COUNSEL shall:



(a) immediately discontinue all services affected (unless the notice directs otherwise); and

(b) deliver to the AUTHORITY all data, drawings, reports, estimates, summaries, and such other information and materials as may have been accumulated by COUNSEL in performing this Agreement, whether completed or in process.

**SECTION 19. COMPLIANCE WITH LAWS; EQUAL OPPORTUNITY EMPLOYMENT.** COUNSEL shall conform and comply with and take reasonable precaution to ensure that every one of their directors, officers and employees abides by and complies with all applicable laws of the United States and the State of Florida, and all local laws and ordinances. Furthermore, COUNSEL agrees to and shall comply with all federal, state and local laws and ordinances prohibiting discrimination with regard to race, color, national origin, ancestry, creed, religion, age, sex, marital status or the presence of any sensory, mental or physical handicap or other disability, and will take affirmative steps to insure that applicants are employed and employees are treated during employment without regard to race, color, religion, sex, age, disability or national origin. This provision shall include, but not be limited to, the following: employment; promotion; demotion; transfer; recruitment; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

**SECTION 20. SEVERABILITY.** Should any term, provision, covenant, condition or other portion of this Agreement be held illegal or invalid, the same shall not affect the remainder of this Agreement, and the remainder shall continue in full force and effect as if such illegality or invalidity had not been contained herein.

**SECTION 21. ENTIRE AGREEMENT.** It is understood and agreed that the entire Agreement of the parties is contained herein (including all attachments, exhibits and appendices) and that this Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter hereof as well as any previous agreements presently in effect between the parties relating to the subject matter hereof.


**SECTION 22. PUBLIC ENTITY CRIMES.** COUNSEL hereby acknowledges that it has been notified that under Florida Law a person or affiliate, as defined in §287.133, Florida Statutes, who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor or consultant under a contract with any public entity and may not transact business with any public entity in excess of the threshold amount provided in §287.017, Florida Statutes, for CATEGORY TWO, for a period of 36 months from the date of being placed on the convicted vendor list.

**SECTION 23. RIGHTS AT LAW RETAINED.** The rights and remedies of the AUTHORITY, provided for under this Agreement, are in addition and supplemental to any other rights and remedies provided by law.

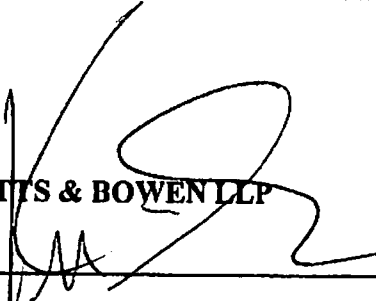
**SECTION 24. APPLICABLE LAW; VENUE.** This Agreement shall be construed in accordance with and governed by the Laws of the State of Florida. Venue for any action brought hereunder, in law or equity, shall be exclusively in Orange County, Florida.

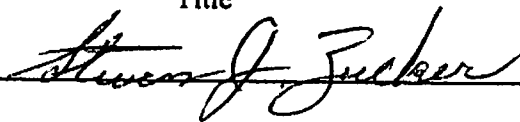
IN WITNESS WHEREOF, the authorized signatures named below have executed this Contract on behalf of the parties as of the day and year first above written. This Contract was awarded by the Authority's Board of Directors at its meeting on February 27, 2013.

**ORLANDO-ORANGE COUNTY EXPRESSWAY AUTHORITY**

By:   
Director of Procurement

Print Name: Claude Miller

**SHUTTS & BOWEN LLP**  
By:   
Print Name: KENNETH WRIGHT  
Partner  
Title

ATTEST:  (Seal)

Approved as to form and execution, only.

  
General Counsel for the AUTHORITY

**SCOPE OF SERVICES  
RIGHT-OF-WAY COUNSEL**

This Scope of Services is a general guide and is not intended to be a complete list of all work and materials that may be required by the Authority. Services are non-exclusive and shall apply to those future right-of-way matters not currently assigned to other counsel. Services to be performed by Counsel include, but are not limited to, the following:

1. Working with and under the supervision of the Authority's General Counsel's office and Right-of-Way Committee to provide right-of-way, real estate and eminent domain services as needed by the Authority.
2. Coordinating with the Authority's right-of-way acquisition agent(s), project engineers, appraisers, planning consultants and other Authority consultants to plan and effectuate right of way easements and other property interests required for future Authority projects.
3. Coordinating with the Authority's right of way acquisition agent(s), to negotiate voluntary contract purchases and settlements of right of way acquisition.
4. Handling all aspects of real estate due diligence, including title review, survey review, appraisal review and environmental assessment review. Counsel shall provide real estate closing services for purchases and sales of property.
5. Coordinating as needed with other right-of-way or eminent domain counsel designated by the Authority.
6. Coordinating surplus property contract negotiations and closings with the Authority's real estate broker(s) and land agent(s).
7. Reporting regularly to the Authority's Right-of-Way Committee and on an as-needed basis to the Authority Board.
8. Providing input on project budgets and cash flow as requested by the Authority.
9. Coordinating with the designated communications and public records officers to respond to real estate and right-of-way related public records inquiries.
10. Providing additional services related to real estate or right-of-way matters as from time to time may be requested and authorized by the Authority.

End of Scope of Services

**CONSENT AGENDA ITEM**

**#13**



## MEMORANDUM

TO: Central Florida Expressway Authority,      CLIENT-MATTER NO.: 19125.0162  
Governing Board

FROM: Sidney C. Calloway, Esquire, Right-of-Way Counsel *SCC*

DATE: December 20, 2016

RE: CFX v. Kenneth W. Morris, et al.  
Parcels 287/887  
Case No.: 2015-CA-006557-O

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Shutts & Bowen LLP, Right-of-Way Counsel, submits this Memorandum in support of its request to the CFX Board for approval of an Offer of Judgment, pursuant to Section 73.032 upon Respondents, Kenneth W. Morris and Harvey Lee Morris ("Respondents") as full compensation and complete settlement of all Respondents' claims for compensation and damages associated with CFX's acquisition of Parcels 287 and 887.

### DESCRIPTION, CFX MARKET VALUE CONCLUSIONS AND RECOMMENDATION

- I. **Description.** The owners of Parcels 287 and 887 have been identified as Kenneth W. and Harvey Lee Morris. The subject parcels have been acquired by CFX in connection with the Wekiva Parkway, S.R. 429-205 Project. The parent tract from which Parcels 287 and 887 were acquired, consists of five contiguous parcels with a combined area of 36.118± acres and is improved with a large two-story home, five manufactured homes, two manufactured homes converted into an office/storage building, a large detached garage, a storage trailer, dog kennels, a historic schoolhouse building and several large sheds. The parcels are located in both Orange County and the City of Apopka and are zoned A-2 or AG, which provides for residential and agricultural uses. The future land use designations are Agricultural (city) and Rural (county).

Parcel 287 is a limited access right-of-way taking containing 10.350± acres from the parent tract. Parcel 887 is a permanent easement area encompassing 9,054 square feet of land area (0.208± acres), which will be used to construct a bridge over the property owner's current ingress/egress driveway from Haas Road.

- II. (A) **Before Land Value.** The CFX's initial and updated appraisals of the subject property were prepared by Christopher D. Starkey and Marti Matonis Hornell, both State Certified General Real Estate Appraisers employed by Integra Realty Resources (IRR). IRR concluded that the highest and best use of the property, as vacant, is for future residential development. As improved, the highest and best use of the property is for continuation as a single family residence. The Sales Comparison Approach (as vacant) used to estimate the market value of the parent tract as vacant (32.464 acres) and to value the main homestead/single family residence (3.654 acres). The adjusted sales prices for IRR's comparable sales ranged between \$21,884 and \$29,242 per usable acre, with an average of \$25,493. The estimate per acre land value of the parent tract in the before condition was concluded to be \$25,200 per acre. Thus the land value of the parent tract is estimated at **\$818,100** (32.464 acres x \$25,200). The per acre land value for the homestead site was concluded to be \$29,400, which yields a market value estimate of **\$107, 428** (\$29,400 X 3.654 acres).
- (B) **Contributory Value of Building Improvements.** The Income Capitalization Approach used to estimate the contributory value of the manufactured homes on the parent tract in the interim, based on the premise that the improvements could be leased and provide a cash flow until development occurs, which coincides with their remaining economic life. The contributory value of these improvements was then added to the subject property's land value conclusion to arrive at a market value estimate. The present value of the improvements was considered to be approximately \$111,241, or **\$111,250, rounded (\$22,250 average per manufactured home).**
- (C) **Contributory Value of Site Improvements.** The estimated value of the site improvements was concluded to be **\$116, 965.**
- (D) **Value of Homestead Property.** As indicated above, the sales comparison approach, which encompassed three (3) sales transactions occurring between May 2015 and June 2015, was also used to estimate the market value of the homestead site. After applicable adjustments, the adjusted price per square foot ranged from \$88.73 to \$120.41 psf., with an average of \$107.13 psf. A value indication of \$115.50 was concluded for the subject, or **\$366,250 (\$115.50 x 3,171 sf.)**
- (E) **Estimate Market Value Conclusion.** IRR's market value opinion for the subject property, as of the date of value (September 2, 2015) is **\$1,412,600.**
- III. **Value of Part Taken**
- (A) The right-of-way acquisition is located along the southern boundary of the subject property and contains 10.350± acres. However, for the purposes of valuing the the "part acquired" IRR, deducted the "economic unit" for the

homestead land (3.654 acres) from this figure. The improvements impacted by the proposed acquisition include three manufactured homes, the main homestead, totaling 3,171± heated square feet, dog kennels, two single wide manufactured homes, which have been converted into an office/storage buildings, large garage, storage trailer and metal canopy. Other improvements include landscaping consisting of grass and trees, as well as, hog wire fencing and three metal gates, which provide access into the field. A sketch of the Part Acquired is attached to this Memorandum as Exhibit "A".

The value of the land taken is \$168,739 (10.350 – 3.654 acres= 6.696 acres x \$25,200). The improvements are estimated to be \$550,000. Total compensation for land and improvements taken) is \$718,750 (\$168,739 + \$550,000).

(B) Description and Value of Parcel 887-Permanent Easement

Parcel 887 consists of 9,054 square feet of the unimproved driveway providing access to the subject property from Haas Road. As such, it is located within the "effective" homestead site 1.046± acres, which itself is encumbered by an existing ingress/egress easement. This easement area is subject to an agreement with the adjoining property owners (dominant estate) for ingress/egress. Given its subservient status, IRR concluded that the "taking" results in a 50% loss of the property owners' "bundle of rights". Consequently, the estimate value of Parcel 887 is concluded to be:

**9,054 sf. X \$14, 700 per acre= \$3, 058, or \$3, 060 Rounded**

IV. **Valuation of Remainder Property**

(A) Description. The remainder description is similar to the before condition with the exception of size and shape. The taking represents a 30%± reduction in size. After the taking, two manufactured homes will remain, but will be within several hundred feet from the proposed Wekiva Parkway. The property will still have sufficient access via the unpaved driveway from Haas Road. Any fencing replacement will be at the cost and discretion of the property owner, since compensation has been provided for the cost of the fence and gates located within the area of the part taken. A sketch of the remainder property is attached hereto as Exhibit "B".

(B) Highest and Best Use. Holding the property for future development of agricultural/residential development is concluded to be the highest and best use of the property as if vacant. As in the before condition, the highest and best use as improved is for the continued interim use for the remaining rental homes.

(C) Value of Remaining Building Improvements. The "before" combined rental estimate equaled \$3,500 per month. In the "after" scenario three of the

manufactured homes will be removed and their estimated market rent would be \$500 per month, indicating a combined rental estimate of \$1,000 per month. The annual contributory value of these improvements, after consideration of vacancy, expenses, and a discount rate is estimated to be \$28,430.

- (D) Land Value Damage Loss Due to Proximity. As a result of the acquisition of Parcels 287 and 887, the remainder property's proximity to the Wekiva Parkway is concluded to be the principle cause of damage to the remainder property. Aside from the loss of 3 of the manufactured home, the remainder property is also adversely affected by the loss of privacy and proximity to the Parkway (400 from the further manufactured home and 100 feet from the closest). These after take characteristics, which also include noise, visual impacts and loss of the rural country appeal, undermine the marketability of the site for residential use.

IRR concludes that the diminution in value to the subject property is 40%. The after take value of the Parcel 887 easement is **\$1,835** (9,054 sf x \$14,700 per acre x .60). The remainder property (25.768 acres) is thus valued at **\$389,612** (25.768 x \$15,120 per acre) (\$25,200 per acre x .60). The total valuation conclusion for the remainder property, as of September 2, 2015), is **\$391,600**. **Severance damages of \$302,250** are described as the difference between the Remainder as part of the whole before the take (\$693,850 and remainder value in the after (\$391,600).

- V. **Summary of Compensation**. The compensation due as a result of the taking of Parcels 287 and 887, include the cost to cure and maintain the functionality of the remainder property (hard and soft costs associated with replacement fencing/gates) is:

Parcel 287

Part Taken	\$718,750
Severance Damages	\$302,250
Cost to Cure	\$7, 686
<b>Total compensation</b>	<b>\$1,028,686 or \$1,030,000</b>

Parcel 887

<b>Total compensation</b>	<b>\$3,060</b>
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- VI. **Procedural Status of Case and Recommendation**

This matter is scheduled for a jury trial on the court's five (5) day jury trial docket beginning November 20, 2017. A jury trial is likely to require between five and seven business days to complete. Additionally, the parties will likely engage in significant pretrial discovery, including depositions, particularly given the fact that Respondents' have not, to date, completed or disclosed any expert reports concerning their opinions on the compensation due as a result of the acquisition of Parcels 287 and 887. Instead,



Respondents requested (and received) court ordered continuances of the previously set trial dates, which included case management and discovery deadlines for disclosure of both expert witnesses and their respective written reports. It is anticipated that Respondents will comply with the established Uniform Order Setting Jury Trial and Case Management Deadlines associated with the referenced trial docket. It is also contemplated that the parties will also prepare for, prosecute and defend several pre-trial motions in limine.

In an effort to resolve this case, minimize CFX's litigation expenses and costs and potentially cap the expenses and costs that are likely to be incurred by Respondents (which are recoverable against the CFX) it is recommended that CFX serve Respondents with an Offer of Judgment ("OJ"), which if accepted, would completely resolve the case, excepting attorney's fees and costs (experts). On the other hand, if the OJ is either rejected or not accepted by Respondents within 30 days from receipt of the OJ, and a jury subsequently renders a verdict equal to or less than the Offer of Judgment, then the property owner shall not recover any expenses or costs (including their expert witness fees), incurred after the expiration date of the OJ.

At this time we have extensive knowledge of various Wekiva Parkway Project property owners' market valuation approaches this project. We are also familiar with the positions taken by Respondents' legal counsel and experts, as well as prior court rulings, settlements and jury trial verdicts. ***Given such, I recommend that CFX serve Respondents with an Offer of Judgment to fully settle Respondents' claims as to Parcels 287 and 887 in the amount of \$1,442,000.*** The recommended Offer of Judgment reflects CFX's expert appraisal valuation of the Respondents property plus a 40% incentive to induce a settlement with Respondents, but also leverage its intended effectiveness in the event Respondent's reject or ignore the Offer of Judgment.

The Right-of-Way Committee recommended approval of the proposed settlement at its December 1, 2016 meeting.

#### **RECOMMENDATION**

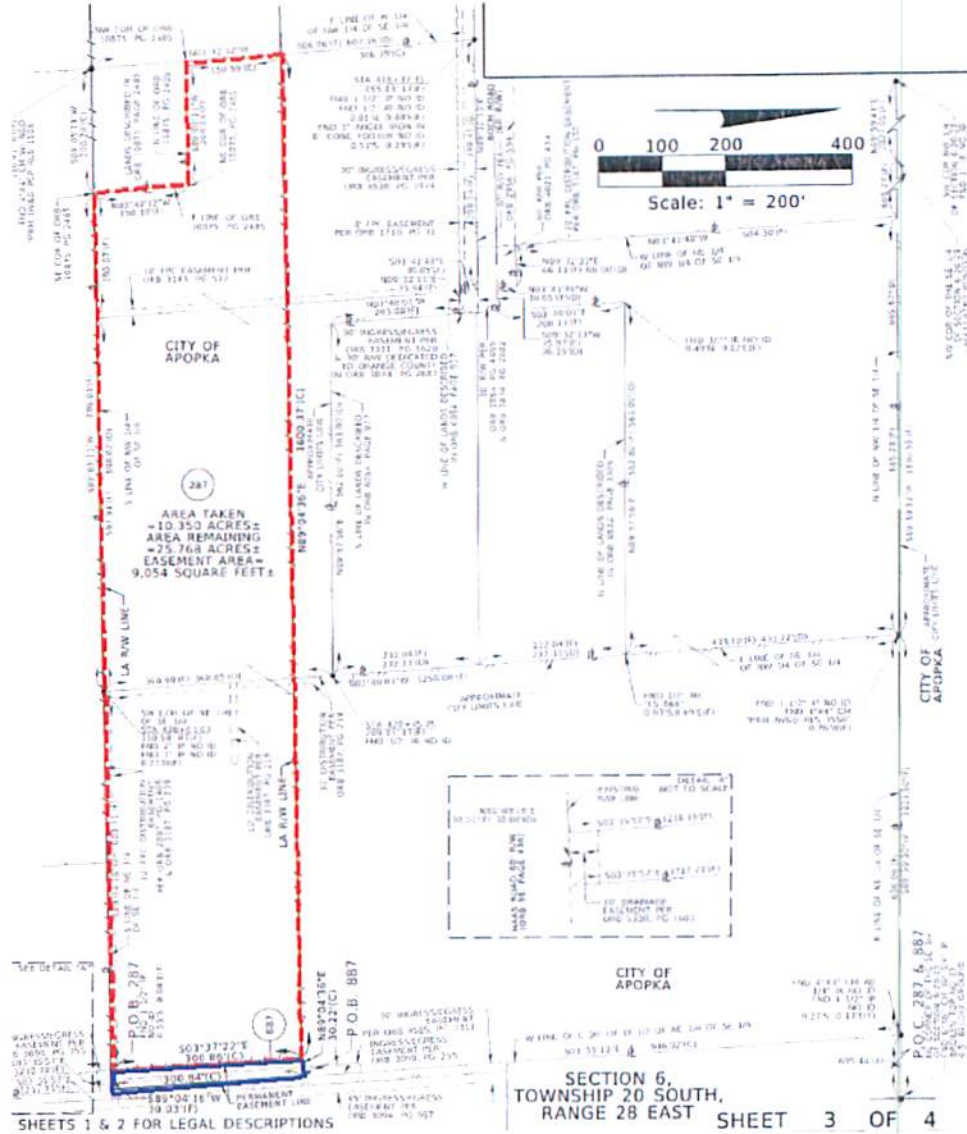
For the reasons set forth in this Memorandum, Right-of-Way counsel respectfully request the CFX Governing Board approve counsel's recommendation to the Governing Board for service of the Offer of Judgment in the amount of \$1,442,000, in full settlement of all Respondents' claims for full compensation for the taking of Parcels 287 and 887. The recommended Offer of Judgment does not include Respondents' statutory attorney's fees or costs under section 73.092 and 73.091, Florida Statutes.

ATTACHMENTS

- Exhibit A Sketch of the Part Acquired is attached to this Memorandum.
- Exhibit B Sketch of the remainder property.

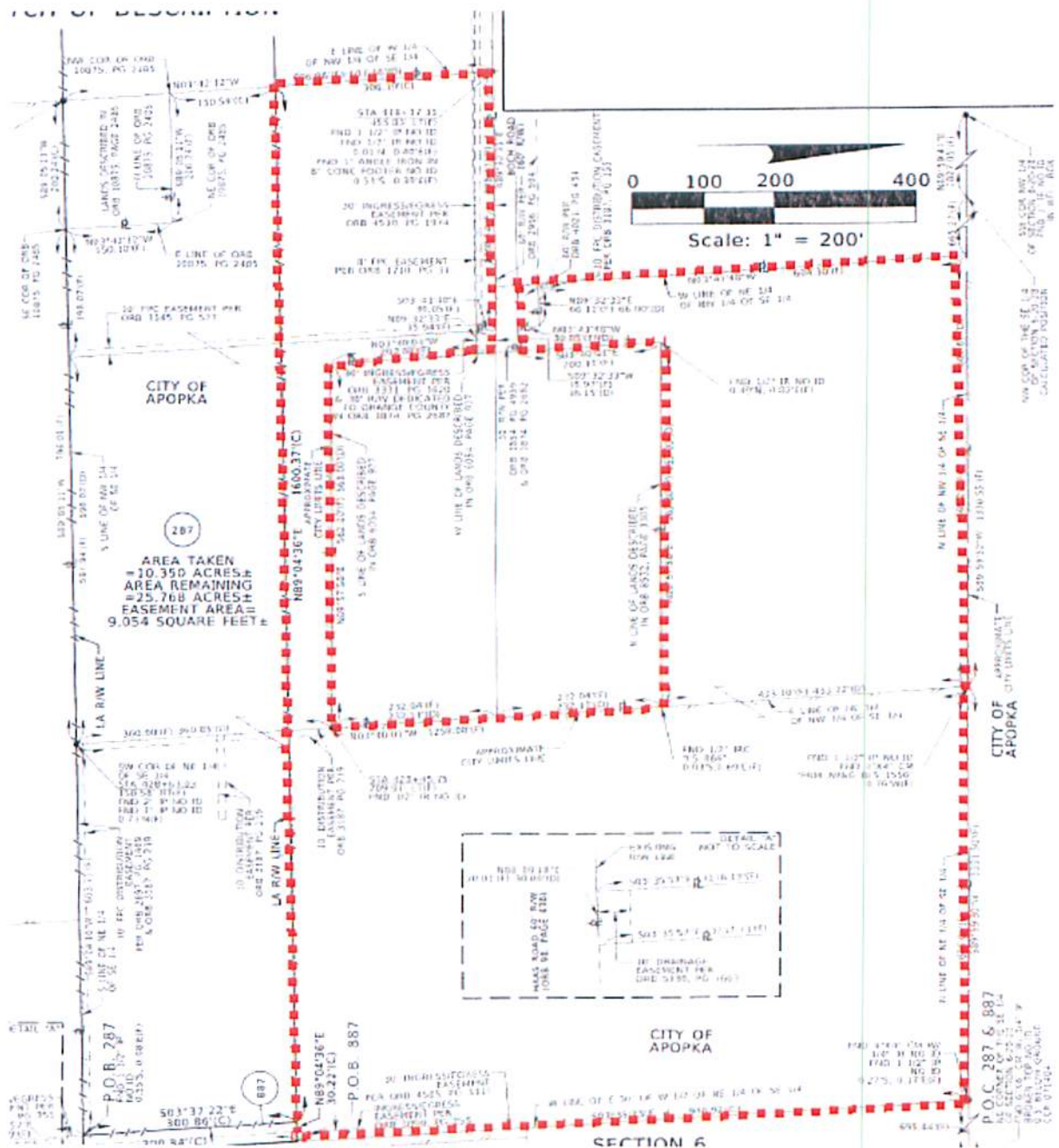
Reviewed by: Joseph J. Cassiata

# EXHIBIT "A"





# EXHIBIT "B"



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# **CONSENT AGENDA ITEM**

**#14**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: Central Florida Expressway Authority Board Members

FROM: Linda S. Brehmer Lanosa, Deputy General Counsel *Linda B.L.*  
Suzanne Driscoll, Esq., Shutts & Bowen *S.H.D.*

DATE: December 8, 2016

RE: *Central Florida Expressway Authority v. Anthony Randall Carter, et al.*  
Case No. 2015-CA-003555-O, Parcel 301  
Owner: HMF, LLC (c/o Charlie R. Forman)  
Location: North Side of Ondich Road, West of Plymouth Sorrento, Apopka  
Parent: 131.707 acres; Taking: 25.147 acres; Remainder: 106.560 acres

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## INTRODUCTION

This case is set for trial on the February 13, 2017 docket in front of Judge Kest. The case was mediated on September 7, 2016, but the parties were not able to reach a compromise. On or about October 31, CFX served an Offer of Judgment in the amount of \$1.2 million dollars. Since that time, the parties have taken a number of depositions, examined numerous documents, and reviewed rebuttal reports. After extensive discovery and ongoing settlement discussions, the parties have reached a proposed all-inclusive settlement in the amount of \$1,845,000, including interest, statutory attorney's fees, expert fees, and costs as described below.

## DESCRIPTION OF PROPERTY AND TAKING

The 131.707-acre vacant parent tract is owned by HMF, LLC ("HMF LLC") and is zoned A-1 for Citrus Rural District with a land use designation of "R" for Rural/Agricultural. The taking is along the eastern side of the parent tract.

## CFX'S APPRAISAL REPORT

Chad G. Durrance, MAI, State-Certified General Real Estate Appraiser, appraised the property for CFX. He concluded that the highest and best use of the property as though vacant is for residential use. Applying the sales comparison approach, Mr. Durrance originally estimated the value of the land at \$25,000 per acre. His estimate of full compensation for the property taken totaled \$728,700, consisting of \$628,700 for the land taken plus \$100,000 in severance damages.

Following his deposition, Mr. Durrance updated his sales search and prepared a rebuttal report. He found additional sales that indicated an increase in price to \$32,500 per acres. Accordingly, the value of the land increased from \$25,000 per acre to \$32,500, per acre,

representing an increase in value to \$817,280 for the land taken plus a corresponding increase in severance damages.

### **HMF LLC'S APPRAISAL REPORTS**

HMF LLC retained both Charles W. Haynes, Jr., GAA, and Richard C. Dreggors, GAA, a state-certified general real estate appraiser, to value the property. Their opinions of value are summarized below.

	<b>Haynes</b>	<b>Dreggors</b>
Before Value (Per Acre)	\$ 50,000	\$ 55,000
Value of Land Taken	\$1,257,400	\$1,383,300
Severance Damages	\$2,664,100	\$3,436,600
Total for Owner	<b>\$3,921,500</b>	<b>\$4,819,900</b>

The report provided by Mr. Dreggors contains a watermark indicating it is a work in progress.

According to Mr. Haynes, the highest and best use in the before is for residential development. In the before condition, Mr. Haynes used comparable sales from 2005 and 2006, rather than the date of taking. In the after condition, Mr. Haynes opined that the highest and best use is for continued agricultural use with a limited future residential development potential. After the taking, Mr. Haynes stated that the value of the land would be reduced from \$50,000 per acre to \$25,000 per acre.

Similarly, Mr. Dreggors concluded that the highest and best use of the property before the taking is for residential use. He relied upon comparable sales outside the market area, including sales in Osceola County and Winter Garden. Mr. Dreggors assumed that after the taking the property would be limited to rural residential use and reduced the value of the land to \$35,000 per acre and then applied a 35% reduction for due to the proximity of the expressway.

### **HMF LLC'S ATTORNEY'S FEES, EXPERT FEES, AND COSTS**

In addition to the paying the property owner for the land taken, CFX is required to pay statutory attorney's fees to the property owner's attorney plus the owner's reasonable expert fees and costs. Section 73.092 sets forth the formula for calculating statutory attorney's fee. Attorney's fees are based upon the benefit achieved. In this case, assuming the amount of full compensation to the property owner is \$1,500,000, the total statutory attorney's fee amounts to approximately \$213,575. As the benefit increases, so does the statutory attorney's fee. For example, the statutory attorney fee on a settlement in the amount of Mr. Haynes' appraised valued would increase by almost \$500,000 to \$711,700.



Regarding expert fees, the invoices from HMF LLC's experts totaled \$174,228 and are listed below and attached hereto.

<b>Expert</b>	<b>Amount Invoiced</b>
Calhoun, Dreggors & Associates, Inc. (Richard Dreggors, GAA)	\$ 40,219.00
Equable Real Estate Solutions (Charles Haynes, Jr., GAA)	55,343.75
Lakemont Group (Joshua Harris, Ph.D.)	21,420.00
Williams Development Services	23,325.00
Linette Matheny (who testified at the Order of Taking hearing)	11,100.00
PEER	22,820.25
<b>Total</b>	<b>\$174,228.00</b>

After examining the invoices and reducing the requested fees by approximately \$43,000, the sum of \$131,416 would be a reasonable amount for expert fees.

With an all-inclusive settlement, CFX is not privy to the exact breakdown of the settlement proceeds. Nevertheless, combining estimated amounts to the landowner for the property taken, to the attorney for statutory attorney's fees, and to the experts for reasonable expert fees, a reasonable all-inclusive settlement amount is \$1,845,000.

### **REQUESTED ACTION**

Board approval is requested to accept the proposed Mediated Settlement Agreement in the amount of **\$1,845,000** to settle all pending claims for the taking of Parcel 301, including full compensation for the property, severance damages, business damages, tort damages, interest, attorney's fees, attorney's costs, expert fees, expert costs, and any other claim, with the exception of the cost of the deposition transcripts, subject to apportionment.

The Right of Way Committee recommended approval on December 1, 2016.

Attachments: Maps and Aerials  
Mediated Settlement Agreement  
Invoices from the Owner's Experts

Reviewed by: Joseph J. Haristone

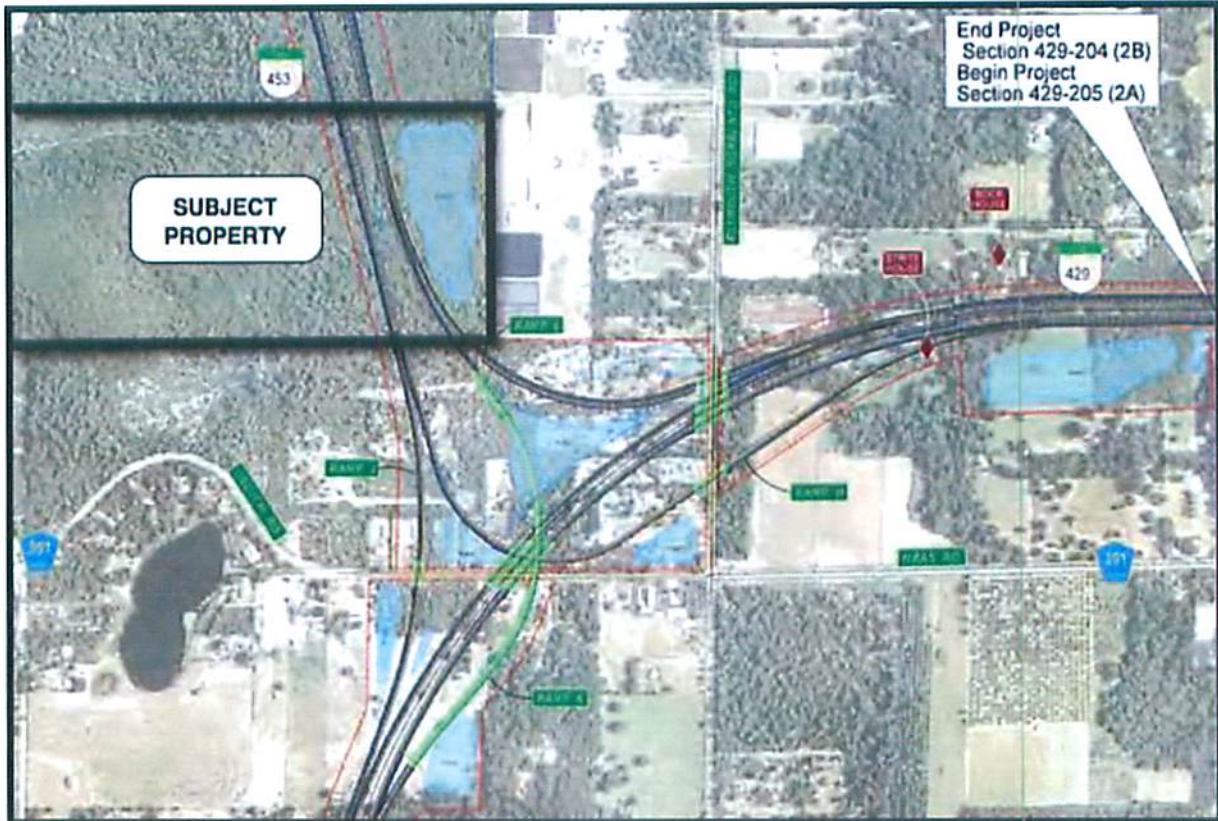
The HMF Property

• Parcel 301 •

Wekiva Parkway



**GENERAL LOCATION MAP**



The HMF Property

• Parcel 301 •

Wekiva Parkway



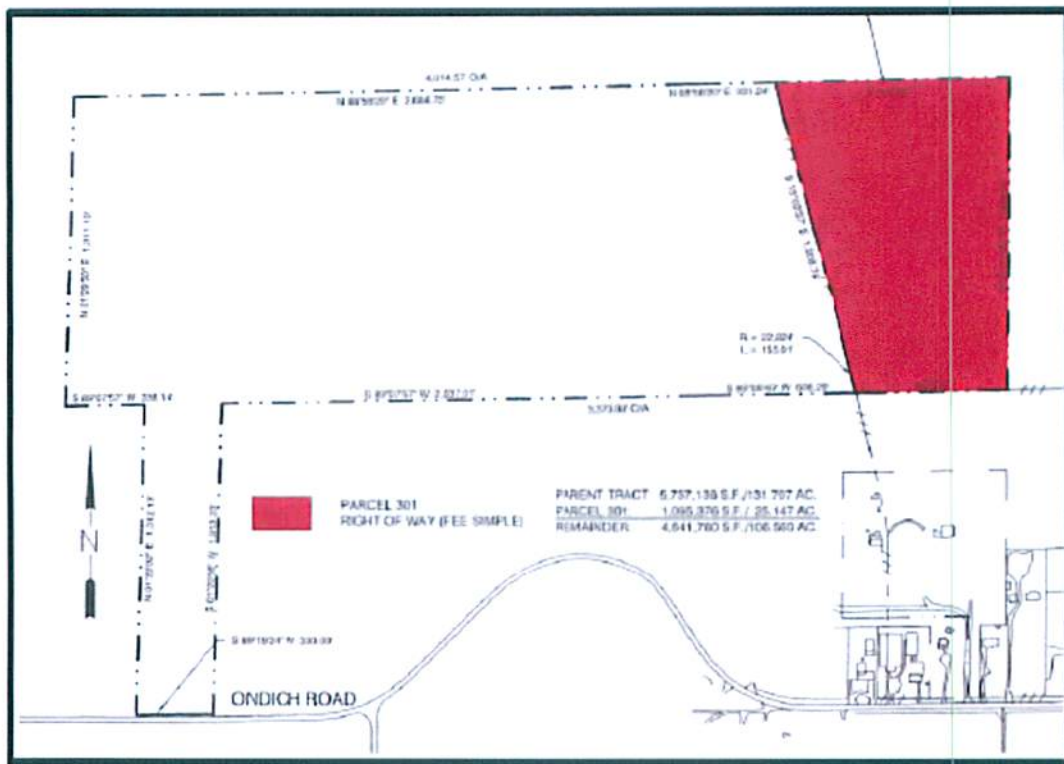
**AERIAL**

(Source: OCPARL.org - 2014 Image Date)

The HMF Property

• Parcel 301 •

Wekiva Parkway



 **SKETCH**

IN THE CIRCUIT COURT OF THE NINTH JUDICIAL CIRCUIT  
IN AND FOR ORANGE COUNTY, FLORIDA

CENTRAL FLORIDA EXPRESSWAY AUTHORITY,  
body politic and corporate, and an agency of the state  
under the laws of the State of Florida,

CASE NO: 2015-CA-003555-O

Subdivision 39

Petitioner,

Parcel 301

vs.

ANTHONY RANDALL CARTER, et. al.

Respondents.

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**SETTLEMENT AGREEMENT**

After a Mediation Conference and continued settlement discussions, the parties reached the following Settlement Agreement:

1. Petitioner will pay to Respondent, HMF LLC, a Florida limited liability company; Welcom H. Watson, TRUSTEE OF THE MILES AUSTIN FORMAN'S CHILDREN'S TRUST; Welcom H. Watson, TRUSTEE OF THE HAMILTON COLLINS FORMAN, JR.'S CHILDREN'S TRUST, MILES AUSTIN FORMAN, and HAMILTON COLLINS FORMAN, JR., through their attorney Charles R. Forman, Esq., (referred to as "Respondent") the sum of ONE MILLION EIGHT HUNDRED FORTY-FIVE THOUSAND AND 00/100 Dollars exactly (\$1,845,000.00), in full settlement of all claims for compensation from Petitioner whatsoever for the taking of Parcel 301, including statutory interest and all claims related to real estate and business damages, if any, attorney's fees and expert witness costs but excluding the cost of reasonable deposition transcripts. The settlement sum may be subject to claims of apportionment by any party in this case having a property interest in or a lien on the subject property. Petitioner previously deposited in the Registry of the Court Petitioner's good faith estimate in the amount of Seven Hundred Twenty-Eight Thousands Seven Hundred Dollars (\$728,700). Within thirty days (30) days from the date of receipt by Petitioner's counsel of a conformed copy of the Stipulated Final Judgment, Petitioner will deposit into the Registry of the Court the sum of ONE MILLION ONE HUNDRED SIXTEEN THOUSAND THREE HUNDRED AND 00/100 Dollars exactly (\$1,116,300.00), representing the difference between the total settlement sum referenced above and the Petitioner's previous deposit in this case.

2. The settlement amount referenced in Paragraph 1 of this Settlement Agreement, is in full settlement and satisfaction of all attorneys' fees, including all fees related to monetary benefits, non-monetary benefits, but excluding supplemental proceedings related to apportionment, if any.

3. This Settlement Agreement will be placed on the agenda for the Right of Way ("ROW") Committee and Central Florida Expressway Authority ("CFX") Board and is conditioned upon final approval by the ROW Committee and then the CFX Board.

4. Counsel for Petitioner and Respondent will jointly submit to the Court a mutually approved Stipulated Final Judgment containing the terms and conditions of this Settlement Agreement within fifteen (15) days from the date of approval of this Settlement Agreement by the CFX Board.

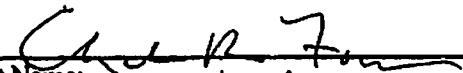
5. The parties agree to waive any confidentiality provisions set forth in Chapter 44 of Florida Statutes, the Florida Rules of Civil Procedure, and the Florida Rules of Evidence, if applicable, for the limited purpose of consideration of this proposed Settlement Agreement by the ROW Committee and the CFX Board.


6. The parties agree to continue the trial of this matter pending review by the CFX ROW Committee and CFX Board.

7. This Agreement resolves all claims whatsoever, including claims of compensation arising from the taking of Parcel 301, severance damages, business damages, tort damages, interest, attorney's fees, expert fees, expert costs, and any other claim only excluding reasonable litigation costs still to be determined.

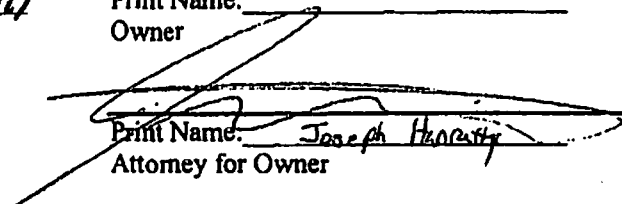
8. This Settlement Agreement, executed by the parties and their counsel on this 16 day of November, 2016, contains all the agreements of the parties.

  
Print Name: Linda S. B. Lanasa  
Central Florida Expressway Authority

  
Print Name: Charles R. Forman  
Owner

  
Print Name: Suzanne Driscoll  
Counsel for CFX

Print Name: \_\_\_\_\_  
Owner

  
Print Name: Joseph Hancity  
Attorney for Owner

# Calhoun, Dreggors & Associates, Inc.

• Real Estate Appraisers & Consultants •

November 14, 2016

Charles R. Forman Esq.  
c/o Forman, Hanratty, Thomas & Montgomery  
723 E. Ft. King Street  
Ocala, FL 34471-2944

RE: Owner: HMF, LLC  
Project: Wekiva Parkway  
Parcel No.: N/A  
County: Orange

## INVOICE

Inspection of subject property, review of CFX plans and reports, conference with experts, review expert reports, research analysis of vacant land sales, verification of sales and data, analysis of damages to the remainder, preparation of appraisal report.

Abrams Schmidt:	91.75 Hrs. x \$175/Hr. =	\$16,056
Dreggors:	38.25 Hrs. x \$275/Hr. =	<u>10,519</u>
<b>Subtotal</b>		<b>\$26,575</b>

Prepare for deposition, attend deposition.

Abrams Schmidt:	21.00 Hrs. x \$175/Hr. =	\$ 3,675
Dreggors:	36.25 Hrs. x \$275/Hr. =	<u>9,969</u>
<b>Subtotal</b>		<b><u>\$13,644</u></b>
<b>Total</b>		<b>\$40,219</b>

Thank you,

Richard C. Dreggors, GAA  
President

RCD/ddp

728 West Smith Street • Orlando, Florida 32804  
Tel (407) 835-3395 • Fax (407) 835-3393



<b>OWNER</b>	<b>HMF, LLC</b>	<b>COURTNEY ABRAMS SCHMIDT</b>
<b>PROJECT</b>	<b>WEKIVA PARKWAY</b>	
<b>PARCEL(S)</b>	<b>N/A</b>	
<b>COUNTY</b>	<b>ORANGE</b>	

<b>DATE</b>	<b>TYPE OF SERVICE</b>	<b>HOURS</b>
03/18/16	MEETING WITH RICK TO DISCUSS SCOPE OF WORK.	0.75
03/24/16	REVIEW OF FILE AND SUBJECT MATERIAL; REVIEW CFX APPRAISAL; PRELIMINARY SALES RESEARCH.	4.00
03/25/16	RESEARCH/ANALYSIS OF SALES; ANALYSIS OF CFX'S SALES.	6.00
04/01/16	RESEARCH/ANALYSIS OF SALES.	3.25
05/13/16	RESEARCH/ANALYSIS OF SALES.	2.50
05/16/16	CONFERENCE CALL WITH PROPERTY OWNER; RESEARCH/ANALYSIS OF SALES.	2.75
05/17/16	RESEARCH/ANALYSIS OF SALES; CONFERENCE CALL WITH OWNER.	2.00
05/20/16	RESEARCH/ANALYSIS OF SALES; CONFERENCE CALL WITH EXPERTS.	3.00
05/31/16	CONFERENCE CALL WITH EXPERTS; ANALYSIS OF SALES.	1.50
07/06/16	MEETING WITH EXPERTS.	2.00
07/12/16	ASSISTED WITH APPRAISAL; WORKED ON SUBJECT EXHIBITS.	2.75
07/14/16	ASSISTED WITH APPRAISAL; RESEARCH/ANALYSIS OF SALES.	5.25
07/15/16	ASSISTED WITH APPRAISAL.	4.00
07/18/16	ANALYSIS OF SALES; ASSIST WITH APPRAISAL.	4.25
07/19/16	SALES ANALYSIS.	2.25
07/22/16	REVIEW OF ENGINEERING REPORT; ANALYSIS OF SALES; ASSIST WITH APPRAISAL; MEETING WITH RICK TO REVIEW ENGINEERING ISSUES AND SALES.	4.75
07/25/16	ASSISTED WITH APPRAISAL.	3.75
07/27/16	ASSISTED WITH APPRAISAL.	3.00
07/29/16	REVIEW OF UPDATED ENGINEERING ANALYSIS; REVIEW SURROUNDING PARCELS UTILITY CONNECTIONS.	1.25

<b>OWNER</b>	<b>HMF, LLC</b>	<b>COURTNEY ABRAMS SCHMIDT</b>
<b>PROJECT</b>	<b>WEKIVA PARKWAY</b>	
<b>PARCEL(S)</b>	<b>N/A</b>	
<b>COUNTY</b>	<b>ORANGE</b>	

<b>DATE</b>	<b>TYPE OF SERVICE</b>	<b>HOURS</b>
08/01/16	REVIEW LAND PLANNING REPORT; ASSIST WITH APPRAISAL; DISCUSS LAND PLANNING ISSUES WITH RICK.	3.25
08/03/16	BLIGHT STUDY ANALYSIS; CONFERENCE CALL WITH LAND PLANNER; REVIEW WITH RICK.	1.75
08/04/16	CONFERENCE CALL WITH EXPERTS; ANALYSIS OF HIGHEST AND BEST USE AFTER; ANALYSIS OF AFTER SALES; WORKED ON STUDY.	4.50
08/05/16	RESEARCH/ANALYSIS OF AFTER SALES; MEETING WITH RICK TO REVIEW SALES AND DISCUSS DAMAGES; ASSIST WITH APPRAISAL.	8.75
08/08/16	ASSIST WITH APPRAISAL; WORK ON ADDENDA; WORK ON STUDY.	4.00
08/09/16	CALL WITH OWNER; ASSIST WITH APPRAISAL.	1.25
08/10/16	ASSIST WITH APPRAISAL; CALL WITH OWNER; REVIEW OF LAKEMONT REPORT; REVIEW UPDATED ENGINEERING	6.25
08/11/16	MEETING WITH RICK TO REVIEW APPRAISAL; CALL WITH OWNER; FINALIZE ADDENDA.	<u>3.00</u>
	<b>SUBTOTAL HOURS</b>	<b>91.75</b>
10/21/16	DEPOSITION PREPARATION.	2.00
10/24/16	RESEARCH/ANALYSIS OF CFX SALES.	2.75
10/25/16	MEETING WITH RICK TO REVIEW DURRANCE LAND SALES; PREPARE SUMMARY OF DATA.	1.75
11/02/16	DEPOSITION PREPARATION.	3.75
11/03/16	ASSISTED WITH DEPOSITION PREPARATION.	4.00
11/08/16	CONFERENCE WITH RICK REGARDING REBUTTAL ANALYSIS; RESEARCH DOCUMENTS/REPORTS FOR REBUTTAL ANALYSIS; CALL WITH EXPERT TO DISCUSS.	3.75
11/10/16	CONFERENCE CALL WITH EXPERTS; WORK ON REBUTTAL ANALYSIS.	<u>3.00</u>

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<b>OWNER</b>	<b>HMF, LLC</b>	<b>COURTNEY ABRAMS SCHMIDT</b>
<b>PROJECT</b>	<b>WEKIVA PARKWAY</b>	
<b>PARCEL(S)</b>	<b>N/A</b>	
<b>COUNTY</b>	<b>ORANGE</b>	

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<b>DATE</b>	<b>TYPE OF SERVICE</b>	<b>HOURS</b>
	<b>SUBTOTAL HOURS</b>	<b>21.00</b>
	<b>TOTAL HOURS</b>	<b>112.75</b>

<b>OWNER</b>	<b>HMF, LLC</b>	<b>RICHARD C. DREGGORS, GAA</b>
<b>PROJECT</b>	<b>WEKIVA PARKWAY</b>	
<b>PARCEL(S)</b>	<b>N/A</b>	
<b>COUNTY</b>	<b>ORANGE</b>	

<b>DATE</b>	<b>TYPE OF SERVICE</b>	<b>HOURS</b>
06/17/15	CONFERENCE WITH OWNER; REVIEW INFORMATION ON THE SUBJECT PARCEL.	1.50
10/23/15	CONFERENCE WITH CHARLIE FORMAN; REVIEW APPRAISALS OF SUBJECT PARCEL WITH JUNE 2006 DOV.	1.75
10/28/15	REVIEW DOCUMENTS AND SALES OF VACANT LAND IN THE AREA.	1.50
03/18/16	MEETING WITH ASSOCIATE TO REVIEW OUR SCOPE OF WORK.	0.75
05/16/16	CONFERENCE WITH CHARLIE FORMAN REGARDING COMPARABLE SALES AND VALUATION ISSUES.	1.50
06/03/16	ASSIST WITH ANALYSIS OF LAND SALES WITHIN AND OUTSIDE THE PROJECT AREA.	2.75
06/13/16	INSPECT SUBJECT PARCEL ON ONDICH ROAD.	0.75
07/06/16	PREPARE FOR AND CONFERENCE WITH EXPERTS; REVIEW VALUATION ISSUES AND DEADLINES.	2.25
07/22/16	REVIEW DAMAGES TOR REMAINDER ISSUES; MEETING WITH ASSOCIATE TO DISCUSS.	1.25
07/31/16	ASSIST WITH LAND SALES ANALYSIS OF LAND INSIDE AND OUTSIDE PROJECT AREA.	2.75
08/01/16	MEETING WITH ASSOCIATE TO REVIEW PLANNING.	0.50
08/02/16	ASSIST WITH LAND SALES RESEARCH FOR STUDY; REVIEW WILLIAMS REPORT.	2.25
08/03/16	REVIEW WILLIAMS LAND PLANNING; DISCUSS WITH ASSOCIATE; CONFERENCE WITH ED WILLIAMS TO REVIEW.	1.75
08/04/16	PREPARE FOR AND CONFERENCE WITH EXPERTS AND OWNER; REVIEW HIGHEST AND BEST USE AFTER; ASSIST WITH LAND SALES FOR REMAINDER.	4.75
08/05/16	ASSIST WITH LAND SALES ANALYSIS OF BEFORE AND AFTER VALUE.	0.75
08/08/16	REVIEW/WRITE REPORT; REVIEW EXPERT REPORTS.	6.75

<b>OWNER</b>	<b>HMF, LLC</b>	<b>RICHARD C. DREGGORS, GAA</b>
<b>PROJECT</b>	<b>WEKIVA PARKWAY</b>	
<b>PARCEL(S)</b>	<b>N/A</b>	
<b>COUNTY</b>	<b>ORANGE</b>	

<b>DATE</b>	<b>TYPE OF SERVICE</b>	<b>HOURS</b>
08/09/16	REVIEW REPORT; MEETING WITH ASSOCIATE TO REVIEW HIGHEST AND BEST USE.	<u>4.75</u>
	<b>SUBTOTAL HOURS</b>	<b>38.25</b>
08/11/16	REVIEW/WRITE REPORT; CONFERENCE WITH ASSOCIATE.	1.75
10/26/16	BEGIN PREPARING FOR MY DEPOSITION.	2.75
10/31/16	BEGIN TO PREPARE FOR DEPOSITION.	1.75
11/01/16	CONTINUE DEPOSITION PREPARATION.	3.75
11/02/16	DEPOSITION PREPARATION; REVIEW FILE; REVIEW REPORTS.	6.50
11/03/16	DEPOSITION PREPARATION.	5.75
11/04/16	DEPOSITION PREPARATION AND ATTEND DEPOSITION.	9.75
11/08/16	REVIEW DOCUMENTS FOR SALES OF NEARBY LAND; CONFERENCE WITH ASSOCIATE.	0.75
11/09/16	PREPARE FOR CONFERENCE CALL WITH EXPERTS/ OWNER; REVIEW REPORTS WITH ASSOCIATE.	1.75
11/10/16	PREPARE FOR AND CONFERENCE WITH EXPERTS.	<u>1.75</u>
	<b>SUBTOTAL HOURS</b>	<b>36.25</b>
	<b>TOTAL HOURS</b>	<b>74.50</b>

# *Equable Real Estate Solutions LLC.*

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*Real Estate Appraisers & Consultants  
2112 Sunnydale Boulevard, Suite E,  
Clearwater, Florida 33765  
(727) 362-5110*

November 14, 2016

Mr. Charles R. Forman  
Forman, Hanratty, Thomas, & Montgomery  
723 E. Fort King St.  
Ocala, FL 34471

In Reference To: HMF, LLC  
Wekiva Parkway (State Road 429)  
Parcel 301  
Orange County

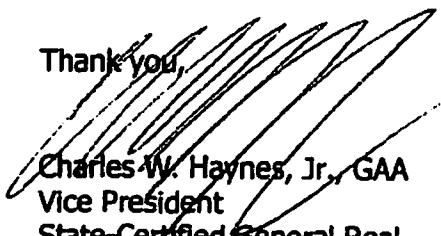
## **INVOICE**

Inspect subject property and subject neighborhood; research and analyze highest and best use issues for subject property, including market trends from 2005-2015; research for comparable land sales pre-2007 and during the 2010-2015 date range, including the subject immediate area and potential comparable markets; analysis of take and damage issues, including analyzing various damage studies, researching for comparable sales, and analyzing development potential; inspect potential land sales; draft appraisal report for negotiation purposes and for trial purposes; discuss various issues with client; prepare for and attend deposition.

D. L. Beaugrand :	110.00 Hrs. @ \$145.00/Hr.	\$ 15,950.00
C. W. Haynes :	143.25 Hrs. @ \$275.00/Hr.	<u>33,393.75</u>

**TOTAL INVOICE AMOUNT:** **\$55,343.75**

Thank you,



Charles W. Haynes, Jr., GAA  
Vice President  
State-Certified General Real  
Estate Appraiser RZ2244

Invoice submitted to:  
 Mr. Charles R. Forman  
 Forman, Hanratty, Thomas & Montgomery  
 723 E Ft. King Street  
 Ocala, FL 34471

November 14, 2016

In Reference To: HMF, LLC  
 Wekiva Parkway/SR 429  
 Orange County  
 Parcel 301

Invoice #10877

Professional Services

	<u>Hours</u>
<u>Donna Beaugrand</u>	
3/5/2015 ANALYSIS OF SUBJECT PROPERTY; ANALYSIS OF LEGAL DESCRIPTIONS, DEEDS, TAX CARDS AND OTHER PERTINENT PROPERTY INFORMATION; RESEARCH SALE FINANCING; RESEARCH UTILITIES FOR COMPARABLE SALES; PREPARE LOCATION MAPS AND SITE SKETCHES FOR COMPARABLE SALES; ; VERIFY ZONING AND LAND USE.	1.00
4/9/2015 ANALYSIS OF POSSIBLE COMPARABLE SALES; PULL DEEDS, TAX CARDS, PLAT MAPS.	0.50
4/10/2015 ANALYSIS OF POSSIBLE COMPARABLE SALES; PULL DEEDS, TAX CARDS, PLAT MAPS.	6.25
4/13/2015 ANALYSIS OF POSSIBLE COMPARABLE SALES; PULL DEEDS, TAX CARDS, PLAT MAPS.	2.00
6/17/2015 RESEARCH COMPARABLE SALES	6.25
6/18/2015 ANALYSIS OF POSSIBLE COMPARABLE SALES; PULL DEEDS, TAX CARDS, PLAT MAPS AND OTHER PERTINENT INFORMATION FOR POSSIBLE COMPARABLE SALES, ANALYSIS OF LEGAL DESCRIPTIONS AND TAX CARDS, PREPARE APEX SITE SKETCHES AND LOCATION MAPS; RESEARCH GIS DATABASE FOR ZONING AND LAND USE.	6.50
6/22/2015 PREPARE SITE SKETCHES, MAPS, AND ADDENDA FOR APPRAISAL REPORT.	4.50
7/7/2016 RESEARCH FOR STUDY	5.50
7/8/2016 RESEARCH FOR STUDY	5.50
7/13/2016 RESEARCH FOR STUDY	7.75
7/14/2016 RESEARCH FOR STUDY	6.25
7/15/2016 RESEARCH FOR STUDY	7.75
7/18/2016 RESEARCH FOR STUDY	8.00
7/19/2016 RESEARCH FOR STUDY	5.00

Mr. Charles R. Forman

Page 2

	<u>Hours</u>
7/20/2016 RESEARCH FOR STUDY	3.00
7/21/2016 RESEARCH FOR STUDY	7.00
7/22/2016 RESEARCH FOR STUDY	7.00
7/25/2016 RESEARCH FOR STUDY	7.00
7/28/2016 RESEARCH FOR STUDY	5.00
7/27/2016 RESEARCH FOR POSSIBLE COMPARABLE LAND SALES. TAX CARDS, DEEDS AND AERIALS.	1.50
10/10/2016 PREPARE FOR DEPOSITION	6.75
SUBTOTAL:	<u>110.00</u> <u>15950.00</u>
<u>Haynes, Charles</u>	
3/4/2015 ANALYSIS OF SUBJECT PROPERTY; ANALYSIS OF FDOT APPRAISAL; DISCUSS ISSUES WITH CLIENT	2.75
3/5/2015 RESEARCH FOR COMPARABLE LAND SALES IN ORANGE, LAKE, AND SEMINOLE COUNTIES. ANALYSIS OF BLIGHT AND MARKET TRENDS	5.75
3/16/2015 RESEARCH FOR COMPARABLE LAND SALES IN ORANGE, LAKE, AND SEMINOLE COUNTIES. ANALYSIS OF BLIGHT AND MARKET TRENDS	6.25
3/17/2015 RESEARCH FOR COMPARABLE LAND SALES IN ORANGE, LAKE, AND SEMINOLE COUNTIES. ANALYSIS OF BLIGHT AND MARKET TRENDS	7.75
4/9/2015 RESEARCH FOR COMPARABLE LAND SALES IN ORANGE AND LAKE COUNTIES	5.75
4/10/2015 RESEARCH FOR COMPARABLE LAND SALES IN ORANGE AND LAKE COUNTIES	4.75
RESEARCH FOR COMPARABLE LAND SALES IN ORANGE AND LAKE COUNTIES	4.75
6/15/2015 RESEARCH FOR COMPARABLE LAND SALES IN ORANGE AND LAKE COUNTIES; ANALYSIS OF DATA	6.75
6/16/2015 RESEARCH FOR COMPARABLE LAND SALES IN ORANGE AND LAKE COUNTIES; ANALYSIS OF DATA	6.50
6/17/2015 RESEARCH FOR COMPARABLE LAND SALES IN ORANGE AND LAKE COUNTIES; ANALYSIS OF DATA; ANALYSIS OF TAKE AND DAMAGE ISSUES; ANALYSIS OF ORDER OF TAKING ISSUES.	7.25
6/18/2015 RESEARCH FOR COMPARABLE LAND SALES IN ORANGE AND LAKE COUNTIES; ANALYSIS OF DATA; ANALYSIS OF TAKE AND DAMAGE ISSUES; ANALYSIS OF ORDER OF TAKING ISSUES.	7.25



	<u>Hours</u>
8/28/2015 RESEARCH FOR COMPARABLE LAND SALES IN ORANGE AND LAKE COUNTIES; ANALYSIS OF DATA; ANALYSIS OF TAKE AND DAMAGE ISSUES; ANALYSIS OF ORDER OF TAKING ISSUES. RESEARCH FOR WEKIVA PARKWAY DOCUMENTS	5.75
8/31/2015 RESEARCH FOR COMPARABLE LAND SALES IN ORANGE AND LAKE COUNTIES; ANALYSIS OF DATA; ANALYSIS OF TAKE AND DAMAGE ISSUES; ANALYSIS OF ORDER OF TAKING ISSUES. DRAFT APPRAISAL REPORT; RESEARCH FOR WEKIVA PARKWAY DOCUMENTS	6.50
9/1/2015 RESEARCH FOR COMPARABLE LAND SALES IN ORANGE AND LAKE COUNTIES; ANALYSIS OF DATA; ANALYSIS OF TAKE AND DAMAGE ISSUES; ANALYSIS OF ORDER OF TAKING ISSUES. DRAFT APPRAISAL REPORT; RESEARCH FOR WEKIVA PARKWAY DOCUMENTS	7.75
9/2/2015 RESEARCH FOR COMPARABLE LAND SALES IN ORANGE AND LAKE COUNTIES; ANALYSIS OF DATA; ANALYSIS OF TAKE AND DAMAGE ISSUES; ANALYSIS OF ORDER OF TAKING ISSUES. DRAFT APPRAISAL REPORT; RESEARCH FOR WEKIVA PARKWAY DOCUMENTS	7.75
7/11/2016 ANALYSIS OF SUBJECT PROPERTY, NEIGHBORHOOD, AND MARKET TRENDS FOR TRIAL PURPOSES AND TRIAL REPORT	6.75
7/12/2016 ANALYSIS OF SUBJECT PROPERTY, NEIGHBORHOOD, AND MARKET TRENDS FOR TRIAL PURPOSES AND FOR TRIAL REPORT	6.75
7/13/2016 ANALYSIS OF SUBJECT PROPERTY, NEIGHBORHOOD, AND MARKET TRENDS FOR TRIAL PURPOSES AND FOR TRIAL REPORT	6.25
10/28/2016 PREPARE FOR DEPOSITION	5.75
10/31/2016 PREPARE FOR DEPOSITION	7.25
11/1/2016 PREPARE FOR DEPOSITION; INSPECT SUBJECT NEIGHBORHOOD AND SUBJECT PROPERTY	6.25
11/2/2016 PREPARE FOR DEPOSITION; INSPECT SUBJECT NEIGHBORHOOD AND SUBJECT PROPERTY	4.75
11/3/2016 PREPARE FOR AND ATTEND DEPOSITION IN ORLANDO	6.25
 SUBTOTAL:	 <u>143.25</u>
	<u>39393.75]</u>
	<u>Amount</u>
For professional services rendered	253.25 \$55,343.75
 Balance due	 <u>\$55,343.75</u>

Lakemont Group  
2037 Shaw Lane, Orlando, FL 32814

# INVOICE

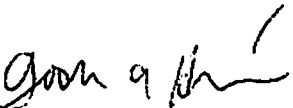
Invoice Number 1  
Period Covered –  
6/17/16 to 11/14/16

November 14, 2016

To: Charles R. Forman  
Forman, Hanratty, Thomas &  
Montgomery  
723 E. Ft. King Street  
Ocala, Florida 34471  
Attn: Accounts Payable

DATES	DESCRIPTION	HOURS	RATE	AMOUNT
	<u>Client: HMF, LLC</u> <u>Matter: CFX v. Carter et. al. – Parcel 301 - 3845</u> <u>Ondich Road, Apopka, Florida</u> <u>Case No: 2015-CA-3555</u>			
See Attached	Meetings and calls with attorneys and clients and review of documents.	9.4	\$350.00	\$ 3,290.00
See Attached	Background research, preparation, and writing of Expert Analysis of Economic and Market Forces Impacting subject parcel report.	33.9	\$350.00	\$ 11,865.00
See Attached	Prepare for deposition, review/prepare documents for responsive production, testify at deposition (11/31/16) at Shutts and Bowen – Orlando.	17.9	\$350.00	\$ 6,265.00
	SUB TOTAL:			\$ 21,420.00
Expenses	None			\$ 0.00
	TOTAL DUE:			\$ 21,420.00
	Note: Hour Detail Sheet Attached			

Thank you very much for the opportunity to serve.

  
Joshua A. Harris, Ph. D., CRE, CCIM, CAIA  
Managing Partner  
Lakemont Group

**Payment Instruction via Check:**  
LAKEMONT GROUP  
C/O JOSHUA HARRIS  
2037 SHAW LANE  
ORLANDO, FL 32814

Hour Detail Sheet

Client: HMF LLC  
Matter: CFX Parcel 301 - 3845 Ondich Road, Apopka FL

Person	Date	Time	Description
JH	6/17/2016	1.5	call with attorney - Overview of client property, parts being taken
JH	6/18/2016	2.7	Build case file, review documents on taking, research subject parcel
JH	6/21/2016	3.4	Market research, define market area, prepare initial mapping
JH	7/6/2016	2.5	Meeting with experts to discuss issues on case
JH	7/8/2016	3.4	Research market area, subdivision development, growth patterns
JH	7/9/2016	4.5	Drafting of report, state/local economic issues
JH	7/11/2016	2.3	Research housing development and pricing trends
JH	7/12/2016	1.3	Draft Report - market area analysis
JH	7/15/2016	2.9	Research history of project, legislation, and review of press
JH	7/15/2016	0.5	Mapping analysis
JH	8/4/2016	1.7	prep for call, call to discuss report progress
JH	8/5/2016	5.6	Edit and finalize report, insert charts and update market research
JH	8/6/2016	6.8	Edit and finalize report, complete forces impacting market area/subject section
JH	8/10/2016	0.7	Final edits, revisions, prepare report for transmittal
JH	8/16/2016	3.5	Review of CFX expert reports
JH	10/20/2016	2.7	Prepare and review documents to transmit to CFX per request prior to depo
JH	10/21/2016	0.3	Transmit documents responsive to CFX request prior to depo
JH	10/28/2016	1.2	Call to prep for depo
JH	10/29/2016	1.5	Tour of property and market area
JH	10/30/2016	3.5	Review documents to prepare for deposition
JH	10/31/2016	6	Deposition by CFX Attorney - Shutts and Bowen Orlando Office
JH	11/1/2016	1.1	File intake and review of documents
JH	11/5/2016	1.6	Review of documents
Total		61.2	

Payment Instruction via Check:

LAKEMONT GROUP  
C/O JOSHUA HARRIS  
2037 SHAW LANE  
ORLANDO, FL 32814

# Williams Development Services, Inc.

**Edward J. Williams**  
**PRESIDENT**

November 15, 2016

Mr. Charles Forman  
Forman, Hanratty, Thomas and Montgomery\  
723 E. Fort King Street  
Ocala FL 34471

Subject: SR 429-Wekiva Parkway – HML LLC Parcel 301,  
Invoice for Professional Land Planning and Development Permitting Analysis  
Case # 2015 CA 003555-0

Dear Mr. Forman

The following invoice is for professional land planning services in the above described case. Your assistance in processing this invoice would be greatly appreciated. Entries marked with an (A) indicate times allocated on the same day between two or more cases.

DATE	SERVICES	HOURS
2-1-05	Meeting with attorney, retained in case, received initial work assignments	1.5
2-16-05	Site and neighborhood inspections	2.0
5-6-13		3.0
7-31-14		2.2(A)
	Collect and analyze background data on County Comprehensive Plan and Land Development Code, City of Apopka Comprehensive Plan and Land Development Code, probability of annexation, reasonable probability of amending development Regulations, utility availability, physical characteristics of site	
1-14-14	Orange County Comprehensive Plan, FLUM and FLU Element	1.0(A)
1-28-14	City of Apopka Comprehensive Plan, FLUM and FLU Element (2020, 2030)	3.0(A)
4-25-15	City of Apopka annexation files	2.0(A)
4-28-15	City of Apopka annexation files	2.0
3-3-14	Interlocal Settlement Agreement between City of Apopka and Orange County Including amendments one and two,	1.8
6-11-14	City of Apopka Northwest Area Study (April 2002)	0.5(A)
6-11-14	City of Apopka Wekiva Parkway Interchange Plan	0.5(A)
5-6-13	Chapter 15, The Western Beltway History	1.0(A)
12-1-12	Wekiva Basin Committee Final Report	1.5
	Wekiva River Protection Act	
	Wekiva Parkway and Protection Act	

407-422-8100 ♦ Fax 407-422-8180

# Williams Development Services, Inc.

**Edward J. Williams**  
**PRESIDENT**

2-9-15	Preparation for and attendance at team meeting of experts to report findings,	1.2
4-18-16	Exchange information and coordinate work assignments	1.0
7-6-16		1.5
8-4-16		1.5
11-7-13	Attend Expressway Design Update meeting to determine impact to property	1.5 (A)
3-25-15	Review and comment on Expressway appraisal and updates from a land	3.5
3-23-16	planning and development permitting standpoint, review and comment on	2.8
3-24-16	Appraisers land planning consultant's report . Review Impact Adjacency	2.5
4-18-16	Reports.	2.0
6-24-15	Review information on condemnation blight and scope of the project	2.8
6-16-16	Identify highest and best use issues and discuss with appraisers Haynes and Dreggors.	1.5
6-16-16	Prepare proposed exhibits, forward to attorney and discuss with attorney	3.0
6-19-16		2.0
4-21-15	Preparation for Order of Taking Hearing	2.0
4-22-15		2.0
6-10-15	Assist attorney Hanratty with planning issues for appeal of OT	2.5
5-6-15	Analyze reasonable probability of annexation, rezoning and comprehensive	3.0
5-7-16	plan amendments in support of highest and best use.	2.0
5-10-15		2.0
7-17-16	Conference with Attorney Forman on work assignments	1.5
5-6-16	Prepare damage analysis, identify potential cures	3.0
5-13-16		2.5
6-16-16	Highest and best use analysis, prepare report	2.0
7-31-16		3.5
8-5-16		3.0

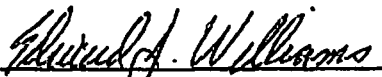
# Williams Development Services, Inc.

**Edward J. Williams**  
**PRESIDENT**

8-2-16	Review and comment on owners engineer Paul Sherma report, analysis and Exhibits.	2.0
8-3-16	Review damage issues with appraiser Dreggors and Abrams.	1.5
9-6-16		1.0
10-31-16	Review and comment on exhibits and analysis by expressway engineer Leland Moree	1.5
10-31-16	Prepare files for deposition inspection	1.0
11-3-16	Preparation for deposition	3.5
11-4-16	Preparation for deposition with Attorneys Forman and Hanratty.	2.0
11-4-16	Attend deposition	1.8
11-9-16	Conference with attorney Forman on preparation for Trial.	1.2

Subtotal: 93.3 Hours at \$250.00 per Hour

Total Due: \$23,325.00

Submitted By:   
Edward J Williams, President  
Williams Development Services Inc.

Vicki Smith

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**From:** Linette Matheny <linette\_matheny@yahoo.com>  
**Sent:** Monday, November 14, 2016 3:15 PM  
**To:** Vicki Smith  
**Subject:** Fw: Wekiva  
**Attachments:** C\_Users\mat2\Desktop\WekivaInvoice.pdf; \_Certification\_.htm

Sent from Yahoo Mail on Android

On Mon, Aug 17, 2015 at 1:50 PM, Linette Matheny <linette\_matheny@yahoo.com> wrote:

Here you go. Africa sounds awesome!

--- On Wed, 7/8/15, Linette Matheny <linette\_matheny@yahoo.com> wrote:

> From: Linette Matheny <linette\_matheny@yahoo.com>  
> Subject: Wekiva  
> To: "Charles Forman" <crforman@hotmail.com>  
> Date: Wednesday, July 8, 2015, 1:37 PM  
> Hi Charlie - I put  
> together an invoice, let me know if I need to make any  
> revisions.  
>

<b>Wekiva Parkway</b>	
	Hours
Week of May 24th - Phone call with Charles Forman to receive project direction. Received CD containing the documents to review. Reviewed documents to understand design parameters, assumptions, plans, and calculations.	10
Week of May 31st - Detailed review of the Permit documents. Checked calculations by Atkins for design validity and assumptions. Created ACAD exhibits depicting the existing conditions. Reviewed the ICPR data provided in paper format compared to the permitted conditions.	17
Week of June 7th - Ran Atkins model and error checked vs. paper documents, create multiple ICPR scenarios based on optimizing the pond size and not changing Atkins numbers. Calculated a Time of Concentration and Curve Number to more accurately reflect the design. Created exhibits to go with the modeling.	16
Week of June 14th - Phone conversation with Charles, review models, error check, finalize exhibits, met to prepare for deposition, created additional exhibits, deposition.	18
Week of June 21st - Review for court and court appearance.	13
<b>Fee: \$11,100</b>	<b>Total Hours 74</b>





PEER INVOICE NUMBER 15 - 2225 .01

PROPERTY OWNER: HMF LLC adv. CFX  
Parcel No. 301  
Wekiva Parkway (SR 429)

ATTORNEY: Forman, Hanratty, Thomas & Montgomery

DATE: November 15, 2016

**SECTION A - DESCRIPTION OF SERVICES :**

I. Paul V. Sherma, P. E. : Expert Witness / Principal

57.50 Hrs. X \$ 235.00 / hour = \$ 13,512.50

II. Staz Guntek, Engineering Technician IV

59.75 X \$ 150.00 / hour = \$ 8,962.50

III. Out - of - Pocket Expenses :

Photocopies	\$ 14.70
Index Sets	\$ 00.00
Laser Paper ( 11" x 17" )	\$ 260.70
Postage	\$ 00.00
Mileage	\$ 67.85
Report Covers and Combs	\$ 00.00
Photographs	\$ 00.00
Color Copies	\$ 00.00
23" x 36" Paper Plots	\$ 2.00
Printing and Scanning	\$ 0.00

SUBTOTAL OUT-OF-POCKET EXPENSES \$ 345.25

**TOTAL AMOUNT DUE \$ 22,820.25**



PEER INVOICE NUMBER 16 -2225 .01

NAME : Paul V. Sherma

POSITION : Expert Witness

<u>DATE</u>	<u>DESCRIPTION</u>	<u>NO. OF HOURS</u>
07 - 18 - 16	Telephone conference with Mr. Charlie Forman; Review information from Mr. Charlie Forman	0.50
07 - 19 - 16	Review CFX Engineering Plans; Review CFX Right of Way Map; Review Engineering Report; Coordinate with CADD Department; Prepare Exhibits; Prepare Report	3.75
07 - 20 - 16	Review CFX Engineering Plans; Review CFX Right of Way Map; Review Engineering Report; Coordinate with CADD Department; Prepare Exhibits; Prepare Report	3.75
07 - 21 - 16	Review CFX Engineering Plans; Review CFX Right of Way Map; Review Engineering Report; Coordinate with CADD Department; Prepare Exhibits; Prepare Report	2.75
07 - 22 - 16	Review CFX Engineering Plans; Review CFX Right of Way Map; Review Engineering Report; Coordinate with CADD Department; Prepare Exhibits; Prepare Report	2.75
07 - 26 - 16	Prepare Pre-Condition and Post-Condition Water, Sewer and Reclaim Cost Estimates; Prepare Conceptual Layouts; Coordinate with CADD Department; Review CFX Engineering Plans; Review CFX Right of Way Map; Review Engineering Report; Coordinate with CADD Department; Prepare Exhibits; Prepare Report	4.75
07 - 27 - 16	Prepare Pre-Condition and Post-Condition Water, Sewer and Reclaim Cost Estimates; Prepare Conceptual Layouts; Coordinate with CADD Department; Review CFX Engineering Plans; Review CFX Right of Way Map; Review Engineering Report; Coordinate with CADD Department; Prepare Exhibits; Prepare Report	4.75
08 - 01 - 16	Telephone conference with Mr. Rick Dreggors	0.50
08 - 04 - 16	Telephone conference with Mr. Rick Dreggors; Prepare for Conference calls; Conference calls; Prepare Exhibits; Coordinate with CADD Department	1.75

# PEER

08 - 08 - 16	Prepare Pre-Condition and Post-Condition Water, Sewer and Reclaim Cost Estimates; Prepare Conceptual Layouts; Coordinate with CADD Department; Review CFX Engineering Plans; Review CFX Right of Way Map; Review Engineering Report; Coordinate with CADD Department; Prepare Exhibits; Prepare Report	3.50
08 - 09 - 16	Prepare Pre-Condition and Post-Condition Water, Sewer and Reclaim Cost Estimates; Prepare Conceptual Layouts; Coordinate with CADD Department; Review CFX Engineering Plans; Review CFX Right of Way Map; Review Engineering Report; Coordinate with CADD Department; Prepare Exhibits; Prepare Report	3.75
08 - 10 - 16	Telephone conference with Mr. Rick Dreggors	0.25
08 - 15 - 16	Review information from Mr. Charlie Forman	0.25
10 - 13 - 16	Conference call with Mr. Charlie Forman and Mr. Joe Hanratty	0.25
10 - 18 - 16	Review information from Mr. Joe Hanratty; Prepare Exhibits for trial; Coordinate with CADD Department; Telephone conference with Mr. Charlie Forman; Organize files for deposition; Prepare for Deposition	3.50
10 - 19 - 16	Prepare Exhibits for trial; Coordinate with CADD Department; Telephone conference with Mr. Charlie Forman; Prepare for Deposition	2.25
10 - 20 - 16	Telephone conference with Mr. Charlie Forman; Prepare for Deposition; Prepare Exhibits for trial	2.00
10 - 24 - 16	Coordinate with CADD Department; Review PEER files; Prepare information to CFX for Deposition; Site inspection	5.25
10 - 25 - 16	Prepare for Deposition	2.00
10 - 27 - 16	Meeting with Mr. Joe Hanratty; Had Deposition taken; Meeting with Mr. Charlie Forman and Mr. Joe Hanratty	6.50
10 - 28 - 16	Telephone conference with Mr. Charlie Forman; Coordinate with CADD Department; Prepare Exhibits for trial	0.50
11 - 02 - 16	Coordinate with CADD Department; Prepare Exhibits for trial; Telephone conferences with Mr. Rick Dreggors; Review CFX Utility Adjustment Plans	1.75
11 - 07 - 16	Telephone conference call Mr. Joe Hanratty; Prepare Exhibits for trial; Coordinate with CADD Department	0.50

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# **PEER**

11 - 10 - 16	Telephone conference with Mr. Charlie Forman; Coordinate with CADD Department; Prepare Exhibits for trial	0.25
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<b>TOTAL NO. OF HOURS</b>	<b>57.50</b>
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**PEER INVOICE NUMBER 16 - 2225.01**

NAME : Staz Guntek

POSITION : Engineering Technician IV

<u>DATE</u>	<u>DESCRIPTION</u>	<u>NO. OF HOURS</u>
07 - 18 - 16	Print information	0.75
07 - 20 - 16	Prepare Exhibits for Report	4.50
07 - 21 - 16	Prepare Exhibits for Report	4.25
07 - 26 - 16	Prepare Exhibits for Report	4.50
07 - 27 - 16	Prepare Exhibits for Report; Prepare Reclaim, Water and Sewer Concept Plan; Determine quantities	3.25
07 - 28 - 16	Prepare Exhibits for Report; Prepare Reclaim, Water and Sewer Concept Plan; Determine quantities	3.75
08 - 04 - 16	Prepare Exhibits for Report; Prepare Reclaim, Water and Sewer Concept Plan; Determine quantities	3.50
08 - 05 - 16	Prepare Exhibits for Report; Prepare Reclaim, Water and Sewer Concept Plan; Determine quantities	3.50
08 - 10 - 16	Prepare Exhibits for Report; Prepare Reclaim, Water and Sewer Concept Plan; Determine quantities	3.75
10 - 18 - 16	Prepare Exhibits for trial	4.75
10 - 19 - 16	Prepare Exhibits for trial	3.50
10 - 25 - 16	Prepare Exhibits for trial	4.00
10 - 26 - 16	Prepare Exhibits for trial	5.25
10 - 27 - 16	Prepare Exhibits for trial	4.25
10 - 28 - 16	Prepare Exhibits for trial	3.00

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# **PEER**

11 - 01 - 16	Prepare Exhibits for trial	1.75
11 - 07 - 16	Prepare Exhibits for trial	1.00
11 - 11 - 16	Prepare Exhibits for trial	0.50
<b>TOTAL NO. OF HOURS</b>		<b>59.75</b>


# **CONSENT AGENDA ITEM**

**#15**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM:  Joseph L. Passiatore, General Counsel

DATE: January 3, 2017

SUBJECT: Acceptance of Special Warranty Deed from Emerson Point Assoc., LLLP and Emerson Point Phase II, LLC to CFX  
Project: Marden Road Interchange - S.R. 414 / Project 414-314

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### Background and History

In October 2015, Central Florida Expressway Authority, Emerson Point Assoc., LLLP and Emerson Point Phase II, LLC entered into the Marden Road Interchange Agreement which provides for the construction of a half diamond interchange (to and from the east) on S.R. 414 at Marden Road. The terms of the Agreement require the Developer to prepare the plans for CFX approval, donate to CFX the land for the ramp on the north side, and pay for construction. The ramp on the south side will be constructed on existing CFX property.

In August of 2016 the City of Apopka requested that round-a-bouts be constructed along Marden Road at each ramp. This necessitated both Emerson and CFX conveying small parcels of right-of-way to the City. The Right of Way Committee recommended to the Board that CFX convey the required right of way to the City and to accept the right of way necessary for the west bound exit ramp. This action was subsequently approved by the Board, deeds executed, exchanged and recorded.

### Current

Subsequent to the above action, the developer has acquired additional land adjacent to S.R. 414 and would like to donate a portion to CFX. Adding this additional parcel to S.R. 414 will allow the developer to eliminate the construction of a wall and replace it with embankment, resulting in a cost savings to the developer. An Exhibit depicting the property proposed to be conveyed, as well as the parcels previously conveyed, is attached for your review, along with the proposed deed and legal.

CFX engineering has approved the concept, subject to final approval of the construction plans.



CFX Board Members  
January 3, 2017  
Page 2

**Recommendation**

We recommend that the Board accept this conveyance of property. The CFX Right of Way Committee approved the acceptance of the attached Deed at its December 1, 2016 meeting.

JLP/ml  
Attachments: Exhibit, Proposed Deed

This instrument prepared by  
AND SHOULD BE RETURNED TO

Ted. B. Edwards, Esq.  
Law Office of Ted B. Edwards, P.A.  
1350 Orange Avenue  
Suite 260  
Winter Park, FL 32789

Purchase Price: Donation  
Documentary Stamps Due: \$0.70

**SPECIAL WARRANTY DEED**

THIS INDENTURE, made this 1<sup>st</sup> day of November, 2016, by EMERSON POINT PHASE II, LLC, a Florida limited liability company, whose address is 1350 Orange Avenue, Suite 250, Winter Park, FL 32789 ("Grantor"), in favor of CENTRAL FLORIDA EXPRESSWAY AUTHORITY, an expressway authority established under the laws of the State of Florida, whose address is 4947 Orlando Tower Road, Orlando, Florida 32807 ("Grantee").

Wherever used herein, the terms "Grantor" and "Grantee" shall include singular and plural, heirs, legal representatives, and assigns of individuals, and the successors and assigns of partnerships and corporations, wherever the context so permits or requires.

**WITNESSETH:**

GRANTOR, for and in consideration of the sum of TEN DOLLARS (\$10.00) to it in hand paid by Grantee and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, hereby grants, bargains, sells, aliens, remises, releases, conveys and confirms unto the Grantee, all of that certain land situate and lying in Orange County, Florida, to-wit:

See **Composite Exhibit "A"** attached hereto and made a part hereof by this reference (the "Property").

TOGETHER with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining.

TO HAVE AND TO HOLD the same in fee simple forever.

AND, Grantor hereby warrants with the Grantee that the Grantor is lawfully seized of the Property in fee simple; that the Grantor has good, right and lawful authority to sell and convey the Property; that the Grantor hereby fully warrants the title to the Property and will defend the same against the lawful claims of all persons claiming by through or under the Grantor but against none other; and that the property is free and clear of all liens and encumbrances, subject to taxes accruing subsequent to December 31, 2015, and any and all covenants, conditions, restrictions, and matters of public record the reference to which shall not serve to reimpose the same.

IN WITNESS WHEREOF, Grantor has caused these presents to be executed in the name by its lawful representative hereunto duly authorized, on the date first written above.

Signed, sealed and delivered in the presence of:

EMERSON POINT PHASE II, LLC, a Florida limited liability company

[Signature]  
Print Name: Robert Case

By: [Signature]

[Signature]  
Print Name: Madelyn Boelter

Print Name: Michael E. Wright  
Title: Manager

[Signature]  
Print Name: Robert Case

Date: November 1, 2016

[Signature]  
Print Name: Matthew Stiefel

By: [Signature]  
Print Name: Mary L. Demetree  
Title: Manager

Date: November 1, 2016

STATE OF FLORIDA  
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me this 15<sup>th</sup> day of Nov., 2016, by Michael E. Wright, as Manager for EMERSON POINT PHASE II, LLC, a Florida limited liability company, on behalf of the company. He is personally known to me or has produced N/A as identification.

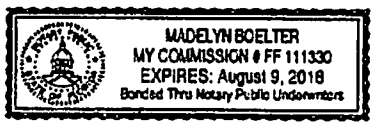


[Signature]  
Signature of Notary Public

Madelyn Boelter  
Typed name of Notary Public

STATE OF FLORIDA  
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me this 15<sup>th</sup> day of Nov., 2016, by Mary L. Demetree, as Manager for EMERSON POINT PHASE II, LLC, a Florida limited liability company, on behalf of the company. She is personally known to me or has produced N/A as identification.



[Signature]  
Signature of Notary Public

Madelyn Boelter  
Typed name of Notary Public

[Affix Notary Seal]

**COMPOSITE EXHIBIT "A"**  
**LEGAL DESCRIPTION OF PROPERTY**

CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
 STATE ROAD 414 - PROJECT NO. 414-314  
 LIMITED ACCESS RIGHT OF WAY  
 ESTATE: FEE SIMPLE

LEGAL DESCRIPTION:

A PORTION OF SECTION 21, TOWNSHIP 21 SOUTH, RANGE 28 EAST, ORANGE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT A FOUND RAILROAD SPIKE WITH X-CUT MARKING THE NORTHWEST CORNER OF SECTION 21, TOWNSHIP 21 SOUTH, RANGE 28 EAST, ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH 88°57'32" EAST, ALONG THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 21, FOR A DISTANCE OF 30.00 FEET, TO A POINT ON THE EXISTING EAST RIGHT-OF-WAY LINE OF MARDEN ROAD, AS DESCRIBED IN DEED BOOK 543, PAGE 3 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH 00°15'46" WEST, ALONG THE EXISTING EAST RIGHT-OF-WAY LINE OF SAID MARDEN ROAD, FOR A DISTANCE OF 469.29 FEET, TO A POINT AT THE INTERSECTION OF THE EXISTING EAST RIGHT-OF-WAY LINE OF SAID MARDEN ROAD WITH THE EXISTING NORTH LIMITED ACCESS RIGHT-OF-WAY LINE OF STATE ROAD NUMBER 414, AS SHOWN ON THE ORLANDO-ORANGE COUNTY EXPRESSWAY AUTHORITY RIGHT-OF-WAY MAP, PROJECT 429-200, SAID POINT ALSO BEING ON A NON-TANGENT CURVE CONCAVE TO THE SOUTHWEST; THENCE RUN SOUTHEASTERLY ALONG THE EXISTING NORTH LIMITED ACCESS RIGHT-OF-WAY LINE OF SAID STATE ROAD NUMBER 414 AND ALONG SAID CURVE, HAVING A RADIUS OF 4,320.00 FEET, A CENTRAL ANGLE OF 6°30'12", AN ARC LENGTH OF 494.89 FEET, A CHORD LENGTH OF 494.62 FEET AND A CHORD BEARING OF SOUTH 81°10'06" EAST; THENCE RUN SOUTH 70°08'59" EAST, ALONG THE EXISTING NORTH LIMITED ACCESS RIGHT-OF-WAY LINE OF SAID STATE ROAD NUMBER 414, FOR A DISTANCE OF 589.24 FEET, TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST; THENCE RUN SOUTHEASTERLY ALONG THE EXISTING NORTH LIMITED ACCESS RIGHT-OF-WAY LINE OF SAID STATE ROAD NUMBER 414 AND ALONG SAID CURVE, HAVING A RADIUS OF 4,320.00 FEET, A CENTRAL ANGLE OF 3°40'16", AN ARC LENGTH OF 276.79 FEET, A CHORD LENGTH OF 276.74 FEET AND A CHORD BEARING OF SOUTH 68°18'51" EAST, TO A POINT AT THE INTERSECTION OF THE EXISTING NORTH LIMITED ACCESS RIGHT-OF-WAY LINE OF SAID STATE ROAD NUMBER 414 WITH THE EAST LINE OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 21; THENCE CONTINUE SOUTHEASTERLY ALONG THE EXISTING NORTH LIMITED ACCESS RIGHT-OF-WAY LINE OF SAID STATE ROAD NUMBER 414 AND ALONG SAID CURVE, HAVING A RADIUS OF 4,320.00 FEET, A CENTRAL ANGLE OF 13°02'24", AN ARC LENGTH OF 983.19 FEET, A CHORD LENGTH OF 981.07 FEET AND A CHORD BEARING OF SOUTH 59°57'31" EAST TO THE POINT OF BEGINNING, SAID POINT ALSO BEING AT THE INTERSECTION OF THE EXISTING NORTH LIMITED ACCESS RIGHT-OF-WAY LINE OF SAID STATE ROAD NUMBER 414 WITH THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 21; THENCE CONTINUE SOUTHEASTERLY ALONG THE EXISTING NORTH LIMITED ACCESS RIGHT-OF-WAY LINE OF SAID STATE ROAD NUMBER 414 AND ALONG SAID CURVE, HAVING A RADIUS OF 4,320.00 FEET, A CENTRAL ANGLE OF 6°47'18", AN ARC LENGTH OF 511.83 FEET, A CHORD LENGTH OF 511.54 FEET AND A CHORD BEARING OF SOUTH 50°02'40" EAST; THENCE RUN NORTH 40°26'43" WEST, FOR A DISTANCE OF 279.12 FEET; THENCE RUN NORTH 44°52'33" WEST, FOR A DISTANCE OF 162.32 FEET, TO A POINT ON THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 21; THENCE CONTINUE NORTH 44°52'33" WEST, FOR A DISTANCE OF 48.81 FEET; THENCE RUN NORTH 46°52'34" WEST, FOR A DISTANCE OF 91.44 FEET; THENCE RUN SOUTH 02°46'48" EAST, FOR A DISTANCE OF 96.15 FEET, TO THE POINT OF BEGINNING.

TOGETHER WITH ALL RIGHTS OF INGRESS, EGRESS, LIGHT, AIR AND VIEW TO, FROM OR ACROSS ANY OF THE ABOVE DESCRIBED RIGHT-OF-WAY PROPERTY WHICH MAY OTHERWISE ACCRUE TO ANY PROPERTY ADJOINING SAID RIGHT-OF-WAY.

CONTAINING 19,520 SQUARE FEET OR 0.45 ACRES, MORE OR LESS.

SURVEY CERTIFICATION:

I HEREBY CERTIFY THAT THE INFORMATION PROVIDED HEREIN IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, THAT THE INFORMATION WAS GATHERED AND PREPARED UNDER MY DIRECT SUPERVISION, AND THAT ALL INFORMATION CONFIRMS TO THE STANDARDS OF PRACTICE AS SET FORTH IN RULE 5J-17, ADOPTED BY THE FLORIDA BOARD OF SURVEYORS AND MAPPERS, PURSUANT TO FLORIDA STATUTE 472 AS APPLICABLE.

*Not valid without the signature and original raised seal of a Florida Licensed Surveyor and Mapper.*

SURVEYORS NOTES:

1. THIS SKETCH IS NOT A SURVEY.
2. BEARINGS SHOWN HEREON ARE BASED ON THE WEST LINE OF THE NORTHWEST 1/4 OF SECTION 21, TOWNSHIP 21 SOUTH, RANGE 28 EAST, THAT BEARING BEING S 00°15'46" W, FLORIDA STATE PLANE COORDINATE SYSTEM, EAST ZONE, NAD 83/90.
3. NOT VALID WITHOUT ALL SHEETS.

Date            Corey A. Hopkins, LS 6743

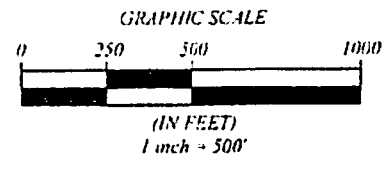
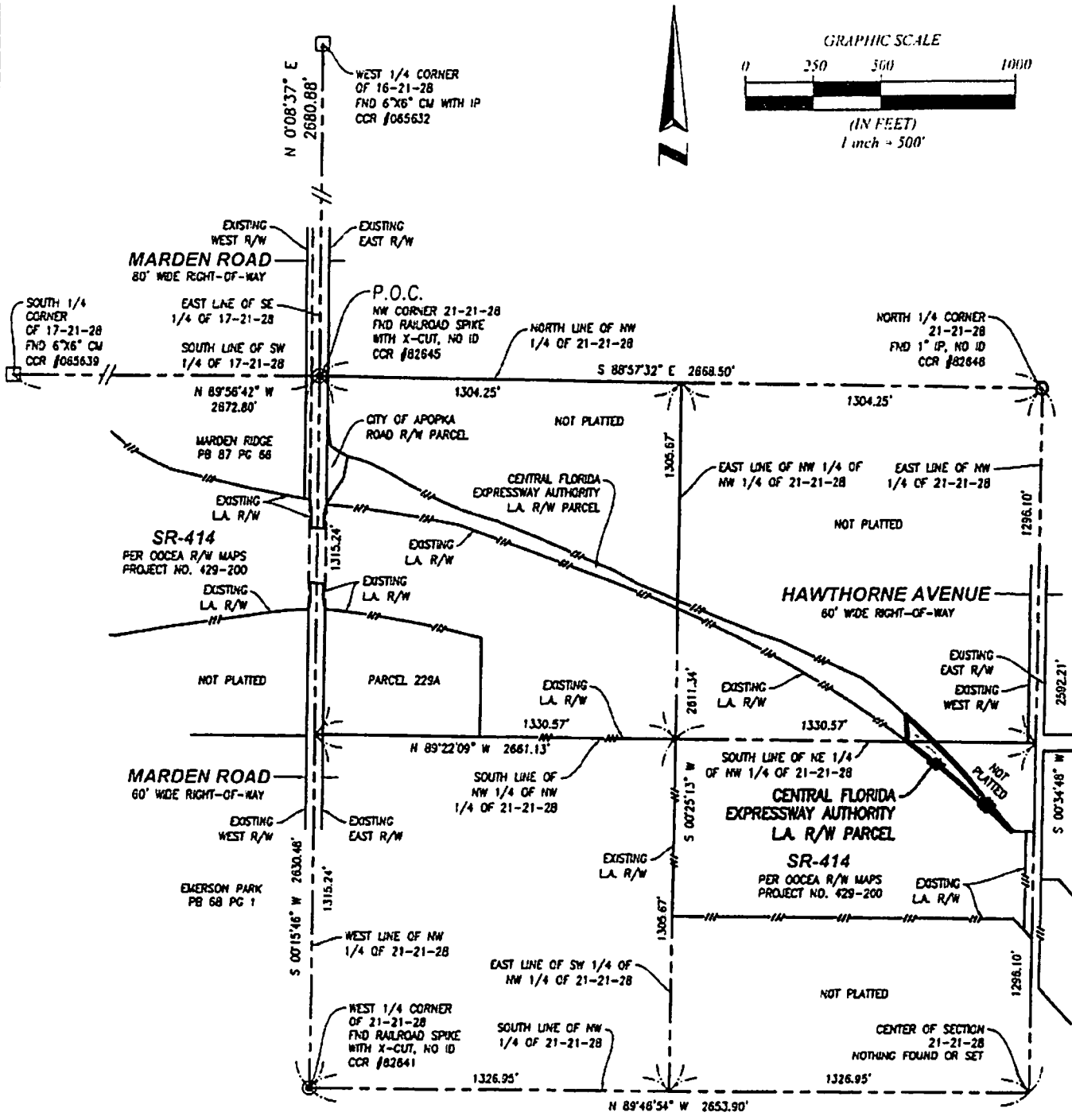
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3			N/A	CAH
4			Sheet 1 of 7	Job Number:
5				EMERSON

**On the Mark Surveying, LLC**  
 LB 7931  
 143 Meadow Boulevard  
 Sanford, Florida 32771  
 Phone: (321)826-8378  
 Email: OTMSurveying@gmail.com



**SKETCH OF DESCRIPTION**

CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
 STATE ROAD 414 - PROJECT NO. 414-314  
 LIMITED ACCESS RIGHT OF WAY  
 ESTATE: FEE SIMPLE



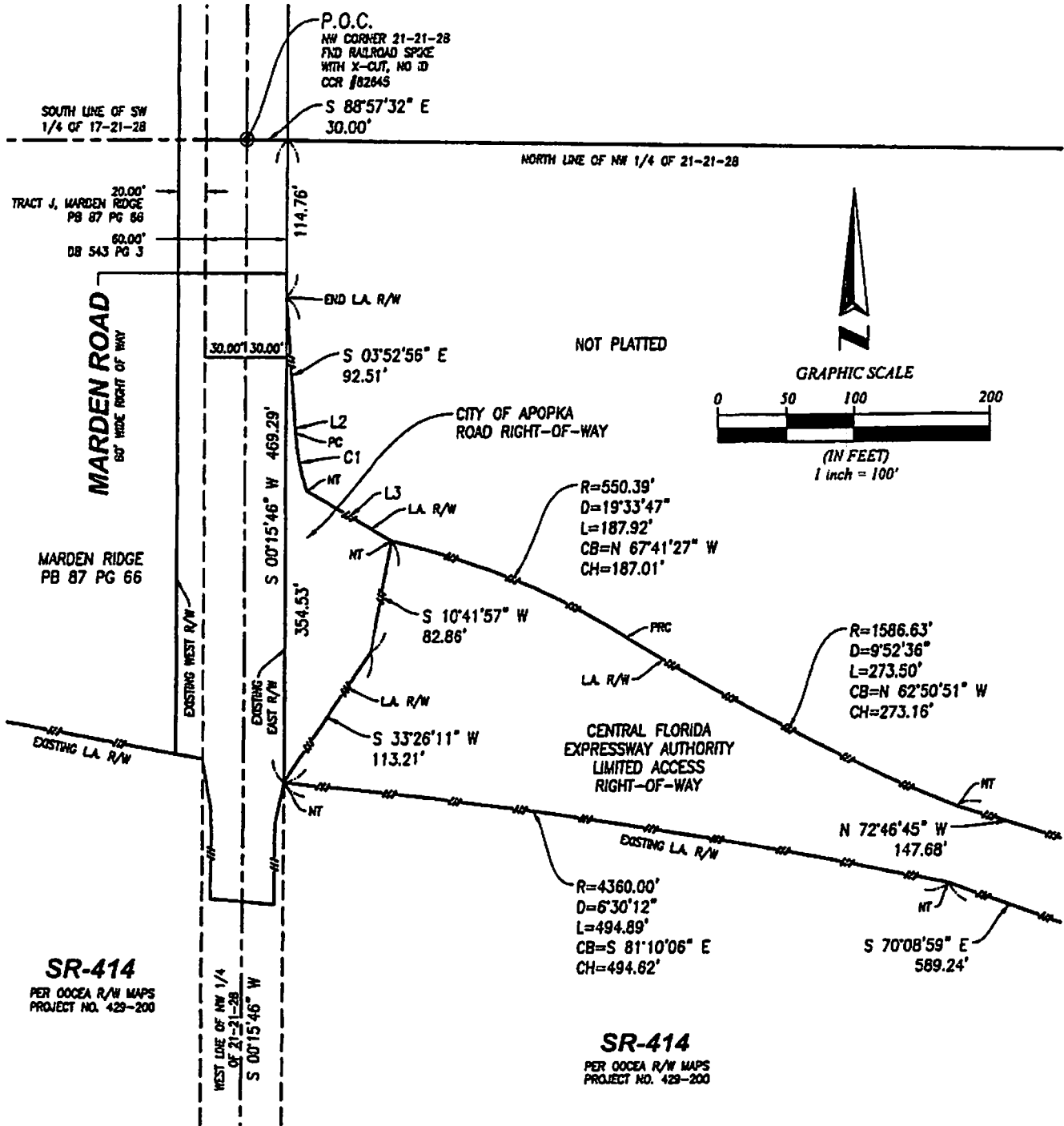
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SKETCH OF  
 DESCRIPTION

Field Date:	N/A	Drawn by:	CAH
Scale:	1" = 500'	Checked by:	CAH
Sheet 2 of 7		Job Number:	EMERSON

CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
 STATE ROAD 414 - PROJECT NO. 414-314  
 LIMITED ACCESS RIGHT OF WAY  
 ESTATE: FEE SIMPLE



**SR-414**  
 PER OOCEA R/W MAPS  
 PROJECT NO. 429-200

**SR-414**  
 PER OOCEA R/W MAPS  
 PROJECT NO. 429-200

SEE SHEET 4

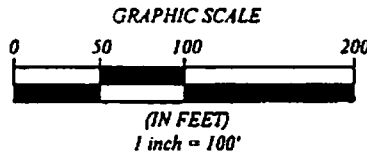
No.	Revisions	Date
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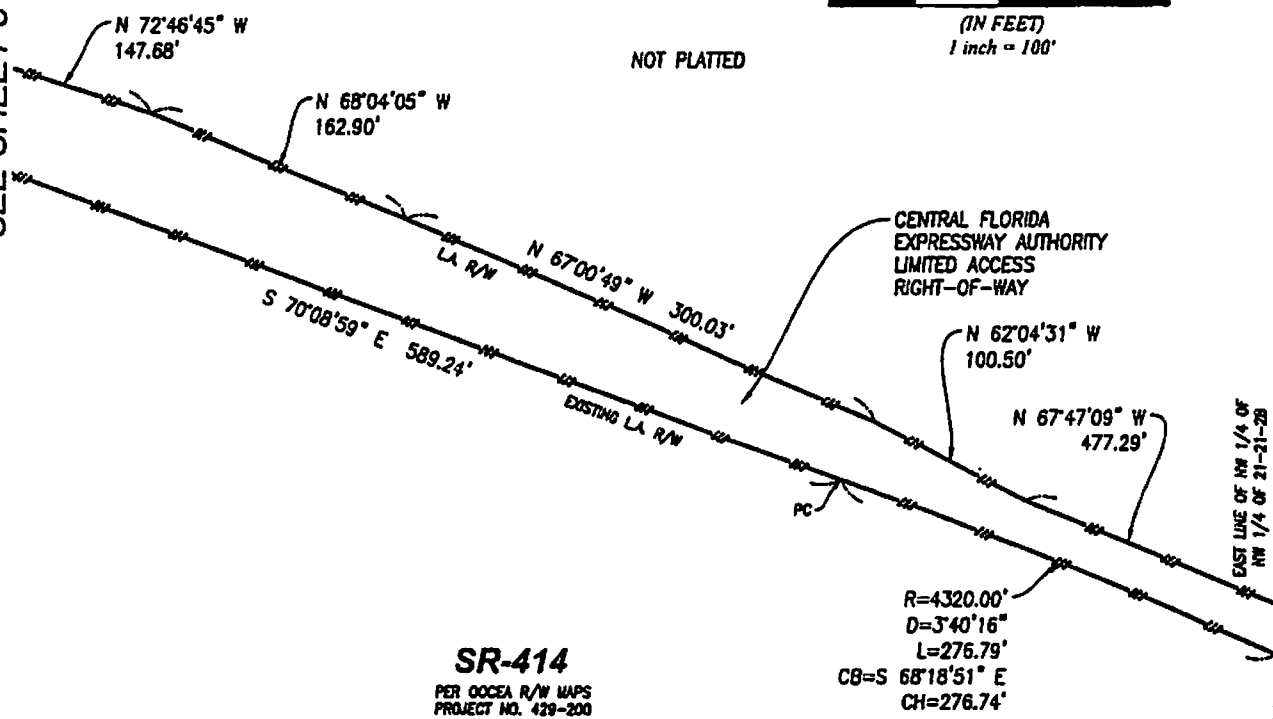
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Sheet 3 of 7	Job Number: EMERSON

CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
 STATE ROAD 414 - PROJECT NO. 414-314  
 LIMITED ACCESS RIGHT OF WAY  
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SEE SHEET 3

NOT PLATTED



SEE SHEET 5

No.	Revisions	Date
1	Sketch of Description	10/26/18
2		
3		
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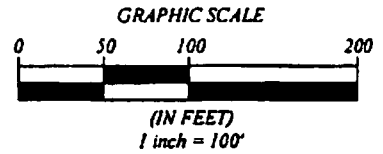
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**SKETCH OF DESCRIPTION**

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Scale:	1" = 100'	Checked by:	CAH
Sheet 4 of 7		Job Number:	EMERSON



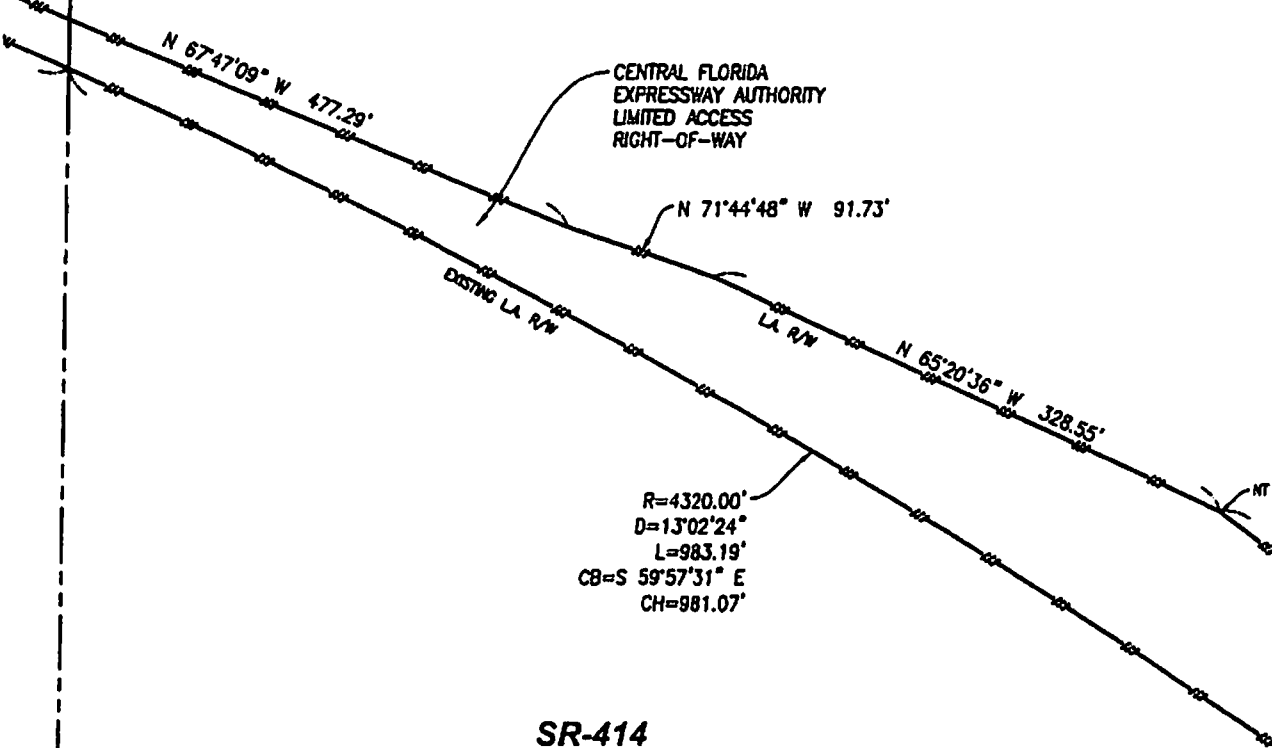
CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
 STATE ROAD 414 - PROJECT NO. 414-314  
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NOT PLATTED

SEE SHEET 4

EAST LINE OF HW 1/4 OF NW 1/4 OF 21-21-28



SEE SHEET 6

**SR-414**

PER OOCEA R/W MAPS  
 PROJECT NO. 428-200

No.	Revisions	Date
1	Sketch of Description	10/28/16
2		
3		
4		
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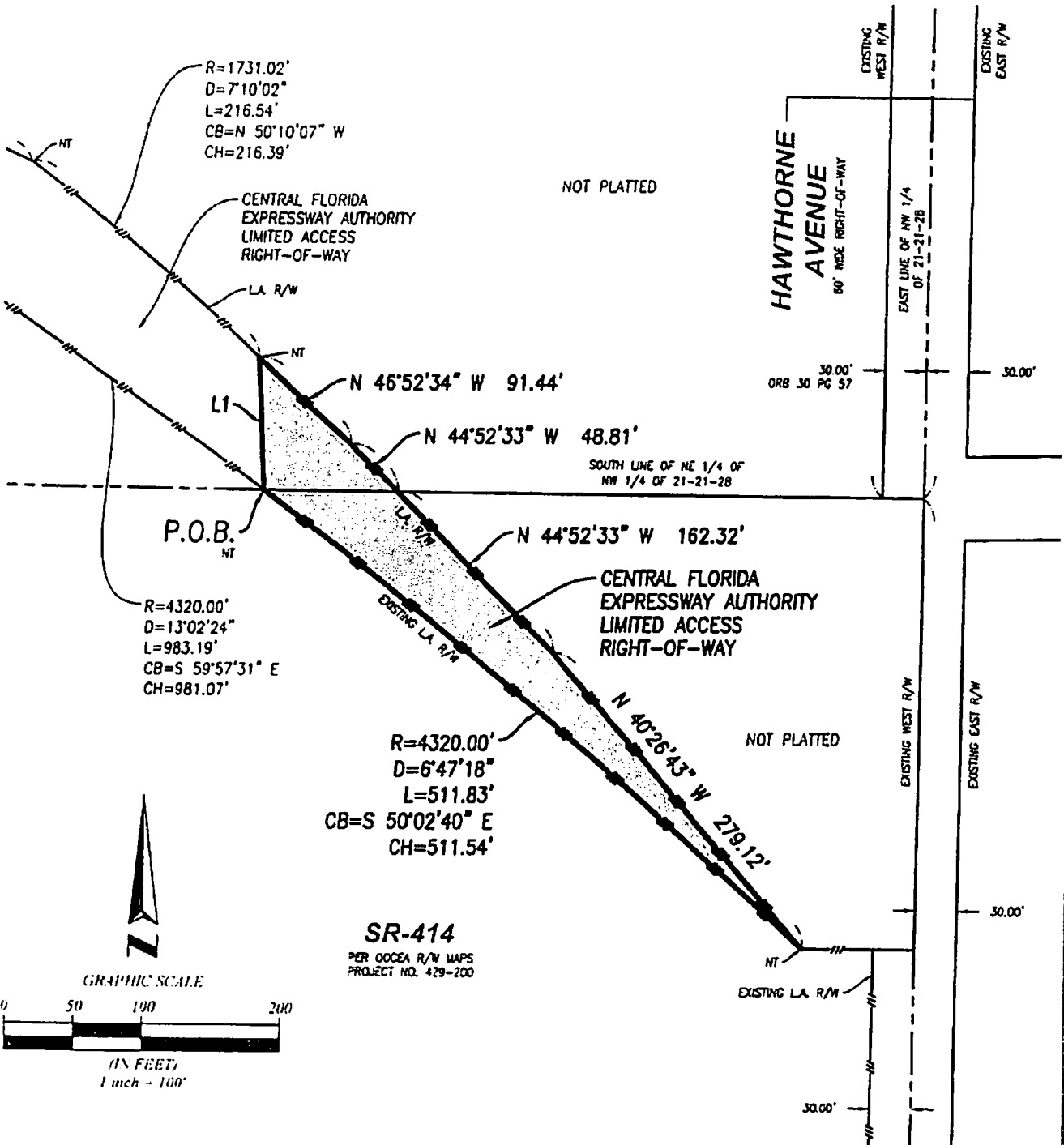
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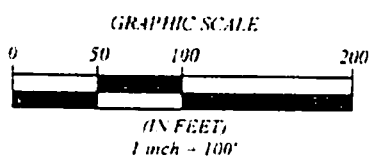
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Sheet 5 of 7	Job Number: EMERSON

CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
 STATE ROAD 414 - PROJECT NO. 414-314  
 LIMITED ACCESS RIGHT OF WAY  
 ESTATE: FEE SIMPLE

SEE SHEET 5



P.O.B.  
NT



SR-414

PER OOCEA R/W MAPS  
 PROJECT NO. 429-200

SKETCH OF  
 DESCRIPTION

No	Revisions	Date
1	Sketch of Description	10/26/16

On the Mark  

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CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
 STATE ROAD 414 - PROJECT NO. 414-314  
 LIMITED ACCESS RIGHT OF WAY  
 ESTATE: FEE SIMPLE

CURVE TABLE					
CURVE	RADIUS	DELTA	LENGTH	BEARING	CHORD
C1	182.00	13°35'47"	43.19	S 10°31'08" E	43.09

LINE TABLE		
LINE	BEARING	DISTANCE
L1	S 02°46'48" E	96.15
L2	S 03°43'15" E	7.30
L3	S 59°11'36" E	71.64

LEGEND:

- |        |  |            |  |
|--------|--|------------|--|
| CB -   | CHORD BEARING  | NT -       | NON TANGENT                                    |
| CCR# - | CERTIFIED CORNER RECORD NUMBER                           | OOCEA -    | ORLANDO-ORANGE COUNTY EXPRESSWAY AUTHORITY     |
| CFX -  | CENTRAL FLORIDA EXPRESSWAY AUTHORITY                     | ORB -      | OFFICIAL RECORDS BOOK                          |
| CH -   | CHORD LENGTH   | PB -       | PLAT BOOK                                      |
| CM -   | CONCRETE MONUMENT  | PC -       | POINT OF CURVATURE                             |
| D -    | CENTRAL ANGLE  | PCC -      | POINT OF COMPOUND CURVATURE                    |
| DB -   | DEED BOOK  | PG -       | PAGE   |
| FND -  | FOUND  | P.O.B. -   | POINT OF BEGINNING                             |
| ID -   | IDENTIFICATION   | P.O.C. -   | POINT OF COMMENCEMENT                          |
| IP -   | IRON PIPE  | PRC -      | POINT OF REVERSE CURVATURE                     |
| L -    | ARC LENGTH   | PT -       | POINT OF TANGENCY                              |
| LA -   | LIMITED ACCESS   | R -        | RADIUS   |
| LB -   | PROFESSIONAL SURVEYOR AND MAPPER BUSINESS LICENSE NUMBER | R/W -      | RIGHT-OF-WAY                                   |
| LS -   | PROFESSIONAL SURVEYOR AND MAPPER LICENSE NUMBER          | SR -       | STATE ROAD                                     |
| N/A -  | NOT APPLICABLE   | XX-XX-XX - | SECTION XX - TOWNSHIP XX SOUTH - RANGE XX EAST |
| NAD -  | NORTH AMERICAN DATUM                                     |            |  |
| NO. -  | NUMBER   |            |  |

No.	Revisions	Date	 <p>On the Mark Surveying, LLC          LB 7931          143 Meadow Boulevard          Sanford, Florida 32771          Phone: (321)628-6378          Email: OTMSurveying@gmail.com</p>	<h2>SKETCH OF DESCRIPTION</h2>	Field Date:	Drawn by:
1	Sketch of Description	10/26/16			N/A	CAH
2					Scale:	Checked by:
3					N/A	CAH
4					Sheet 7 of 7	Job Number:
5				EMERSON		

This instrument prepared by  
AND SHOULD BE RETURNED TO:

Ted. B. Edwards, Esq.  
Law Office of Ted B. Edwards, P.A.  
1350 Orange Avenue  
Suite 260  
Winter Park, FL 32789

Purchase Price: Donation  
Documentary Stamps Due: \$0.70

**SPECIAL WARRANTY DEED**

THIS INDENTURE, made this 1<sup>st</sup> day of November, 2016, by EMERSON POINT PHASE II, LLC, a Florida limited liability company, whose address is 1350 Orange Avenue, Suite 250, Winter Park, FL 32789 ("Grantor"), in favor of CENTRAL FLORIDA EXPRESSWAY AUTHORITY, an expressway authority established under the laws of the State of Florida, whose address is 4947 Orlando Tower Road, Orlando, Florida 32807 ("Grantee").

Wherever used herein, the terms "Grantor" and "Grantee" shall include singular and plural, heirs, legal representatives, and assigns of individuals, and the successors and assigns of partnerships and corporations, wherever the context so permits or requires.

**WITNESSETH:**

GRANTOR, for and in consideration of the sum of TEN DOLLARS (\$10.00) to it in hand paid by Grantee and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, hereby grants, bargains, sells, aliens, remises, releases, conveys and confirms unto the Grantee, all of that certain land situate and lying in Orange County, Florida, to-wit:

See Composite Exhibit "A" attached hereto and made a part hereof by this reference (the "Property").

TOGETHER with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining.

TO HAVE AND TO HOLD the same in fee simple forever.

AND, Grantor hereby warrants with the Grantee that the Grantor is lawfully seized of the Property in fee simple; that the Grantor has good, right and lawful authority to sell and convey the Property; that the Grantor hereby fully warrants the title to the Property and will defend the same against the lawful claims of all persons claiming by through or under the Grantor but against none other; and that the property is free and clear of all liens and encumbrances, subject to taxes accruing subsequent to December 31, 2015, and any and all covenants, conditions, restrictions, and matters of public record the reference to which shall not serve to reimpose the same.

IN WITNESS WHEREOF, Grantor has caused these presents to be executed in the name by its lawful representative hereunto duly authorized, on the date first written above.

Signed, sealed and delivered in the presence of:

EMERSON POINT PHASE II, LLC, a Florida limited liability company

[Signature]  
Print Name: Robert Cape

By: [Signature]  
Print Name: Michael E. Wright  
Title: Manager

[Signature]  
Print Name: Madelyn Boelter

Date: November 1, 2016

[Signature]  
Print Name: Robert Cape

By: [Signature]  
Print Name: Mary L. Demetree  
Title: Manager

[Signature]  
Print Name: Matthew Stiefel

Date: November 1, 2016

STATE OF FLORIDA  
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me this 15<sup>th</sup> day of Nov., 2016, by Michael E. Wright, as Manager for **EMERSON POINT PHASE II, LLC**, a Florida limited liability company, on behalf of the company. He is personally known to me or has produced N/A as identification.



[Signature]  
Signature of Notary Public

Madelyn Boelter  
Typed name of Notary Public

STATE OF FLORIDA  
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me this 15<sup>th</sup> day of Nov., 2016, by Mary L. Demetree, as Manager for **EMERSON POINT PHASE II, LLC**, a Florida limited liability company, on behalf of the company. She is personally known to me or has produced N/A as identification.



[Signature]  
Signature of Notary Public

Madelyn Boelter  
Typed name of Notary Public

[Affix Notary Seal]

**COMPOSITE EXHIBIT "A"**  
**LEGAL DESCRIPTION OF PROPERTY**

CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
 STATE ROAD 414 - PROJECT NO. 414-314  
 LIMITED ACCESS RIGHT OF WAY  
 ESTATE: FEE SIMPLE

LEGAL DESCRIPTION:

A PORTION OF SECTION 21, TOWNSHIP 21 SOUTH, RANGE 28 EAST, ORANGE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT A FOUND RAILROAD SPIKE WITH X-CUT MARKING THE NORTHWEST CORNER OF SECTION 21, TOWNSHIP 21 SOUTH, RANGE 28 EAST, ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH 88°57'32" EAST, ALONG THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 21, FOR A DISTANCE OF 30.00 FEET, TO A POINT ON THE EXISTING EAST RIGHT-OF-WAY LINE OF MARDEN ROAD, AS DESCRIBED IN DEED BOOK 543, PAGE 3 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH 00°15'46" WEST, ALONG THE EXISTING EAST RIGHT-OF-WAY LINE OF SAID MARDEN ROAD, FOR A DISTANCE OF 469.29 FEET, TO A POINT AT THE INTERSECTION OF THE EXISTING EAST RIGHT-OF-WAY LINE OF SAID MARDEN ROAD WITH THE EXISTING NORTH LIMITED ACCESS RIGHT-OF-WAY LINE OF STATE ROAD NUMBER 414, AS SHOWN ON THE ORLANDO-ORANGE COUNTY EXPRESSWAY AUTHORITY RIGHT-OF-WAY MAP, PROJECT 429-200, SAID POINT ALSO BEING ON A NON-TANGENT CURVE CONCAVE TO THE SOUTHWEST; THENCE RUN SOUTHEASTERLY ALONG THE EXISTING NORTH LIMITED ACCESS RIGHT-OF-WAY LINE OF SAID STATE ROAD NUMBER 414 AND ALONG SAID CURVE, HAVING A RADIUS OF 4,360.00 FEET, A CENTRAL ANGLE OF 6°30'12", AN ARC LENGTH OF 494.89 FEET, A CHORD LENGTH OF 494.62 FEET AND A CHORD BEARING OF SOUTH 81°10'06" EAST; THENCE RUN SOUTH 70°08'59" EAST, ALONG THE EXISTING NORTH LIMITED ACCESS RIGHT-OF-WAY LINE OF SAID STATE ROAD NUMBER 414, FOR A DISTANCE OF 589.24 FEET, TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST; THENCE RUN SOUTHEASTERLY ALONG THE EXISTING NORTH LIMITED ACCESS RIGHT-OF-WAY LINE OF SAID STATE ROAD NUMBER 414 AND ALONG SAID CURVE, HAVING A RADIUS OF 4,320.00 FEET, A CENTRAL ANGLE OF 3°40'16", AN ARC LENGTH OF 276.79 FEET, A CHORD LENGTH OF 276.74 FEET AND A CHORD BEARING OF SOUTH 68°18'51" EAST, TO A POINT AT THE INTERSECTION OF THE EXISTING NORTH LIMITED ACCESS RIGHT-OF-WAY LINE OF SAID STATE ROAD NUMBER 414 WITH THE EAST LINE OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 21; THENCE CONTINUE SOUTHEASTERLY ALONG THE EXISTING NORTH LIMITED ACCESS RIGHT-OF-WAY LINE OF SAID STATE ROAD NUMBER 414 AND ALONG SAID CURVE, HAVING A RADIUS OF 4,320.00 FEET, A CENTRAL ANGLE OF 13°02'24", AN ARC LENGTH OF 983.19 FEET, A CHORD LENGTH OF 981.07 FEET AND A CHORD BEARING OF SOUTH 59°57'31" EAST TO THE POINT OF BEGINNING, SAID POINT ALSO BEING AT THE INTERSECTION OF THE EXISTING NORTH LIMITED ACCESS RIGHT-OF-WAY LINE OF SAID STATE ROAD NUMBER 414 WITH THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 21; THENCE CONTINUE SOUTHEASTERLY ALONG THE EXISTING NORTH LIMITED ACCESS RIGHT-OF-WAY LINE OF SAID STATE ROAD NUMBER 414 AND ALONG SAID CURVE, HAVING A RADIUS OF 4,320.00 FEET, A CENTRAL ANGLE OF 6°47'18", AN ARC LENGTH OF 511.83 FEET, A CHORD LENGTH OF 511.54 FEET AND A CHORD BEARING OF SOUTH 50°02'40" EAST; THENCE RUN NORTH 40°26'43" WEST, FOR A DISTANCE OF 279.12 FEET; THENCE RUN NORTH 44°52'33" WEST, FOR A DISTANCE OF 162.32 FEET, TO A POINT ON THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 21; THENCE CONTINUE NORTH 44°52'33" WEST, FOR A DISTANCE OF 48.81 FEET; THENCE RUN NORTH 46°52'34" WEST, FOR A DISTANCE OF 91.44 FEET; THENCE RUN SOUTH 02°46'48" EAST, FOR A DISTANCE OF 96.15 FEET, TO THE POINT OF BEGINNING.

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*Not valid without the signature and original raised seal of a Florida Licensed Surveyor and Mapper.*

Date            Corey A. Hopkins, LS 6743

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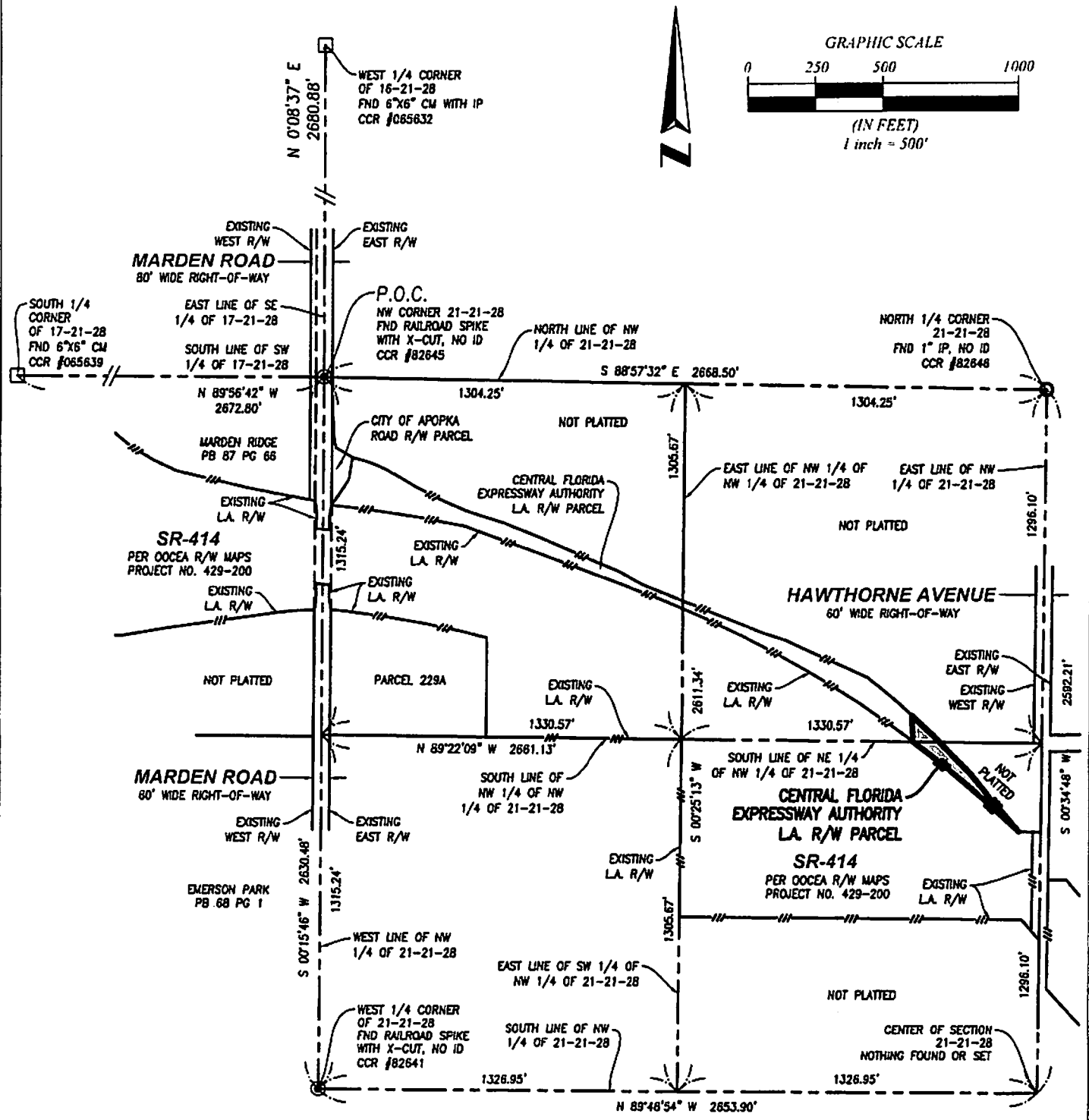


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SKETCH OF  
 DESCRIPTION

Field Date: N/A	Drawn by: CAH
Scale: N/A	Checked by: CAH
Sheet 1 of 7	Job Number: EMERSON

CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
 STATE ROAD 414 - PROJECT NO. 414-314  
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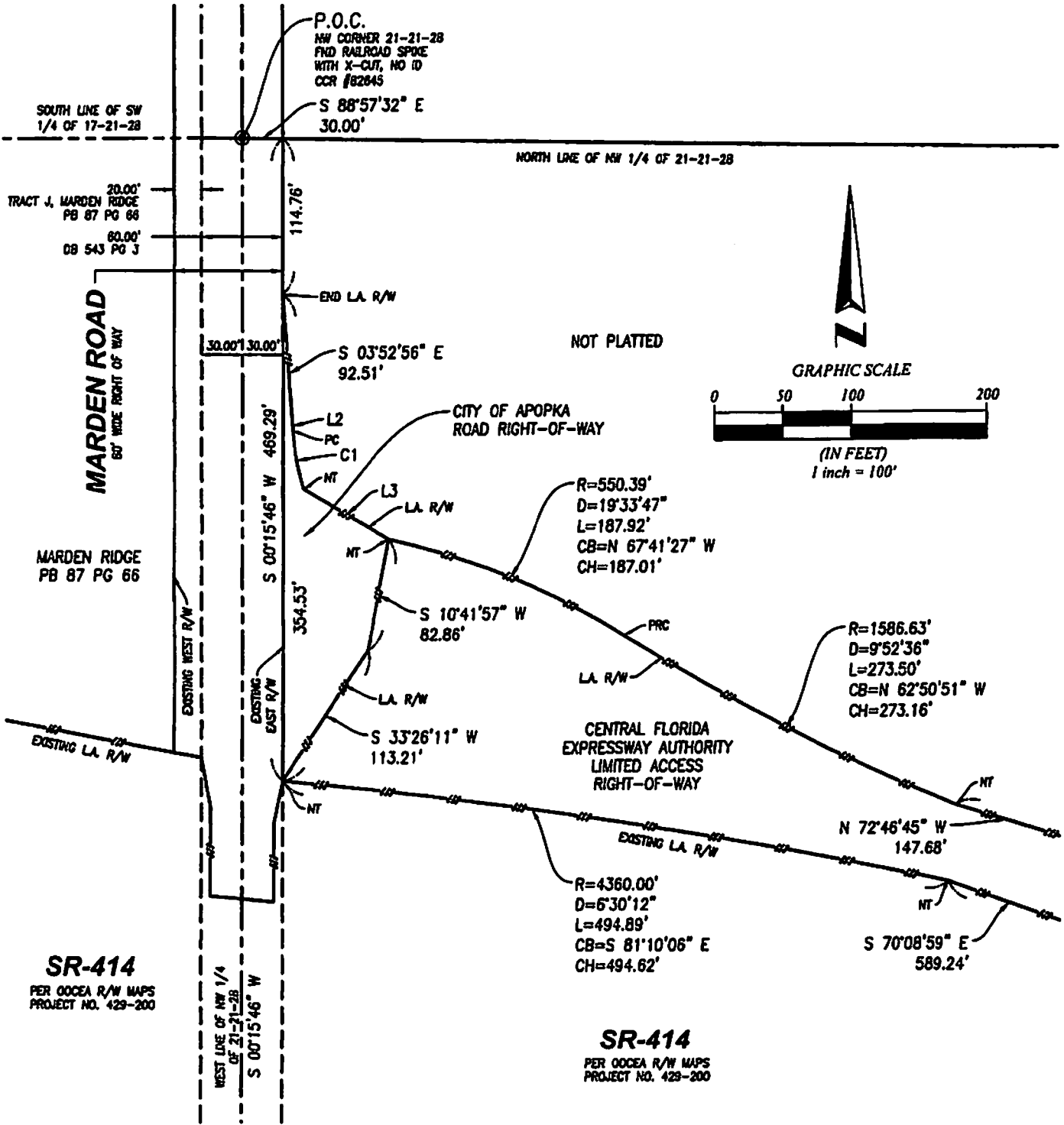
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Sheet 2 of 7		Job Number:	EMERSON



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 STATE ROAD 414 - PROJECT NO. 414-314  
 LIMITED ACCESS RIGHT OF WAY  
 ESTATE: FEE SIMPLE



SEE SHEET 4

**SR-414**

PER OOCEA R/W MAPS  
 PROJECT NO. 429-200

**SR-414**

PER OOCEA R/W MAPS  
 PROJECT NO. 429-200

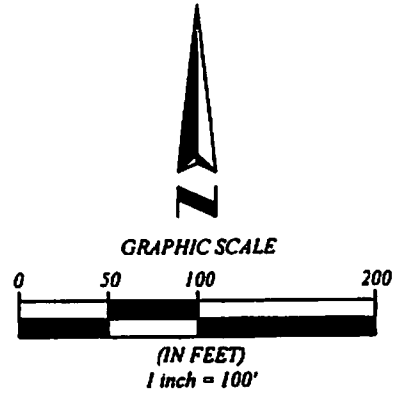
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 Email: OTMSurveying@gmail.com

**SKETCH OF DESCRIPTION**

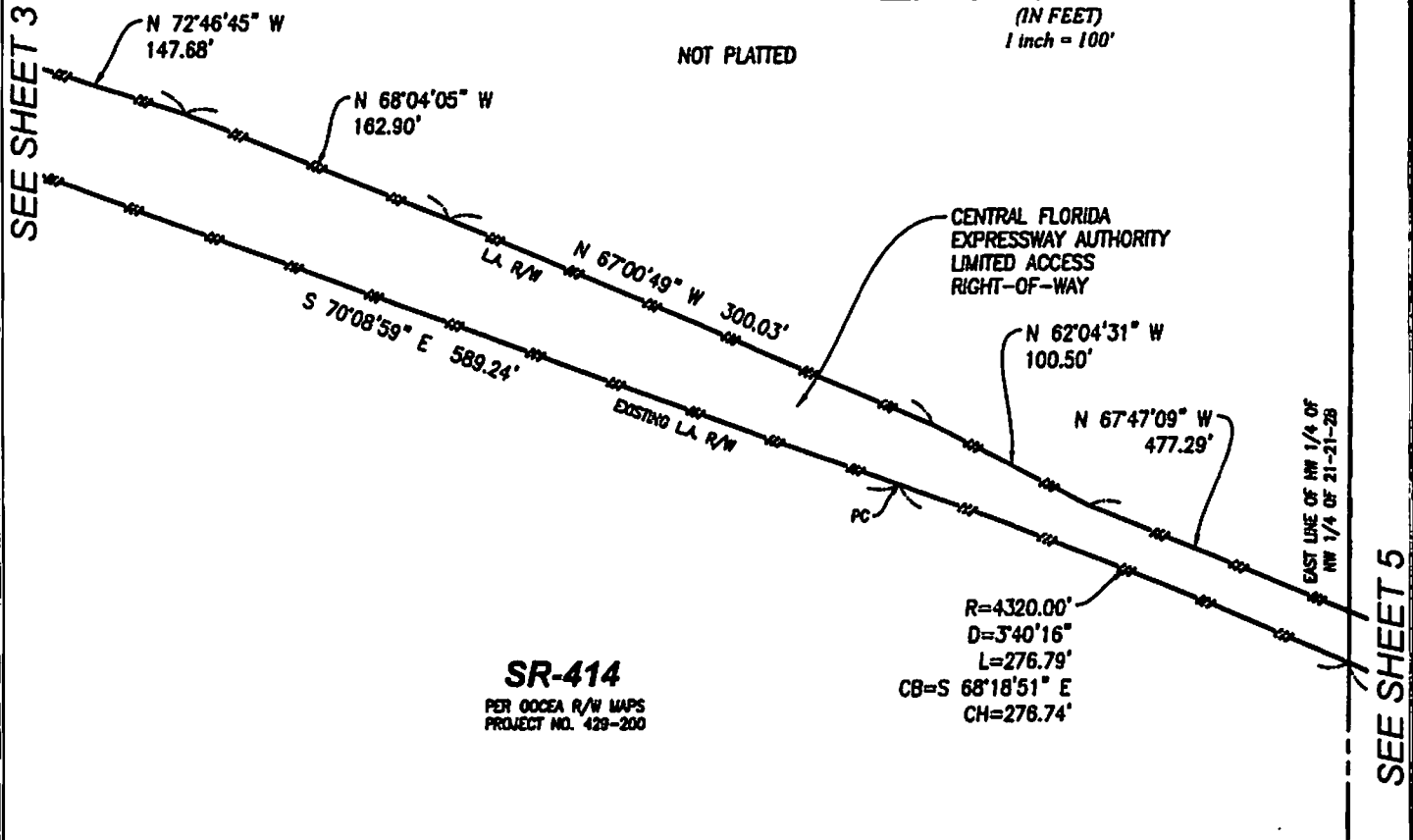
Field Date: N/A	Drawn by: CAH
Scale: 1" = 100'	Checked by: CAH
Sheet 3 of 7	Job Number: EMERSON

CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
 STATE ROAD 414 - PROJECT NO. 414-314  
 LIMITED ACCESS RIGHT OF WAY  
 ESTATE: FEE SIMPLE



SEE SHEET 3

NOT PLATTED



**SR-414**

PER OOCEA R/W MAPS  
 PROJECT NO. 429-200

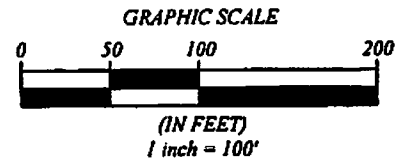
No.	Revisions	Date
1	Sketch of Description	10/28/16
2		
3		
4		
5		

**On the Mark Surveying, LLC**  
 LB 7931  
 143 Meadow Boulevard  
 Sanford, Florida 32771  
 Phone: (321)626-6378  
 Email: OTMSurveying@gmail.com

**SKETCH OF DESCRIPTION**

Field Date: N/A	Drawn by: CAH
Scale: 1" = 100'	Checked by: CAH
Sheet 4 of 7	Job Number: EMERSON

CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
 STATE ROAD 414 - PROJECT NO. 414-314  
 LIMITED ACCESS RIGHT OF WAY  
 ESTATE: FEE SIMPLE



NOT PLATTED

SEE SHEET 4

EAST LINE OF NW 1/4 OF  
 NW 1/4 OF 21-21-28

N 67°47'09" W 477.29'

CENTRAL FLORIDA  
 EXPRESSWAY AUTHORITY  
 LIMITED ACCESS  
 RIGHT-OF-WAY

N 71°44'48" W 91.73'

EXISTING L.A. R/W

L.A. R/W

N 65°20'36" W 328.55'

R=4320.00'  
 D=13°02'24"  
 L=983.19'  
 CB=S 59°57'31" E  
 CH=981.07'

NT

SEE SHEET 6

**SR-414**

PER OOCEA R/W MAPS  
 PROJECT NO. 429-200

No.	Revisions	Date
1	Sketch of Description	10/26/16
2		
3		
4		
5		



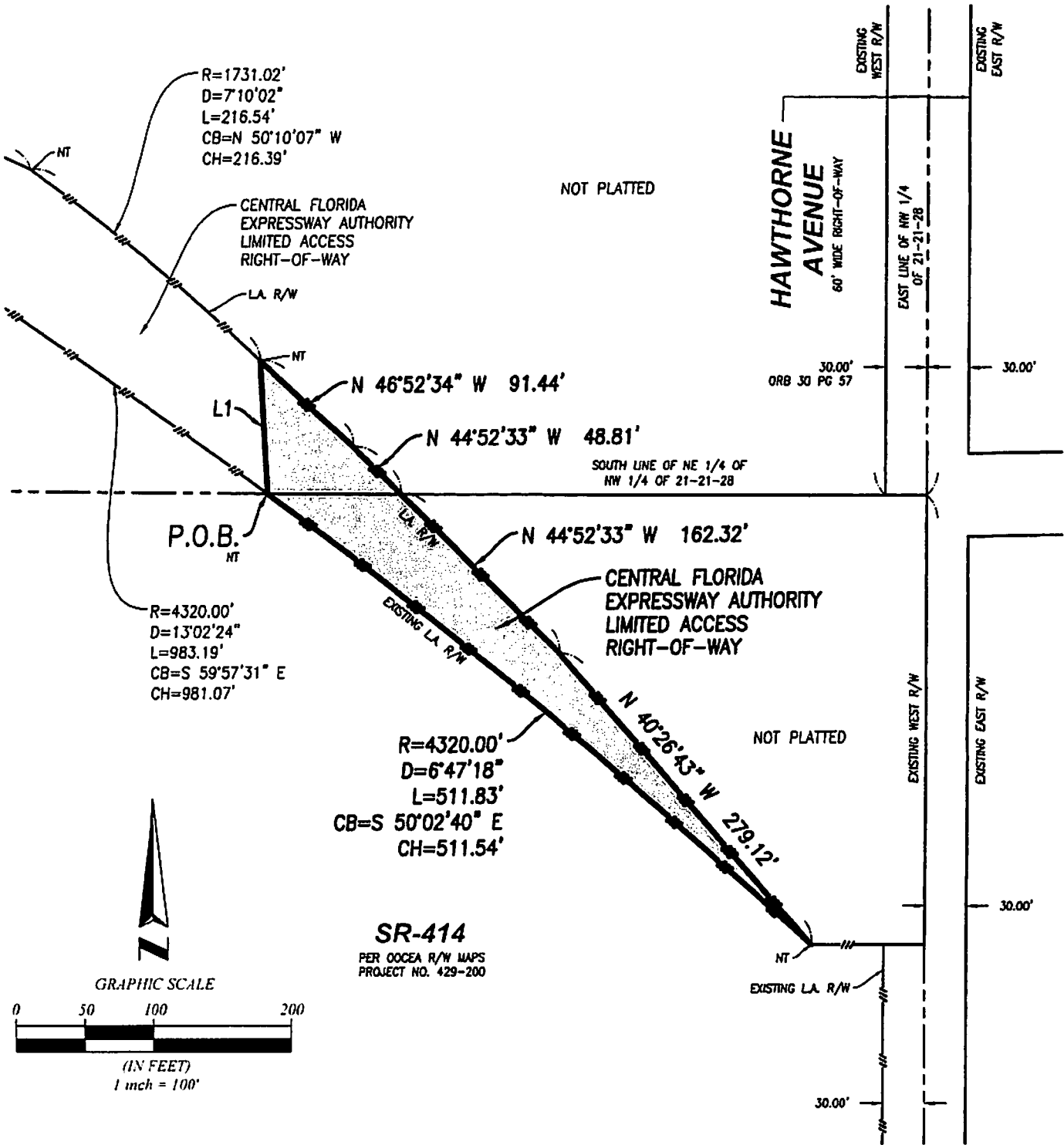
On the Mark Surveying, LLC  
 LB 7931  
 143 Meadow Boulevard  
 Sanford, Florida 32771  
 Phone: (321)626-6376  
 Email: OTMSurveying@gmail.com

**SKETCH OF  
 DESCRIPTION**

Field Date: N/A	Drawn by: CAH
Scale: 1" = 100'	Checked by: CAH
Sheet 5 of 7	Job Number: BARGERSON

CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
 STATE ROAD 414 - PROJECT NO. 414-314  
 LIMITED ACCESS RIGHT OF WAY  
 ESTATE: FEE SIMPLE

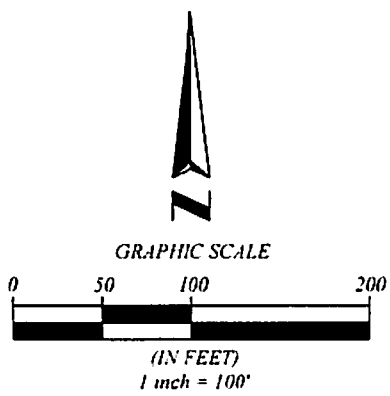
SEE SHEET 5



P.O.B.  
NT

SR-414

PER OOCEA R/W MAPS  
 PROJECT NO. 429-200



No.	Revisions	Date
1	Sketch of Description	10/26/16
2		
3		
4		
5		

On The Mark Surveying, LLC  
 LB 7931  
 143 Meadow Boulevard  
 Sanford, Florida 32771  
 Phone (321)626-6376  
 Email: OTMSurveying@gmail.com

SKETCH OF  
 DESCRIPTION

Field Date: N/A	Drawn by: CAH
Scale: 1" = 100'	Checked by: CAH
Sheet 6 of 7	Job Number: EMERSON

CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
 STATE ROAD 414 - PROJECT NO. 414-314  
 LIMITED ACCESS RIGHT OF WAY  
 ESTATE: FEE SIMPLE

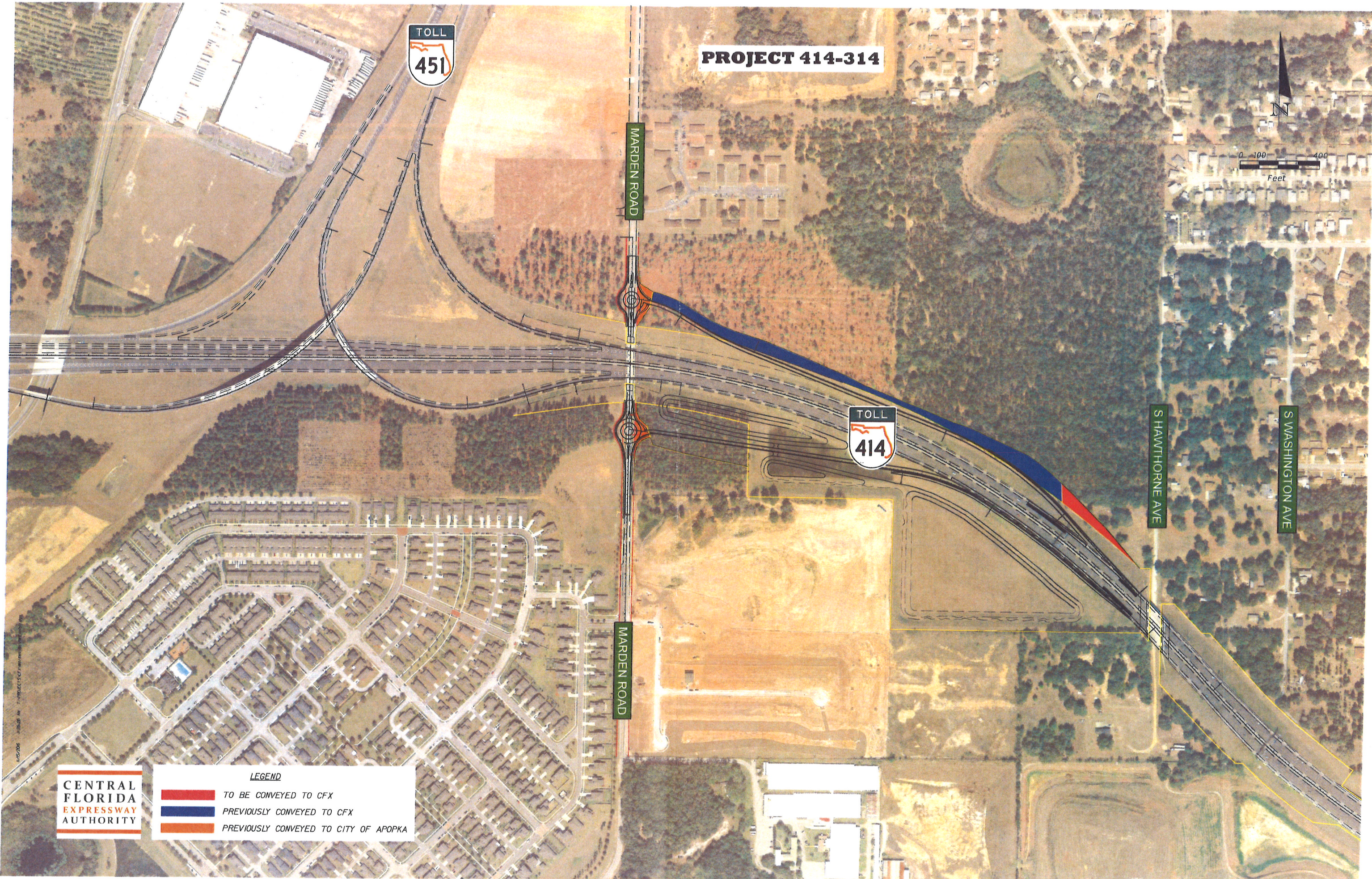
CURVE TABLE					
CURVE	RADIUS	DELTA	LENGTH	BEARING	CHORD
C1	182.00	13°35'47"	43.19	S 10°31'08" E	43.09

LINE TABLE		
LINE	BEARING	DISTANCE
L1	S 02°46'48" E	96.15
L2	S 03°43'15" E	7.30
L3	S 59°11'36" E	71.64

LEGEND:

- |        |  |            |  |
|--------|--|------------|--|
| CB -   | CHORD BEARING  | NT -       | NON TANGENT                                    |
| CCR# - | CERTIFIED CORNER RECORD NUMBER                           | OOCEA -    | ORLANDO-ORANGE COUNTY EXPRESSWAY AUTHORITY     |
| CFX -  | CENTRAL FLORIDA EXPRESSWAY AUTHORITY                     | ORB -      | OFFICIAL RECORDS BOOK                          |
| CH -   | CHORD LENGTH   | PB -       | PLAT BOOK                                      |
| CM -   | CONCRETE MONUMENT  | PC -       | POINT OF CURVATURE                             |
| D -    | CENTRAL ANGLE  | PCC -      | POINT OF COMPOUND CURVATURE                    |
| DB -   | DEED BOOK  | PG -       | PAGE   |
| FND -  | FOUND  | P.O.B. -   | POINT OF BEGINNING                             |
| ID -   | IDENTIFICATION   | P.O.C. -   | POINT OF COMMENCEMENT                          |
| IP -   | IRON PIPE  | PRC -      | POINT OF REVERSE CURVATURE                     |
| L -    | ARC LENGTH   | PT -       | POINT OF TANGENCY                              |
| L.A. - | LIMITED ACCESS   | R -        | RADIUS   |
| LB -   | PROFESSIONAL SURVEYOR AND MAPPER BUSINESS LICENSE NUMBER | R/W -      | RIGHT-OF-WAY                                   |
| LS -   | PROFESSIONAL SURVEYOR AND MAPPER LICENSE NUMBER          | SR -       | STATE ROAD                                     |
| N/A -  | NOT APPLICABLE   | XX-XX-XX - | SECTION XX - TOWNSHIP XX SOUTH - RANGE XX EAST |
| NAD -  | NORTH AMERICAN DATUM                                     |            |  |
| NO. -  | NUMBER   |            |  |

No.	Revisions	Date	 <p>On the Mark Surveying, LLC          LB 7931          143 Meadow Boulevard          Sanford, Florida 32771          Phone: (321)826-4376          Email: OTMSurveying@gmail.com</p>	<h2>SKETCH OF DESCRIPTION</h2>	Field Date:	Drawn by:
1	Sketch of Description	10/26/18			N/A	CAH
2					Scale:	Checked by:
3					N/A	CAH
4					Sheet 7 of 7	Job Number:
5				EMERSON		



**PROJECT 414-314**

TOLL  
451

TOLL  
414

MARDEN ROAD

MARDEN ROAD

S HAWTHORNE AVE

S WASHINGTON AVE

0 100 400  
Feet

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY**

**LEGEND**

- TO BE CONVEYED TO CFX
- PREVIOUSLY CONVEYED TO CFX
- PREVIOUSLY CONVEYED TO CITY OF APOPKA


# **CONSENT AGENDA ITEM**

**#16**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: Aneth Williams   
Director of Procurement

DATE: December 15, 2016

RE: Approval of Assignment and Assumption of Contractual Obligations  
Between URS Energy & Construction, Inc. and AECOM Energy & Construction,  
Inc.  
Contract Nos. 001071 & 001169


---

Board approval is requested to enter into an Assignment and Assumption of Contractual Obligations between URS Energy & Construction, Inc. and AECOM Energy & Construction, Inc.

URS Energy & Construction, Inc. legally changed their name to AECOM Energy & Construction, Inc. on or about September 12, 2016.

CFX currently has two contracts with URS Energy & Construction, Inc., for toll facilities operations and management (Contract No. 001071) and zero dollar lease (Contract No. 001169).

The Agreement does not alter the terms of the original contracts. Approval is recommended in order to administer the balance of the contract.

Reviewed by:   
\_\_\_\_\_  
David Wynne  
Director of Toll Operations



**NAME CHANGE AGREEMENT**

**WHEREAS**, on November 12, 2015, Central Florida Expressway Authority, a body politic and agency of the State of Florida, hereinafter referred to as "CFX", and URS Energy & Construction, Inc. "CONTRACTOR", entered into an Agreement, and amendments thereto, whereby the CONTRACTOR would provide toll facilities operations and management and related tasks as may from time to time be assigned to the Contractor by CFX.

**WHEREAS**, on September 12, 2016 the CONTRACTOR officially changed its legal registered name to AECOM Energy & Construction, Inc.; and

**WHEREAS**, AECOM Energy & Construction, Inc. will continue to perform all of its duties, responsibilities, and obligations under the Agreement.

**WHEREAS**, CFX hereby consents to continuing the Agreement with AECOM Energy & Construction, Inc.

**WHEREAS**, where the term URS Energy & Construction, Inc. shall appear in the original Agreement as amended, the term shall hereinafter mean and refer to AECOM Energy & Construction, Inc.

**NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS** except as expressly amended hereby, all the remaining provisions of the Agreement shall remain in full force and effect.

\*\*\*\*\*

**IN WITNESS WHEREOF**, the CONTRACTOR caused these presents to be executed by their duly authorized officer this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

(Seal)

GEC: \_\_\_\_\_

ATTEST:

BY \_\_\_\_\_  
Signature

\_\_\_\_\_

\_\_\_\_\_  
Name and Title

**CONSENT TO ABOVE AND FOREGOING NAME CHANGE  
ON BEHALF OF CENTRAL FLORIDA EXPRESSWAY AUTHORITY**

BY \_\_\_\_\_  
Signature

\_\_\_\_\_  
Aneth Williams, Director of Procurement

\_\_\_\_\_  
Date

Approved as to form and execution, only.

\_\_\_\_\_  
General Counsel for CFX

**EXHIBIT "A"**

**CERTIFICATE OF AMENDED  
AND RESTATED ARTICLES OF INCORPORATION**

**CERTIFICATE OF  
AMENDED AND RESTATED ARTICLES OF INCORPORATION  
URS ENERGY & CONSTRUCTION, INC.**

**Charter Number 171108**

---

The undersigned, *Jeanne C. Baughman*, who is the Secretary of URS Energy & Construction, Inc., an Ohio corporation for profit, does hereby certify that in a writing signed by all the shareholders who would be entitled to notice of a meeting held for that purpose, the attached Amended and Restated Articles of Incorporation were adopted to supersede and take the place of the existing Articles and all amendments thereto.

IN WITNESS WHEREOF, the above named officer, acting for and on behalf of the corporation, has hereunto subscribed her name on September 7, 2016.

**URS ENERGY & CONSTRUCTION, INC.**

  
\_\_\_\_\_  
*Jeanne C. Baughman, Secretary*

**AECOM ENERGY & CONSTRUCTION, INC.**  
(an Ohio corporation)

**AMENDED AND RESTATED ARTICLES OF INCORPORATION**

(As of September 12, 2016)

---

- FIRST:** The name of the corporation is **AECOM Energy & Construction, Inc.**
- SECOND:** The place in the State of Ohio where its principal office is located is in the City of Columbus, Franklin County.
- THIRD:** The purposes of the corporation are as follows: To perform a broad range of design, engineering, construction, construction management, facilities and operations maintenance, environmental remediation and mining services including, but not limited to, engineering and architectural work of a general, civil, mechanical, electrical or mining nature, including preparation of plans and specifications, and act as consulting and superintending engineers and architects, and generally to do and perform any and all work as engineers, architects, builders and contractors, and to solicit, obtain, make, perform, promote and carry out contracts covering the general building and contracting business and all operations connected therewith of every kind, character and description, and to engage in any other lawful act or activity for which corporations may be formed under Sections 1701.01 to 1701.98, inclusive, of the Revised Code of Ohio.
- FOURTH:** The number of shares which the corporation is authorized to have outstanding is sixty thousand (60,000) shares of common stock, all of which shall have a par value of Ten Dollars (\$10.00).
- FIFTH:** These Amended and Restated Articles of Incorporation take the place of and supersede the existing Articles of Incorporation as heretofore amended.
-


# **CONSENT AGENDA ITEM**

**#17**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: Aneth Williams   
Director of Procurement

DATE: December 15, 2016

RE: Approval of Contract Renewal with Precision Contracting Services, Inc.  
for Maintenance of Fiber Optic Network Infrastructure  
Contract No. 000990

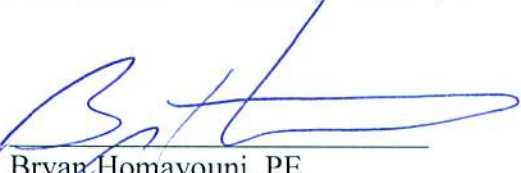
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Board approval is requested for the first renewal of the referenced contract with Precision Contracting Services, Inc. in the amount of \$125,000.00 for a one year period beginning April 1, 2017 and ending March 31, 2018. The original contract was three years with two one-year renewals.

Original Contract Amount	\$724,590.00
First Renewal	<u>\$125,000.00</u>
Total	\$849,590.00

The service to be provided by Precision Contracting Services, Inc., under this renewal is to perform Maintenance of Fiber Optic Network Infrastructure for CFX.

This contract is budgeted for in the OM&A budget.

Reviewed by:   
Bryan Homyouni, PE  
Manager of Traffic Operations

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
CONTRACT RENEWAL AGREEMENT  
CONTRACT NO. 000990**

THIS CONTRACT RENEWAL AGREEMENT (the "Renewal Agreement"), made and entered into this 12<sup>th</sup> day of January 2017, by and between the Central Florida Expressway Authority, hereinafter called "CFX" and Precision Contracting Services, Inc., hereinafter called "Contractor".

WITNESSETH

WHEREAS, CFX and Contractor entered into a Contract Agreement (the "Original Agreement") dated February 26, 2014, with a Notice to Proceed date of April 1, 2014, whereby CFX retained Contractor to perform Maintenance of Fiber Optic Network Infrastructure; and

WHEREAS, pursuant to Section 2 of the Original Agreement, CFX and Contractor wish to renew the Original Agreement for a period of one (1) year;

NOW, THEREFORE, for and in consideration of the mutual benefits to flow each to the other, CFX and Contractor agree to the first renewal of said Original Agreement beginning the 1st day of April 2017, and ending the 31st day of April 2018 at a cost of \$125,000.00 which amount restates the amount of the Original Contract Agreement.

Contractor states that, upon its receipt and acceptance of Final Payment for Services rendered under the Original Agreement ending March 31, 2017, Contractor shall execute a 'Certificate of Completion of the Original Agreement and Acceptance of Final Payment' that waives all future right of claim for additional compensation for services rendered under the Original Agreement ending March 31, 2017.

All terms and conditions of said Original Agreement and any supplements, amendments and renewals thereof shall remain in full force and effect during the full term of this Renewal Agreement

IN WITNESS WHEREOF, the parties have executed this Renewal Agreement by their duly authorized officers on the day, month and year set forth above.

PRECISION CONTRACTING SERVICES, INC.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

BY: \_\_\_\_\_  
Authorized Signature

BY: \_\_\_\_\_  
Director of Procurement

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

ATTEST: \_\_\_\_\_ (SEAL)  
Secretary or Notary

If individual, furnish two witness:

Witness (1) \_\_\_\_\_  
Witness (2) \_\_\_\_\_

Legal Approval as to Form

\_\_\_\_\_  
General Counsel for CFX



# **CONTRACT**

**ORLANDO-ORANGE COUNTY EXPRESSWAY AUTHORITY  
AND  
PRECISION CONTRACTING SERVICES, INC.**

**MAINTENANCE OF FIBER OPTIC NETWORK  
INFRASTRUCTURE  
CONTRACT NO. 000990**

**CONTRACT DATE: FEBRUARY 26, 2014  
CONTRACT AMOUNT: \$724,590.00**



**ORLANDO-ORANGE COUNTY  
EXPRESSWAY AUTHORITY**

**CONTRACT, SCOPE OF SERVICES, METHOD OF  
COMPENSATION, ADDENDUM, TECHNICAL PROPOSAL,  
PRICE PROPOSAL, PERFORMANCE AND PAYMENT  
BOND, AND FORMS**

**CONTRACT, SCOPE OF SERVICES, METHOD OF COMPENSATION,  
ADDENDUM, TECHNICAL PROPOSAL, PRICE PROPOSAL, PERFORMANCE  
AND PAYMENT BOND, AND FORMS  
FOR  
MAINTENANCE OF FIBER OPTIC NETWORK INFRASTRUCTURE**

**CONTRACT NO. 000990**

**FEBRUARY 2014**

**Members of the Board**

**Walter A. Ketcham, Jr., Chairman  
R. Scott Batterson, P.E., Vice Chairman  
Teresa Jacobs, Secretary/Treasurer  
Noranne B. Downs, P.E., Ex-Officio Member  
Marco Peña, Board Member**

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## **CONTRACT**

This Contract No. 000990 (the "Contract" as defined herein below), is made this 26<sup>th</sup> day of February, 2014, between the ORLANDO-ORANGE COUNTY EXPRESSWAY AUTHORITY, a body politic and agency of the State of Florida, hereinafter called the AUTHORITY and PRECISION CONTRACTING SERVICES, INC., 15834 Guild Court, Jupiter, Florida 33478, hereinafter the CONTRACTOR:

### **WITNESSETH:**

**WHEREAS**, the AUTHORITY was created by statute and is charged with acquiring, constructing, operating and maintaining a system of limited access roadways known as the Orlando-Orange County Expressway System; and,

**WHEREAS**, the AUTHORITY has been granted the power under Section 348.754(2)(m) of Florida Statutes, "to do all acts and things necessary or convenient for the conduct of its business and the general welfare of the authority, in order to carry out the powers granted to it (by state law);" and,

**WHEREAS**, the AUTHORITY has determined that it is necessary and convenient in the conduct of its business to retain the services of a contractor to perform Maintenance of Fiber Optic Network Infrastructure under Contract No. 000990, and related tasks as may from time to time be assigned to the CONTRACTOR by the AUTHORITY; and,

**WHEREAS**, on or about August 17, 2013, the AUTHORITY issued an Invitation to Bid seeking qualified contractors to perform such tasks; and,

**WHEREAS**, CONTRACTOR was the successful one of three qualified firms that responded to the Invitation to Bid and was ultimately selected; and,

**NOW THEREFORE**, in consideration of the mutual covenants and benefits set forth herein and other good and valuable consideration, the receipt and sufficiency of which being hereby acknowledged by each party to the other, the parties hereto agree as follows:

### **1. SERVICES TO BE PROVIDED**

The CONTRACTOR shall, for the consideration herein stated and at its cost and expense, do all the work and furnish all the materials, equipment, supplies and labor necessary to perform this Contract in the manner and to the full extent as set forth in the Contract Documents all of which are hereby adopted and made part of this Contract as completely as if incorporated herein. The Contract shall be performed and services provided to the satisfaction of the duly authorized representatives of the AUTHORITY, who shall have at all times full opportunity to evaluate the services provided under this Contract.

The services to be provided under this Contract include providing Maintenance of Fiber Optic Network Infrastructure as detailed in the Contract Documents and any amendments, supplements, or modifications thereto.

The AUTHORITY does not guarantee that all of the services described in the Scope of Services will be assigned during the term of the Contract. Further, the CONTRACTOR is providing these services on a non-exclusive basis. The AUTHORITY, at its option, may elect to have any of the services set forth herein performed by other contractors or AUTHORITY staff.

The Contract Documents, in order of precedence, consist of:

- 1.1 The Contract, including Scope of Services and Method of Compensation, and
- 1.2 The Bid Form submitted by CONTRACTOR,

(collectively, the "Contract").

## **2. TERM AND NOTICE**

The initial term of the Contract will be three (3) years beginning on January 1, 2014, and ending on December 31, 2016. There shall be two (2) renewal options of one (1) year each. The options shall go into effect at the written authorization of the AUTHORITY, given 60 days in advance of the expiration of the then-current Contract term. The Contract shall be subject to an annual review by the AUTHORITY.

The AUTHORITY shall have the right to terminate or suspend the Contract, in whole or in part, at any time, for any reason, with 60 days notice for convenience or 30 days notice for cause. Under no circumstances shall a properly noticed termination by the AUTHORITY (with or without cause) constitute a default by the AUTHORITY. In the event of a termination for convenience or without cause, AUTHORITY shall notify CONTRACTOR (in writing) of such action with instructions as to the effective date of termination or suspension, in accordance with the time frames set forth hereinabove. CONTRACTOR will be paid for all work performed prior to termination and any reasonable, documented, direct, normal, and ordinary termination expenses. CONTRACTOR will not be paid for special, indirect, consequential, or undocumented termination expenses. Payment for work performed will be based on Contract prices, which prices are deemed to include profit and overhead. No profit or overhead will be allowed for work not performed, regardless of whether the termination is for cause.

If CONTRACTOR: (i) fails to perform the Contract terms and conditions; (ii) fails to begin the work under the Contract within the time specified in the "Notice to Proceed"; (iii) fails to perform the work with sufficient personnel or with sufficient materials to assure the prompt performance of the work items covered by the Contract; (iv) fails to comply with the Contract, or (v) performs unsuitably or unsatisfactorily in the opinion of AUTHORITY reasonably exercised, or for any other cause whatsoever, fails to carry on the work in an acceptable manner, or if the surety executing the bond, for any reasonable cause, becomes unsatisfactory in the opinion of the AUTHORITY, the AUTHORITY will give notice in writing to the CONTRACTOR and CONTRACTOR's surety of such delay, neglect or default. If the Contract is declared in default,

the AUTHORITY may require the CONTRACTOR's surety to take over and complete the Contract performance. Upon the failure or refusal of the surety to assume the Contract within the time demanded, the AUTHORITY may take over the work covered by the Contract.

If CONTRACTOR (within the curative period, if any, described in the notice of default) does not correct the default, AUTHORITY will have the right to remove the work from CONTRACTOR and to declare the Contract in default and terminated.

Upon declaration of default and termination of the Contract, AUTHORITY will have the right to appropriate or use any or all materials and equipment on the sites where work is or was occurring, as the AUTHORITY determines, and may retain others for the completion of the work under the Contract, or may use other methods which in the opinion of AUTHORITY are required for Contract completion. All costs and charges incurred by AUTHORITY because of, or related to, the CONTRACTOR's default (including the costs of completing Contract performance) shall be charged against the CONTRACTOR. If the expense of Contract completion exceeds the sum which would have been payable under the Contract, the CONTRACTOR and the surety shall be jointly and severally liable and shall pay the AUTHORITY the amount of the excess. If, after the default notice curative period has expired, but prior to any action by AUTHORITY to complete the work under the Contract, CONTRACTOR demonstrates an intent and ability to cure the default in accordance with AUTHORITY's requirements, AUTHORITY may, but is not obligated to, permit CONTRACTOR to resume work under the Contract. In such circumstances, any costs of AUTHORITY incurred by the delay (or from any reason attributable to the delay) will be deducted from any monies due or which may become due CONTRACTOR under the Contract. Any such costs incurred by AUTHORITY which exceed the remaining amount due on the Contract shall be reimbursed to AUTHORITY by CONTRACTOR. The financial obligations of this paragraph, as well as any other provision of the Contract which by its nature and context survives the expiration of earlier termination of the Contract, shall survive the expiration or earlier termination of the Contract.

AUTHORITY shall have no liability to CONTRACTOR for expenses or profits related to unfinished work on a Contract terminated for default.

AUTHORITY reserves the right to cancel and terminate this Contract in the event the CONTRACTOR or any employee, servant, or agent of the CONTRACTOR is indicted or has a direct information issued against him for any crime arising out of or in conjunction with any work being performed by the CONTRACTOR for on behalf of the AUTHORITY, without penalty. Such termination shall be deemed a termination for default.

AUTHORITY reserves the right to terminate or cancel this Contract in the event the CONTRACTOR shall be placed in either voluntary or involuntary bankruptcy or an assignment is made for the benefit of creditors. Such termination shall be deemed a termination for default.

### **3. COMPENSATION FOR SERVICES**

3.1 The Contract Amount for the Contract term is \$724,590.00.

3.2 AUTHORITY agrees to pay CONTRACTOR for services performed in accordance with the Method of Compensation.

### **4. AUDIT AND EXAMINATION OF RECORDS**

#### **4.1 Definition of Records:**

(i) "Contract Records" shall include, but not be limited to, all information, communications and data, whether in writing or stored on a computer, computer disks, microfilm, writings, working papers, drafts, computer printouts, field notes, charts or any other data compilations, books of account, photographs, videotapes and audiotapes supporting documents, any other papers or preserved data in whatever form, related to the Contract or the CONTRACTOR's performance of the Contract determined necessary or desirable by the AUTHORITY for any purpose. Proposal Records shall include, but not be limited to, all information and data, whether in writing or stored on a computer, writings, working papers, computer printouts, charts or other data compilations that contain or reflect information, data or calculations used by CONTRACTOR in determining labor, unit price, or any other component of a bid submitted to the AUTHORITY.

(ii) "Proposal Records" shall include, but not be limited to, any material relating to the determination or application of equipment rates, home and field overhead rates, related time schedules, labor rates, efficiency or productivity factors, arithmetic extensions, quotations from subcontractors, or material suppliers, profit contingencies and any manuals standard in the industry that may be used by CONTRACTOR in determining a price.

AUTHORITY reserves and is granted the right (at any time and from time to time, for any reason whatsoever) to review, audit, copy, examine and investigate in any manner, any Contract Records (as herein defined) or Proposal Records (as hereinafter defined) of the CONTRACTOR or any subcontractor. By submitting a response to the Request for Proposal, CONTRACTOR or any subcontractor submits to and agree to comply with the provisions of this section.

If the AUTHORITY requests access to or review of any Contract Documents or Proposal Records and CONTRACTOR refuses such access or review, CONTRACTOR shall be in default under its Contract with AUTHORITY, and such refusal shall, without any other or additional actions or omissions, constitute grounds for suspension or disqualification of CONTRACTOR. These provisions shall not be limited in any manner by the existence of any CONTRACTOR claims or pending litigation relating to the Contract. Disqualification or suspension of the CONTRACTOR for failure to comply with this section shall also preclude the CONTRACTOR from acting in the future as a subcontractor of another CONTRACTOR doing work for the AUTHORITY during the period of disqualification or suspension. Disqualification shall mean the CONTRACTOR is not eligible for and shall be precluded from doing future work for the AUTHORITY until reinstated by the AUTHORITY.

Final Audit for Project Closeout: The CONTRACTOR shall permit the AUTHORITY, at the AUTHORITY'S option, to perform or have performed, an audit of the records of the CONTRACTOR and any or all subcontractors to support the compensation paid the CONTRACTOR. The audit will be performed as soon as practical after completion and acceptance of the contracted services. In the event funds paid to the CONTRACTOR under the Contract are subsequently determined to have been inadvertently paid by the AUTHORITY because of accounting errors or charges not in conformity with the Contract, the CONTRACTOR agrees that such amounts are due to the AUTHORITY upon demand. Final payment to the CONTRACTOR shall be adjusted for audit results.

CONTRACTOR shall preserve all Proposal Records and Contract Records for the entire term of the Contract and for a period of three (3) years after the later of: (i) final acceptance of the project by the AUTHORITY, (ii) until all claims (if any) regarding the Contract are resolved, or (iii) expiration of the Proposal Records and Contract Records' status as public records, as and if applicable, under Chapter 119, Florida Statutes.

## **5. MINORITY AND WOMEN'S BUSINESS ENTERPRISES**

AUTHORITY has adopted a program to provide opportunities for small business, including Minority Business Enterprises ("MBEs") and Women's Business Enterprises ("WBEs"). Under the AUTHORITY'S program, CONTRACTOR is encouraged to grant small businesses the maximum opportunity to participate in the provision of the Services with respect to the operation and maintenance of the System. CONTRACTOR shall provide information regarding its employment of such businesses and the percentage of payments made to such businesses and others. CONTRACTOR shall provide an annual report to AUTHORITY at the AUTHORITY'S request regarding use of small business MBEs and WBEs and the percentage of payments made to enterprises falling within such categories.

## **6. CONTRACTOR INSURANCE AND PERFORMANCE AND PAYMENT BOND**

CONTRACTOR shall carry and keep in force during the period of this Contract, the required amount of coverage as stated below. All bonds and insurance must be underwritten by insurers that are qualified to transact business in the State of Florida and that have been in business and have a record of successful and continuous operations for at least five (5) years. Each shall carry a rating of "A" (excellent) and a financial rating of Class XII, as defined by A.M. Best and Company's Key Rating Guide and must be approved by the AUTHORITY, in its sole and absolute discretion. All surety bonds shall be in a form and issued by a surety company approved by AUTHORITY. CONTRACTOR shall carry and keep in force the following insurance coverage, and provide the AUTHORITY with correct certificates of insurance (ACORD forms) upon Contract execution:

6.1 **Comprehensive General Liability Insurance** having a minimum coverage of One Million Dollars (\$1,000,000.00) per occurrence of bodily injury or property damage and a minimum of Two Million Dollars (\$2,000,000.00) annual aggregate for both General and



Products and Completed Operations. Liability insurance shall be current ISO simplified form including products and completed operations coverage. The contractual liability insurance coverage shall include coverage for responsibilities and liabilities assumed by CONTRACTOR under this Agreement.

**6.2 Comprehensive Automobile Liability** (for bodily injury, death and property damage) having a minimum coverage of One Million Dollars (\$1,000,000.00) for each accident;

**6.3 Workers' Compensation Insurance Coverage**, including all coverage required under the laws of the state of Florida (as amended from time to time hereafter);

**6.4 Unemployment Insurance Coverage** in amounts and forms required by Florida law, as it may be amended from time to time hereafter.

Such policy or policies shall be carried without deductible, without co-insurance, and shall (a) include the AUTHORITY, and such other parties the AUTHORITY shall designate, as additional insureds, (b) be primary insurance, (c) include within the terms of the policy, or by contractual liability endorsement, coverage insuring the CONTRACTOR's insurable indemnity obligations, (d) provide that the policy may not be canceled or changed without at least thirty (30) days prior written notice to the AUTHORITY from the company providing such insurance, and (e) provide that the insurer waives any right of subrogation against AUTHORITY, to the extent allowed by law and to the extent the same would not void primary coverage. At least fifteen (15) days prior to the expiration of any such policy of insurance required to be carried by CONTRACTOR hereunder, CONTRACTOR shall deliver insurance certificates to AUTHORITY evidencing a renewal or new policy to take the place of the one expiring. Procurement of insurance shall not be construed to limit CONTRACTOR's obligations or liabilities under the Contract. The requirement of insurance shall not be deemed a waiver of sovereign immunity by AUTHORITY.

Any insurance carried by the AUTHORITY in addition to CONTRACTOR's policies shall be excess insurance, not contributory.

If CONTRACTOR fails to obtain the proper insurance policies or coverages, or fails to provide AUTHORITY with certificates of same, the AUTHORITY may obtain such policies and coverages at CONTRACTOR's expense and deduct such costs from CONTRACTOR payments.

**6.5 Performance and Payment Bond:** The CONTRACTOR shall furnish to the AUTHORITY, and shall maintain in effect throughout the term of the Contract, an acceptable surety bond in a sum equal to the amount of the Contract. This bond shall remain in effect until one year after the date when final payment becomes due, except as provided otherwise by Laws or Regulations or by the Contract Documents. Such bond shall be executed on the form furnished by the AUTHORITY. The surety shall meet all requirements of the laws of Florida and shall be approved and at all times acceptable to the AUTHORITY. The surety agent's name, address and telephone number shall be clearly stated on the face of the Performance and Payment Bond.

In the event that the surety executing the bond (although acceptable to the AUTHORITY at the time of execution of the Contract) subsequently becomes insolvent or bankrupt or becomes unreliable or otherwise unsatisfactory due to any cause which becomes apparent after the AUTHORITY's initial approval of the company, then the AUTHORITY may require that the CONTRACTOR immediately replace the surety bond with a similar bond drawn on a surety company which is reliable and acceptable to the AUTHORITY. In such event, all costs of the premium for the new bond, after deducting any amounts that might be returned to the CONTRACTOR from its payment of premium on the defaulting bond, will be borne by the AUTHORITY.

## **7. CONTRACTOR RESPONSIBILITY**

7.1 CONTRACTOR shall take all reasonable precautions in the performance of the Services and shall cause its employees, agents and subcontractors to do the same. CONTRACTOR shall be solely responsible for the safety of, and shall provide protection to prevent damage, injury or loss to:

(i) all employees of CONTRACTOR and its subcontractors and other persons who are on or about the plazas or would reasonably be expected to be affected by the performance of the Services;

(ii) other property of CONTRACTOR and its employees, agents, officers and subcontractors and all other persons for whom CONTRACTOR may be legally or contractually responsible on or adjacent to the plazas or other areas upon which services are performed;

(iii) members of the public who may be traveling through the plazas and their vehicles.

7.2 CONTRACTOR shall comply, and shall cause its employees, agents, officers and subcontractors and all other persons for whom CONTRACTOR may be legally or contractually responsible, with the SOP, applicable laws, ordinances, rules, regulations, orders of public authorities, sound business practices, including without limitation:

(i) those relating to the safety of persons and property and their protection from damage, injury or loss, and

(ii) all workplace laws, regulations, and posting requirements, and

(iii) implementation of a drug-free workplace policy at least of a standard comparable to, and in compliance with, AUTHORITY'S Drug-Free Workplace Policy; And

(iv) compliance with the public records laws of Chapter 119, Florida Statutes.

7.3 CONTRACTOR shall be responsible for all damage and loss that may occur with respect to any and all property located on or about the plazas or in any way involved in the provision of services by CONTRACTOR, whether such property is owned by CONTRACTOR,

AUTHORITY, or any other person, to the extent such damage or loss shall have been caused or brought about by the acts or omissions of CONTRACTOR or its employees, agents, officers or subcontractors or any other persons for whom CONTRACTOR may be legally or contractually responsible.

7.4 CONTRACTOR shall ensure that all of its activities and the activities of its employees, agents, officers and subcontractors and all other persons for whom CONTRACTOR may be legally or contractually responsible are undertaken in a manner that will minimize the effect on surrounding property and the public. CONTRACTOR shall be responsible for any shortage of tolls collected in accordance with the Scope and SOP Manual, and any theft or conversion of collected toll funds by employees of CONTRACTOR, or arising out of the negligence or willful misconduct of CONTRACTOR;

7.5 CONTRACTOR shall immediately notify AUTHORITY of any material adverse change in CONTRACTOR's financial condition, business, prospects, affairs, or operations, or of such change of any partner, or of such change of any shareholder holding greater than a 10% interest in CONTRACTOR, or of the existence of any material impairment of rights or ability of CONTRACTOR to carry on as its business and operations are currently conducted.

7.6 With respect to any employees of CONTRACTOR directly providing work to AUTHORITY, CONTRACTOR shall not make any requirement of any such employee, or enter into a non-competition agreement with any such employee, whether oral or written, of any kind or nature, that would prohibit those employees from leaving CONTRACTOR's employ and taking employment with any successor of CONTRACTOR for AUTHORITY's toll operations and management services.

## **8. ASSIGNMENT AND REMOVAL OF KEY PERSONNEL**

A significant factor in the decision of the AUTHORITY to award this Contract to the CONTRACTOR is the level of expertise, knowledge and experience possessed by employees of CONTRACTOR, particularly the Project Manager, Fiber Optic Lead Technician and Network Engineer (the "Key Personnel") and CONTRACTOR's covenant to have employees possessing such expertise, knowledge and experience available at all times to assist in the provision of the services. Throughout the Term of this Contract, CONTRACTOR shall employ individuals having significant training, expertise, and experience in the areas or disciplines more particularly set forth in the Scope of Services, together with such other areas of expertise or experience, as may be designated from time to time during the Term of this Contract by the AUTHORITY. When the AUTHORITY designates an additional area for which expertise or experience shall be required, CONTRACTOR shall use all reasonable and diligent efforts to promptly hire and retain one or more individuals possessing such experience or expertise.

CONTRACTOR shall use commercially reasonable efforts to maintain Key Personnel as employees throughout the Term of the Contract. The identity of the individuals, initially assigned to each of such positions by CONTRACTOR, shall be submitted to AUTHORITY and the AUTHORITY shall be notified in advance of any changes in the individuals. The Key Personnel shall be committed to performing services on this Contract to the extent required.

If prior to the second anniversary of the Effective Date of this Contract, CONTRACTOR removes, suspends, dismisses, fires, transfers, reassigns, lays off, discharges, or otherwise terminates any Key Personnel, CONTRACTOR will use commercially reasonable efforts to replace Key Personnel with employees of like expertise.

Promptly upon request of AUTHORITY, CONTRACTOR shall use commercially reasonable efforts to substitute any remove any employee whom AUTHORITY considers unsuitable for such work.

## **9. INDEMNITY**

The CONTRACTOR shall indemnify, defend and hold harmless AUTHORITY and all of its respective officers, agents, CONTRACTOR's or employees from all suits, actions, claims, demands, costs as defined elsewhere herein, expenses (including reasonable attorneys' fees as defined elsewhere herein), judgments, liabilities of any nature whatsoever (collectively, "Claims") arising out of, because of, or due to breach of the Contract by the CONTRACTOR (its subcontractors, officers, agents or employees) or due to any negligent or intentional act or occurrence of omission or commission of the CONTRACTOR (its subcontractors, officers, agents or employees), including without limitation any misappropriation or violation of third party copyright, trademark, patent, trade secret, publicity, or other intellectual property rights or other third party rights of any kind by or arising out of any one or more of the following:

9.1 violation of same by CONTRACTOR, its subcontractors, officers, agents or employees,

9.2 AUTHORITY's use or possession of the CONTRACTOR Property or CONTRACTOR Intellectual Property (as defined herein below),

9.3 AUTHORITY's full exercise of its rights under any license conveyed to it by CONTRACTOR,

9.4 CONTRACTOR's violation of the confidentiality and security requirements associated with the AUTHORITY Property and AUTHORITY Intellectual Property (as defined herein below),

9.5 CONTRACTOR's failure to include terms in its subcontracts as required by this Contract,

9.6 CONTRACTOR's failure to ensure compliance with the requirements of the Contract by its employees, agents, officers, or subcontractors, or

9.7 CONTRACTOR's breach of any of the warranties or representations contained in this Contract.

CONTRACTOR will not be liable for damages arising out of injury or damage to persons or property directly caused or resulting from the sole negligence of the AUTHORITY or any of its

officers, agents or employees. The parties agree that 1% of the total compensation to the CONTRACTOR for performance of each task authorized under the Contract is the specific consideration from AUTHORITY to CONTRACTOR for CONTRACTOR's indemnity and the parties further agree that the 1% is included in the amount negotiated for each authorized task.

## **10. PUBLIC RECORDS**

Upon receipt of any request by a member of the public for any documents, papers, letters, or other material subject to the provisions of Chapter 119, Florida Statutes, made or received by CONTRACTOR in conjunction with this Contract (including without limitation CONTRACTOR Records and Proposal Records, if and as applicable), CONTRACTOR shall immediately notify the AUTHORITY. Thereafter, CONTRACTOR shall follow AUTHORITY'S instructions with regard to such request. To the extent that such request seeks non-exempt public records, the AUTHORITY shall direct CONTRACTOR to provide such records for inspection and copying in compliance with Chapter 119. A subsequent refusal or failure by CONTRACTOR to timely grant such public access will be grounds for immediate, unilateral cancellation of the Contract by AUTHORITY.

## **11. PRESS RELEASES**

CONTRACTOR shall make no statements, press releases or publicity releases concerning the Contract or its subject matter, or otherwise disclose or permit to be disclosed any of the data or other information obtained or furnished under the Contract, or any particulars thereof, including without limitation AUTHORITY Property and AUTHORITY Intellectual Property, without first notifying AUTHORITY and securing its consent in writing.

## **12. OWNERSHIP OF MATERIALS AND INTELLECTUAL PROPERTY RIGHTS**

AUTHORITY is and shall be and remain the sole owner of all rights, title, and interest in, to, and associated with all plans, documents, software in all forms, hardware, programs, procedures, specifications, drawings, brochures pamphlets, manuals, flyers, models, photographic or design images, negatives, videos and film, tapes, work product, information, data and other items (all whether in preliminary, draft, master, final, paper, electronic, or other form), along with the media on which they reside and with which they interface for function or aesthetics, that are generated or developed with respect to and in connection with this Contract and the performance thereof (collectively, the "AUTHORITY Property"). AUTHORITY's ownership of the AUTHORITY Property includes without limitation all common law, statutory and other rights, title, and interest in, to, and associated with trademark, service mark, copyright, patent, trade secret, and publicity (collectively, the "AUTHORITY Intellectual Property"). CONTRACTOR, its employees, agents, officers, and subcontractors acknowledge that E-PASS® is the AUTHORITY's registered trademark name for the AUTHORITY's electronic toll collection system, and comprises a portion of the AUTHORITY Intellectual Property.

CONTRACTOR, its employees, agents, officers, and subcontractors may not use the AUTHORITY Property or AUTHORITY Intellectual Property in any way, other than in performance of its services under the terms of this Contract, without the prior written consent of

AUTHORITY, which may be granted or denied in the AUTHORITY's sole discretion. CONTRACTOR, its employees, agents, officers, and subcontractors' access to and/or use of the AUTHORITY Property and AUTHORITY Intellectual Property is without any warranty or representation by AUTHORITY regarding same.

For all materials listed hereinabove that are not generated or developed under this Contract or performance hereof, but rather are brought in, provided, or installed by CONTRACTOR (collectively, the "CONTRACTOR Property"), and the intellectual property rights associated therewith (collectively, the "CONTRACTOR Intellectual Property"), CONTRACTOR (its employees, officers, agents, and subcontractors, which for purposes of this section shall collectively be referred to as "CONTRACTOR") warrants and represents the following:

12.1 CONTRACTOR was and is the sole owner of all right, title and interest in and to all CONTRACTOR Property and CONTRACTOR Intellectual Property; **OR**

12.2 CONTRACTOR has obtained, and was and is the sole holder of one or more freely assignable, transferable, non-exclusive licenses in and to the CONTRACTOR Property and CONTRACTOR Intellectual Property, as necessary to provide and install the CONTRACTOR Property and/or to assign or grant corresponding to AUTHORITY all licenses necessary for the full performance of this Contract; and that the CONTRACTOR is current and will remain current on all royalty payments due and payable under any license where CONTRACTOR is licensee; **AND**

12.3 CONTRACTOR has not conveyed, and will not convey, any assignment, security interest, exclusive license, or other right, title, or interest that would interfere in any way with the AUTHORITY's use of the CONTRACTOR Property or any license granted to AUTHORITY for use of the CONTRACTOR Intellectual Property rights; **AND**

12.4 Subject to Chapter 119, Florida Statutes (Florida Public Records Act), CONTRACTOR shall maintain the AUTHORITY Property and AUTHORITY Intellectual Property in strictest confidence and may not transfer, disclose, duplicate, or otherwise use the AUTHORITY Property or AUTHORITY Intellectual Property in any way, other than in performance of its services under the terms of this Contract, without the prior written consent of AUTHORITY, which may be granted or denied in the AUTHORITY's sole discretion. CONTRACTOR shall not publish, copyright, trademark, service mark, patent, or claim trade secret, publicity, or other rights of any kind in any of the Property. In ensuring the confidentiality and security of the AUTHORITY Property and AUTHORITY Intellectual Property, CONTRACTOR shall utilize the same standards of protection and confidentiality that CONTRACTOR uses to protect its own property and confidential information, but in no instance less than reasonable care plus the standards set forth anywhere in this Contract.

CONTRACTOR further warrants and represents that there are no pending, threatened, or anticipated Claims against CONTRACTOR, its employees, officers, agents, or subcontractors with respect to the CONTRACTOR Property or CONTRACTOR Intellectual Property.

The provisions of this Section shall survive the term of this Contract for the longer of:

12.5 The statute of limitations on any action arising out of either party's conduct relating to this section, whether such action may be brought by AUTHORITY, CONTRACTOR, or a third party; or

12.6 AUTHORITY's continued use (notwithstanding any temporary suspension of use) of any CONTRACTOR Property or CONTRACTOR Intellectual Property; **and**

12.7 Notwithstanding sections 12.5 and 12.6, the confidentiality and security provisions contained herein shall survive the term of this Contract for ten (10) years beyond 12.5 and 12.6.

### **13. PERMITS, LICENSES, ETC.**

Throughout the Term of the Contract, the CONTRACTOR shall procure and maintain, at its sole expense, all permits and licenses that may be required in connection with the performance of Services by CONTRACTOR; shall pay all charges, fees, royalties, and taxes; and shall give all notices necessary and incidental to the due and lawful prosecution of the Services. Copies of required permits and licenses shall be furnished to AUTHORITY upon request.

### **14. CONFLICT OF INTEREST AND STANDARDS OF CONDUCT**

CONTRACTOR warrants that it has not employed or retained any entity or person, other than a bona fide employee working solely for the CONTRACTOR, to solicit or secure this Contract, and that CONTRACTOR has not paid or agreed to pay any person, company, corporation, individual or firm any fee, commission, percentage, gift or any other consideration, contingent upon or resulting from the award or making of this Contract. It is understood and agreed that the term "fee" shall also include brokerage fee, however denoted.

CONTRACTOR acknowledges that AUTHORITY officials and employees are prohibited from soliciting and accepting funds or gifts from any person who has, maintains, or seeks business relations with the AUTHORITY in accordance with the AUTHORITY's Ethics Policy. To the extent applicable, CONTRACTOR will comply with the aforesaid Ethics Policy in connection with performance of the Contract.

In the performance of the Contract, CONTRACTOR shall comply with all applicable local, state, and federal laws and regulations and obtain all permits necessary to provide the Contract services.

CONTRACTOR covenants and agrees that it and its employees, officers, agents, and subcontractors shall be bound by the standards of conduct provided in Florida Statutes 112.313 as it relates to work performed under this Contract, which standards will be reference be made a part of this Contract as though set forth in full.

## **15. NONDISCRIMINATION**

CONTRACTOR, its employees, officers, agents, and subcontractors shall not discriminate on the grounds of race, color, religion, sex, national origin, or other protected class, in the performance of work or selection of personnel under this Contract.

## **16. NOTIFICATION of CONVICTION of CRIMES**

CONTRACTOR shall notify the AUTHORITY if any of CONTRACTOR's Key Personnel shall be convicted of a felony, whether state or federal, of any degree. Such notification shall be made no later than thirty (30) days after the conviction, regardless of whether such conviction is appealed.

## **17. SUBLETTING AND ASSIGNMENT**

AUTHORITY has selected CONTRACTOR to perform the Services based upon characteristics and qualifications of CONTRACTOR and its employees. Therefore, CONTRACTOR shall not sublet, sell, transfer, assign, delegate, subcontract, or otherwise dispose of this Contract or any portion thereof, or of the CONTRACTOR's right, title, or interest therein without the written consent of the AUTHORITY, which may be withheld in the AUTHORITY'S sole and absolute discretion. Any attempt by CONTRACTOR to dispose of this Contract as described above, in part or in whole, without AUTHORITY's written consent shall be null and void and shall, at AUTHORITY's option, constitute a default under the Contract.

If, during the term of the Contract, CONTRACTOR desires to subcontract any portion(s) of the work to a subcontractor that was not disclosed by the CONTRACTOR to the AUTHORITY at the time that the Contract was originally awarded, and such subcontract would, standing alone or aggregated with prior subcontracts awarded to the proposed subcontractor, equal or exceed twenty five thousand dollars (\$25,000.00), the CONTRACTOR shall first submit a request to the AUTHORITY's Director of Procurement for authorization to enter into such subcontract. Except in the case of an emergency, as determined by the Executive Director or his/her designee, no such subcontract shall be executed by the CONTRACTOR until it has been approved by the AUTHORITY Board. In the event of a designated emergency, the CONTRACTOR may enter into such a subcontract with the prior written approval of the Executive Director or his/her designee, but such subcontract shall contain a provision that provides that it shall be automatically terminated if not approved by the AUTHORITY Board at its next regularly scheduled meeting.

Notwithstanding the foregoing:

17.1 CONTRACTOR may assign its rights to receive payment under this Agreement with AUTHORITY's prior written consent, which consent shall not be unreasonably withheld. AUTHORITY may assign all or any portion of its rights under this Agreement without consent of or advance notice to CONTRACTOR; and



17.2 Subject to the right of AUTHORITY to review and approve or disapprove subcontracts, and subject to the compliance by CONTRACTOR with the provisions of this Contract with regard to Key Personnel, CONTRACTOR shall be entitled to subcontract some of the services hereunder to other entities, provided that all subcontracts:

(i) shall name AUTHORITY as a third party beneficiary and provide that the subcontract is assignable to the AUTHORITY (or its successor in interest under the terms of this Contract) without the prior approval of the parties thereto, and that the assignment thereof shall be effective upon receipt by the subcontractor of written notice of the assignment from the AUTHORITY. Upon such event, the AUTHORITY shall be deemed to assume all rights and obligations of the CONTRACTOR under the subcontract, but only to the extent such rights and obligations accrue from and after the date of the assignment. Without limitation, all warranties and representations of subcontractor shall inure to the benefit of AUTHORITY, and

(ii) shall require the subcontractor to comply with all laws and the SOP Manual, as all may be revised, modified and supplemented from time to time, and must require the subcontractor to carry forms and amounts of insurance satisfactory to the AUTHORITY in its sole discretion, and shall provide AUTHORITY with certificates of insurance upon request. The AUTHORITY shall be listed as an additional insured on all such insurance policies, and copies of correct insurance certificates and policies shall be delivered to the AUTHORITY upon request, and

(iii) shall require the subcontractor to join in any dispute resolution proceeding upon request of AUTHORITY, and

(iv) shall include the same or similar terms as are included in this Contract with respect to subcontractors, providing the AUTHORITY with equal or greater protections than herein.

## **18. DISPUTES**

All services shall be performed by the CONTRACTOR to the reasonable satisfaction of the AUTHORITY's Executive Director (or his delegate), who shall decide all questions, difficulties and disputes of any nature whatsoever that may arise under or by reason of this Contract, the prosecution and fulfillment of the services described and the character, quality, amount and value thereof. The Executive Director's decision upon all claims, questions and disputes shall be final agency action. Adjustments of compensation and Contract time, because of any major changes in the work that may become necessary or desirable as the work progresses shall be left to the absolute discretion of the Executive Director (and the AUTHORITY Board if amendments are required) and supplemental agreement(s) of such nature as required may be entered into by the parties in accordance herewith.

## **19. REMEDIES**

In addition to any remedies otherwise available to the AUTHORITY under law, upon an uncured default the AUTHORITY shall have the right to appropriate or use any or all materials and equipment on the sites where work is or was occurring, and may enter into agreements with others for the completion of the work under the Contract, or may use other methods which in the opinion of the AUTHORITY are required for Contract completion. All costs and charges incurred by the AUTHORITY because of or related to the CONTRACTOR's default including, but not limited to, the costs of completing Contract performance shall be charged against the CONTRACTOR. If the expense of Contract completion exceeds the remaining sum which would have been payable under the balance of the Contract, CONTRACTOR shall be liable to the AUTHORITY for the difference. On a Contract terminated for default, in no event shall the AUTHORITY have any liability to the CONTRACTOR for expenses or profits related to unfinished work, or for AUTHORITY's use of any CONTRACTOR materials or equipment on the work sites, including without limitation the CONTRACTOR Property and CONTRACTOR Intellectual Property.

## **20. PREVAILING PARTY ATTORNEY'S FEES**

If any contested claim arises hereunder or relating to the Contract (or CONTRACTOR's work hereunder), and either party engages legal counsel, the prevailing party in such dispute, as "prevailing party" is hereinafter defined, shall be entitled to recover reasonable attorneys' fees and costs as defined herein, from the non-prevailing party.

In order for CONTRACTOR to be the prevailing party, CONTRACTOR must receive an adjusted judgment or adjusted award equal to at least eighty percent (80%) of its contested claims filed with AUTHORITY, failing which AUTHORITY will be deemed the prevailing party for purposes of this Contract.

For purposes of determining whether the judgment of award is eighty percent (80%) or more of the contested claims, "adjusted award" or "adjusted judgment" shall mean the amount designated in the award or final judgment as compensation to CONTRACTOR for its claims (exclusive of interest, cost or expenses), less: (i) any amount awarded to AUTHORITY (exclusive of interest, costs or expenses) on claims asserted by AUTHORITY against CONTRACTOR in connection with the Contract, and (ii) any amount offered in settlement prior to initiation of CONTRACTOR litigation (exclusive of interest, cost or expense), which for purposes of enforcing this section only shall be admissible into evidence.

The term "contested claim" or "claims" shall include "Claims" as defined in Section 11, as well as the initial written claim (s) submitted to AUTHORITY by CONTRACTOR (disputed by AUTHORITY) which have not otherwise been resolved through ordinary close-out procedures of the Contract prior to the initiation of litigation. CONTRACTOR claims or portions thereof, which AUTHORITY agrees or offers to pay prior to initiation of litigation, shall not be deemed contested claims for purposes of this provision. If CONTRACTOR submits a modified, amended or substituted claim after its original claim and such modified, amended or substituted

claim(s) is for an amount greater than the prior claim(s), the higher amount shall be the claim(s) for purposes of determining whether the award is at least eighty percent (80%) of CONTRACTOR's claim(s).

Attorneys' fees and costs awarded to the prevailing party shall mean reasonable fees and costs incurred in connection with and measured from the date a claim is initially submitted to AUTHORITY through and including trial, appeal and collection. In the circumstance where an original claim is subsequently modified, amended or a substituted claim is filed therefore, fees and costs shall accrue from the date of the first written claim submitted, regardless of whether the original or subsequent claim amount is ultimately used in determining if the judgment or award is at least eighty percent (80%) of the cumulative claims.

"Attorneys' fees" shall include but not be limited to fees and charges of attorneys, paralegals, legal assistants, attorneys' CONTRACTOR's, expert witnesses, court reporters, photocopying, telephone charges, travel expenses, or any other charges, fees, or expenses incurred through use of legal counsel, whether or not such fees are provided by statute or contained in State-Wide guidelines, and shall apply to any pretrial fees (whether or not an action is filed), trial, appeal, collection, bankruptcy, arbitration, mediation, or administrative proceedings arising out of this Contract.

"Costs" shall include but not be limited to any filing fees, application fees, expert witnesses' fees, court reporters' fees, photocopying costs, telephone charges, travel expenses, or any other charges, fees, or expenses incurred whether or not legal counsel is retained, whether or not such costs are provided by statute or contained in State-Wide guidelines, and shall apply to any pretrial costs (whether or not an action is filed), trial, appeal, collection, bankruptcy, arbitration, mediation or administrative proceeding arising out of this Contract.

As a condition precedent to filing a claim with any legal or administrative tribunal, CONTRACTOR shall have first submitted its claim (together with supporting documentation) to AUTHORITY, and AUTHORITY shall have had sixty (60) days thereafter within which to respond thereto.

The purpose of this provision is to discourage frivolous or overstated claims and, as a result thereof, AUTHORITY and CONTRACTOR agree that neither party shall avail itself of Section 768.79, Florida Statutes, or any other like statute or rule involving offers of settlement or offers of judgment, it being understood and agreed that the purpose of such statute or rule are being served by this provision.

Should this section be judged void, unenforceable or illegal, in whole or in substantial part, by a court of competent jurisdiction, this section shall be void in its entirety and each party shall bear its own attorneys' fees and costs.

## **21. OTHER SEVERABILITY**

If any section of this Contract, other than the immediately preceding Prevailing Party Attorneys' Fees section, be judged void, unenforceable or illegal, then the illegal provision shall be, if at all possible, interpreted or re-drafted into a valid, enforceable, legal provision as close to the parties' original intention, and the remaining portions of the Contract shall remain in full force and effect and shall be enforced and interpreted as closely as possible to the parties' intention for the whole of the Contract.

## **22. GOVERNING LAW**

This Contract shall be governed by and construed in accordance with the laws of Florida. Venue of any legal or administrative proceedings arising out of this Contract shall be exclusively in Orange County, Florida.

In consideration of the foregoing premises, AUTHORITY agrees to pay CONTRACTOR for work performed and materials furnished at the prices submitted with the Proposal.

## **23. RELATIONSHIPS**

CONTRACTOR acknowledges that no employment relationship exists between AUTHORITY and CONTRACTOR or CONTRACTOR's employees. CONTRACTOR shall be responsible for all direction and control of its employees and payment of all wages and salaries and other amounts due its employees. CONTRACTOR shall be responsible for all reports and obligations respecting such employees, including without limitation social security tax and income tax withholding, unemployment compensation, workers compensation, and employment benefits. CONTRACTOR shall structure its relationship with its employees such that the employees may be assigned, reassigned, or transferred from one toll collection plaza to another by CONTRACTOR, upon written direction or request of AUTHORITY.

CONTRACTOR shall conduct no act or omission that would lead CONTRACTOR's employees or any legal tribunal or regulatory agency to believe or conclude that CONTRACTOR's employees would be employees of the AUTHORITY.

Any approval by AUTHORITY of a subcontract or other matter herein requiring AUTHORITY approval for its occurrence shall not be deemed a warranty or endorsement of any kind by AUTHORITY of such subcontract, subcontractor, or matter.

## **24. INTERPRETATION**

For purposes of this Contract, the singular shall include the plural, and the plural shall include the singular, unless the context clearly requires otherwise. Except for reference to women's business enterprises and matters relating thereto, reference to one gender shall include all genders. Reference to statutes or regulations include all statutory or regulatory provisions consolidating, amending, or replacing the stated statute or regulation. Words not otherwise defined and that have well-known technical, industry, or legal meanings, are used in accordance

with such recognized meanings, in the order stated. References to persons include their respective permitted successors and assigns and, in the case of governmental persons, persons succeeding to their respective functions and capacities. If CONTRACTOR discovers any material discrepancy, deficiency, or ambiguity in this Contract, or is otherwise in doubt as to the meaning of any provision of the Contract, CONTRACTOR may immediately notify AUTHORITY and request clarification of AUTHORITY's interpretation of the Contract. The Contract Documents, together with and including all exhibits, comprise the entire agreement of the parties and supersedes and nullifies all prior and contemporaneous negotiations, representations, understandings, and agreements, whether written or oral, with respect to the subject matter hereof.

## **25. SURVIVAL OF EXPIRATION OR TERMINATION**

Any clause, sentence, paragraph, or section providing for, discussing, or relating to any of the following shall survive the expiration or earlier termination of the Contract:

25.1 Trademarks, service marks, patents, trade secrets, copyrights, publicity, or other intellectual property rights, and terms relating to the ownership, security, protection, or confidentiality thereof; and

25.2 Payment to CONTRACTOR for satisfactory work performed or for termination expenses, if applicable; and

25.3 Prohibition on non-competition agreements of CONTRACTOR's employees with respect to any successor of CONTRACTOR; and

25.4 Obligations upon expiration or termination of the Contract, as set forth in Section 27; and

25.5 Any other term or terms of this Contract which by their nature or context necessarily survive the expiration or earlier termination of the Contract for their fulfillment.

## **26. OBLIGATIONS UPON EXPIRATION OR TERMINATION OF CONTRACT**

26.1 Immediately upon expiration or termination of this Contract: CONTRACTOR shall submit to AUTHORITY a report containing the last known contact information for each subcontractor or employee of CONTRACTOR who performed work under the Contract; and

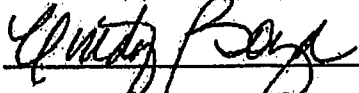
26.2 CONTRACTOR shall initiate settlement of all outstanding liabilities and claims arising out of the Contract and any subcontracts or vending agreements to be canceled. All settlements shall be subject to the approval of AUTHORITY.

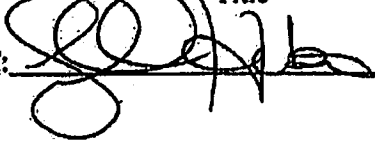
IN WITNESS WHEREOF, the authorized signatures named below have executed this Contract on behalf of the parties as of the day and year first written above. This Contract was awarded by the Authority's Board of Directors at its meeting on February 26, 2014.

ORLANDO-ORANGE COUNTY EXPRESSWAY AUTHORITY


By:   
Director of Procurement

PRECISION CONTRACTING SERVICES, INC.

By:   
Print Name: Cindy Boyd  
President  
Title

ATTEST:  (Seal)

Approved as to form and execution, only.

  
General Counsel for the AUTHORITY


**CONSENT AGENDA ITEM**

**#18**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: Aneth Williams   
Director of Procurement

DATE: December 19, 2016

RE: Approval of Resolution for Execution of the Supplemental Amendment No. 1 to the Joint Participation Agreement with Florida Department of Transportation (FDOT) for LiDAR Accident Scanning Pilot Program and Authorization for Executive Director to execute Supplemental Amendment No. 1 Contract No. 001213

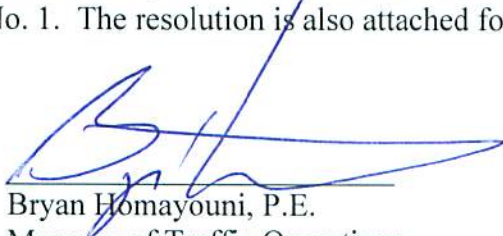
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Board approval is requested to authorize the Executive Director to execute Supplemental Amendment No. 1 with FDOT and Central Florida Expressway Authority, increasing the reimbursable amount of compensation to CFX by \$100,000.00, to account for the MetroPlan commitment to the project.

The Board approved the 3D Laser Scanning Pilot Program at its meeting on May 12, 2016. This Supplemental Amendment will provide reimbursement to CFX for purchase of an additional laser scanner for use in the Program.

Original Contract Amount	\$100,000.00
Supplemental Amendment No. 1	<u>\$100,000.00</u>
Total Contribution by FDOT/MetroPlan	\$200,000.00

FDOT requires Board adoption of a formal resolution approving the execution of Supplemental Amendment No. 1. The resolution is also attached for approval.

Reviewed by:   
Bryan Homayouni, P.E.  
Manager of Traffic Operations



**JPA RESOLUTION**  
**LiDAR Accident Scanning Pilot Program**

**WHEREAS**, the State of Florida Department of Transportation and the Central Florida Expressway Authority desire to facilitate the LiDAR Accident Scanning Pilot Program and,

**WHEREAS**, the State of Florida Department of Transportation has requested the Central Florida Expressway Authority to execute and deliver to the State of Florida Department of Transportation Supplemental Amendment #1 for the Joint Participation Agreement for the aforementioned project, FPN 439109-1-98-01/02.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of the Central Florida Expressway Authority that Laura Kelley, Executive Director is hereby authorized to make, execute, and deliver to the State of Florida Department of Transportation Supplemental Amendment #1 for the Joint Participation Agreement for the aforementioned project, FPN 439109-1-98-01/02.

**RESOLVED** this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY**

ATTEST:

\_\_\_\_\_  
(Chairman)

\_\_\_\_\_  
(Assistant Secretary)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Date)

Approved as to form and legality

\_\_\_\_\_  
Joseph L. Passiatore  
General Counsel

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION  
**JOINT PARTICIPATION AGREEMENT  
SUPPLEMENTAL AMENDMENT NUMBER 1**

**EXECUTION DATE:** \_\_\_\_\_

<b>FM Number:</b> 439109-1-98-01/02 <b>Agency:</b> Central Florida Expressway Authority <b>Vendor No.:</b> F591021557-005 <b>Contract No.:</b> AS207	<b>Fund:</b> DS <b>Function:</b> 215 <b>Contract Amount:</b> \$200,000.00	<b>FLAIR Approp:</b> 088716 <b>FLAIR Obj.:</b> 516000 <b>Org. Code:</b> 55054010508
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The terms of the original Joint Participation Agreement, executed on May 17, 2016, are hereby amended as follows:

- 1) The Scope of Services for this Project as stated in Exhibit "A" of the original agreement is amended as indicated on the attached Revised Scope of Services, Exhibit "A".
- 2) The Method of Compensation for this Project as stated in Exhibit "B" of the original agreement is amended as indicated on the attached Revised Method of Compensation, Exhibit "B". The total reimbursable amount for the project is now currently \$200,000.00.
- 3) This executed Supplemental Amendment Number 1 will serve as the Notice to Proceed for the LOCAL AGENCY to continue with the course of the project.

The following attachments are hereby incorporated into this Amendment:

Revised Scope of Services, Exhibit "A"  
Revised Method of Compensation, Exhibit "B"

Except as hereby modified, amended or changed, all of the terms and conditions of said original Agreement thereto will remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused these presents be executed, the day and year first above written.

**CENTRAL FLORIDA EXPRESSWAY  
AUTHORITY**

**STATE OF FLORIDA  
DEPARTMENT OF TRANSPORTATION**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name: Frank J. O'Dea, P.E.  
Title: Director of Transportation Development

Attest:

Attest:

\_\_\_\_\_

\_\_\_\_\_  
Executive Secretary (Seal)

Agency Legal Review:

Department Legal Review:

\_\_\_\_\_

\_\_\_\_\_

## **EXHIBIT "A"**

### **REVISED SCOPE OF SERVICES** **Financial Management Number: 439109-1-98-01/02**

#### **Purpose**

The objective of the LiDAR Accident Scanning Pilot Program is to reduce the amount of lane closure times experienced as a result of Signal 7 traffic events on limited access facilities within the Central Florida Region. This agreement is intended to solidify the current ongoing collaborative effort between the Central Florida Expressway Authority (CFX), the Florida Department of Transportation District Five (FDOT), Metro Plan Orlando Metropolitan Planning Organization (MPO) and the Florida Turnpike Enterprise (FTE) launched to investigate new technological methods that would assist the Florida Highway Patrol (FHP) and the Orlando Police Department (OPD) with conducting their traffic homicide investigations in a more effective and efficient manner. This initiative is anticipated to improve safety and reduce impacts to the motoring public by reducing the amount of secondary incidents and providing reduction in delays.

When a fatality occurs during a traffic incident, the site of the incident becomes a crime scene. For a guilty party to be prosecuted a court case requires homicide investigators to provide very specific details of the road conditions, speed limits, distance between vehicles and a full inventory of what is found on the road, such as skid markings or debris. Throughout the investigator's work, the site of the incident typically requires multiple lanes or the entire road to be closed. Investigators may spend many hours manually surveying the crash scene, taking measurements and collecting evidence with traditional equipment such as hand held cameras, tape measures and wheeled devices. This survey combined with additional investigative measures including interviewing witnesses can lead to long road closures. The effect of long road closure has a significant impact on traffic and pose a consequential cost to the economy. Studies have shown that the likelihood of a secondary crash occurring increases by 2.8 percent for each minute the primary accident continues to be a hazard. This increases the time that first responders must spend on roadway collision being exposed to hazards. Secondary crashes due to congestion caused by a previous crash are estimated to represent 20% of all crashes.

#### **Objective**

The objective of this Pilot Program is for CFX to purchase new survey technology for the local law enforcement agencies to use in traffic homicide investigations. Using enhanced surveying technology for roadway homicide investigations is an internationally practiced solution intended to expedite law enforcement's investigative process, thereby opening roads in a faster manner. This is a proven solution to aid in the reduction of closure times related to homicide incidents in many agencies, as further detailed below. Utilizing laser scanners to assist with getting roads open more expediently greatly reduces the potential for secondary crashes and reduces the amount of time first responders are exposed to roadside hazards.

Both of these units will be distributed for use in a three year trial period. The equipment procurement will include all licensing, maintenance, warranties, training, expert witness services and auxiliary components necessary to successfully operate, support and maintain the equipment. CFX will purchase and provide the manpower necessary to manage the Pilot Program and provide the reporting and accountability tracking to ensure the project is successful and provides useable information to all of the Stakeholders involved.

The equipment will be stored at FHP/OPD headquarters and be dispatched to all Signal 7 events within a 3 year period on limited access roadways. Both FHP and OPD will be responsible for the storage, transport and general care of the unit assigned to each respective department. FHP and OPD will track and record performance associated with the use of the LiDAR scanning equipment as identified by the program Stakeholders.

## **EXHIBIT "B"**

### **REVISED METHOD OF COMPENSATION Financial Management Number: 439109-1-98-01/02**

For satisfactory completion of all services detailed in Exhibit "A" (Deliverables) of this Agreement, the DEPARTMENT will compensate the LOCAL AGENCY an amount not to exceed \$200,000.00 (Two Hundred Thousand and No/100 Dollars) for actual costs incurred.

The LOCAL AGENCY may receive progress payments for actual costs incurred for deliverables, approved and accepted to the satisfaction of the DEPARTMENT when properly supported by detailed invoices and acceptable evidence of payment.

**JPA RESOLUTION**  
**LiDAR Accident Scanning Pilot Program**

**WHEREAS**, the State of Florida Department of Transportation and the Central Florida Expressway Authority desire to facilitate the LiDAR Accident Scanning Pilot Program and,

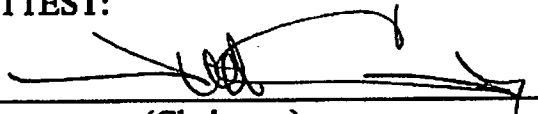
**WHEREAS**, the State of Florida Department of Transportation has requested the Central Florida Expressway Authority to execute and deliver to the State of Florida Department of Transportation the Joint Participation Agreement for the aforementioned project, FPN 439109-1-98-01.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of the Central Florida Expressway Authority that Laura Kelley, Executive Director is hereby authorized to make, execute, and deliver to the State of Florida Department of Transportation the Joint Participation Agreement for the aforementioned project, FPN 439109-1-98-01.

**RESOLVED** this 12<sup>th</sup> day of May, 2016.

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY**

ATTEST:

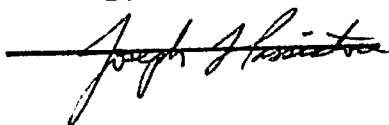
  
\_\_\_\_\_  
(Chairman)

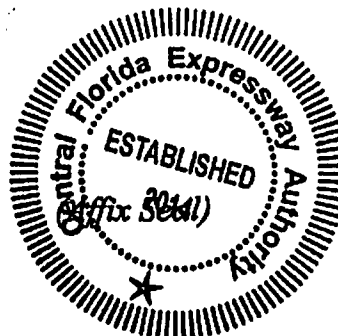
  
\_\_\_\_\_  
(Assistant Secretary)

5/12/16  
\_\_\_\_\_  
(Date)

5/12/16  
\_\_\_\_\_  
(Date)

REVIEWED AND APPROVED  
BY CFX LEGAL





TO: PG520DP@dot.state.fl.us

SUBJECT: FUNDS APPROVAL/REVIEWED FOR CONTRACT AS207

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION  
FUNDS APPROVAL

Contract #AS207 Contract Type: Method of Procurement:  
Vendor Name: E-PASS SERVICE C  
Vendor ID: VF591021557005  
Beginning date of this Agmt: 05/18/16  
Ending date of this Agmt: 05/17/19

\*\*\*\*\*  
ORG-CODE \*EO \*OBJECT \*AMOUNT \*FIN PROJECT \*FCT \*CFDA  
(FISCAL YEAR) \*BUDGET ENTITY \*CATEGORY/CAT YEAR  
AMENDMENT ID \*SEQ. \*USER ASSIGNED ID \*ENC LINE(68)/STATUS  
\*\*\*\*\*

Action: ORIGINAL Funds have been: APPROVED  
55 054010508 \*A9 \*516000 \* 100000.00 \*43910919801 \*343 \*  
2016 \*55150200 \*088716/16  
0001 \*00 \* \*0001/04

-----  
TOTAL AMOUNT: \*\$ 100,000.00 \*  
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FUNDS APPROVED/REVIEWED FOR ROBIN M. NAITOVE, CPA, COMPTROLLER  
DATE: 05/17/2016



*Florida Department of Transportation*

RICK SCOTT  
GOVERNOR


719 South Woodland Boulevard  
DeLand, Florida 32720

ANANTH PRASAD, P.E.  
SECRETARY

## MEMORANDUM

DATE: May 2, 2016

TO: Whom It May Concern

FROM: Frank J. O'Dea, Director of Transportation Development, District 5 

COPIES: Noranne Downs, D5 Department Heads

SUBJECT: **Delegation of Authority for Frank J. O'Dea**

Brenda Young will be acting as Director of Transportation Development from May 4, 2016 until May 20, 2016. Brenda will have full signature authority for me during this time.

In Brenda's absence I give the authority to Alan E. Hyman, Director of Transportation Operations, Annette Brennan, District Design Engineer, Susan Sadighi, District Modal Development Administrator, Mario Bizzio, District Program Manager and Brian Stanger, District Planning and Environmental Administrator as my designees to act in my stead and to sign documents on my behalf as the District Director of Transportation Development of the Department's District Five.

This authority is effective between May 4, 2016 and May 20, 2016 and will stay in effect until modified or rescinded by me. Any previous delegations are hereby rescinded and replaced by this document.

FJO:n



001213

<b>Agency:</b> Central Florida Expressway <b>Authority</b> <b>Vendor No.:</b> F591021557-0075 <b>Contract No:</b> AS207	<b>Fund:</b> DS <b>Function:</b> 215  <b>Contract Amount:</b> \$100,000.00	<b>Financial Management No.:</b> 439109-1-98-01 <b>FLAIR Approp:</b> 088716 <b>FLAIR Obj.:</b> 516000 <b>Org. Code:</b> 55054010508
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**JOINT PARTICIPATION AGREEMENT**  
**BETWEEN**  
**THE STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION**  
**AND**  
**THE CENTRAL FLORIDA EXPRESSWAY AUTHORITY**

This Agreement, made and entered into this 17<sup>th</sup> day of May, 2016, by and between the **STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION** (hereinafter referred to as the DEPARTMENT) and the **CENTRAL FLORIDA EXPRESSWAY AUTHORITY (CFX)**, a legislatively created entity of the State of Florida, (hereinafter referred to as the LOCAL AGENCY),

**WITNESSETH:**

WHEREAS, the Parties have been granted specific legislative authority to enter into this Agreement pursuant to Section 339.12, Florida Statutes; and

WHEREAS, the LOCAL AGENCY by Resolution No. 2016-361, dated the 12<sup>th</sup> day of May, 2016, a copy of which is attached hereto as Exhibit "E" and made a part hereof, has authorized its officers to execute this Agreement on its behalf; and

WHEREAS, the DEPARTMENT is prepared, in accordance with its Five Year Work Program, to undertake the Project described as the "Purchase of a single LiDAR Accident Scanning Unit to assist local law Federal Highway Patrol enforcement officers with conducting their traffic homicide investigations in a more effective and efficient manner", Fiscal Year 2015/2016, said Project being known as FM #439109-1-98-01, hereinafter referred to as the "Project"; and

WHEREAS, the Project is on the State Highway System, is not revenue producing and is contained in the adopted Five Year Work Program; and

WHEREAS, the implementation of the Project is in the interest of both the DEPARTMENT and the LOCAL AGENCY and it would be most practical, expeditious, and economical for the LOCAL AGENCY to perform the services to complete the Project.

WHEREAS, the intent of this Agreement is to establish the terms and conditions of the funding and the production of this Project; and

NOW, THEREFORE, in consideration of the mutual benefits to be derived from the joint participation of this Agreement, the parties agree as follows:

**1. TERM**

A. The term of this Agreement shall begin upon the date of signature of the last party to sign. The LOCAL AGENCY agrees to complete the Project by three (3) years from the date of execution of this agreement, in accordance with the schedule described and contained in Exhibit "C" attached hereto. If the LOCAL AGENCY does not complete the Project within the time period allotted, this Agreement will expire on the last day of the scheduled completion as provided in this paragraph unless an extension of the time period is requested by the LOCAL AGENCY and granted in writing, by the DEPARTMENT prior to the expiration of the Agreement. Expiration of this Agreement will be considered termination of the Project. *After the Project is complete, the term of this Agreement shall continue in effect and be binding on the parties to assure that the parties provide for maintenance for the useful life of the equipment.*

**2. SERVICES AND PERFORMANCES**

A. The purpose of this Project is to provide funding only for the procurement of equipment and an equipment warranty that consists of new survey technology for the local law enforcement agencies to use in traffic homicide investigations, explicitly described in Exhibit "A". The further purpose of this Agreement is to state the terms and conditions upon which such funding will be provided and the understandings as to the manner in which the Project will be undertaken and completed.

Nothing herein shall be construed as requiring the LOCAL AGENCY to perform any activity which is outside of the scope of services of the Project.

B. The LOCAL AGENCY agrees to undertake the Project in accordance with all applicable federal, state and local statutes, rules and regulations, including DEPARTMENT standards and specifications.

C. Upon request, the LOCAL AGENCY agrees to provide progress reports to the DEPARTMENT in the standard format used by the LOCAL AGENCY and at intervals established by the DEPARTMENT. The DEPARTMENT will be entitled at all times to be advised, at its request, as to the status of the Project being constructed by the LOCAL AGENCY

and of details thereof. Either party to the Agreement may request and shall, within a reasonable time thereafter, be granted a conference with the other party.

D. Upon completion of the work authorized by this Agreement, the LOCAL AGENCY shall notify the DEPARTMENT in writing of the completion of the Project, the form of which is attached hereto as Exhibit "D".

E. *The Florida Highway Patrol shall have possession of the equipment during the time period that the Project is active and they shall be responsible for the maintenance of the equipment in its possession. The LOCAL AGENCY shall return the equipment, provided to the Florida Highway Patrol, to the DEPARTMENT once the Project is complete, at which time the DEPARTMENT will be responsible for the maintenance of the equipment, provided to the Florida Highway Patrol, for the remaining useful life of the equipment purchased under this agreement. The DEPARTMENT will be the owner of the equipment at all times.*

### 3. COMPENSATION AND REIMBURSEMENT

A. **Project Cost:** The total estimated cost of the Project is \$300,000.00 (Three Hundred Thousand Dollars and No/100). The DEPARTMENT agrees to compensate the LOCAL AGENCY for services described in Exhibit A – Scope of Services. This amount is based on the Method of Compensation, Exhibit "B" attached hereto.

B. **DEPARTMENT Participation:** The DEPARTMENT agrees to compensate the LOCAL AGENCY in an amount not to exceed \$100,000.00 (One Hundred Thousand Dollars and No/100) for actual project costs incurred, excluding LOCAL AGENCY overhead. The funding for this Project is contingent upon annual appropriation by the Florida Legislature. The LOCAL AGENCY agrees to bear all expenses in excess of the DEPARTMENT's participation.

C. The LOCAL AGENCY shall provide quantifiable, measurable, and verifiable units of deliverables. Each deliverable must specify the required minimum level of service to be performed and the criteria for evaluating successful completion. The Project, identified as Project Number 439109-1-98-01, and the quantifiable, measurable, and verifiable units of deliverables are described more fully in Exhibit A – Scope of Services.

D. Invoices shall be submitted by the LOCAL AGENCY in detail sufficient for a proper pre-audit and post-audit thereof, based on the quantifiable, measurable, and verifiable deliverables as established in Exhibit "A", Scope of Services. Deliverables must be received and accepted in writing by the Department's Project Manager or designee prior to payment.

E. Supporting documentation must establish that the deliverables were received and

accepted in writing by the LOCAL AGENCY and must also establish that the required minimum level of service to be performed based on the criteria for evaluating successful completion as specified in Exhibit "A" – Scope of Services was met.

F. There shall be no reimbursement for travel expenses under this Agreement.

G. Payment shall be made only after receipt and approval of goods and services unless advance payments are authorized by the Chief Financial Officer of the State of Florida under Chapters 215 and 216, Florida Statutes. If the DEPARTMENT determines that the performance of the LOCAL AGENCY is unsatisfactory, the DEPARTMENT shall notify the LOCAL AGENCY of the deficiency to be corrected, which correction shall be made within a time-frame to be specified by the DEPARTMENT. The LOCAL AGENCY shall, within five (5) days after notice from the DEPARTMENT, provide the DEPARTMENT with a corrective action plan describing how the LOCAL AGENCY will address all issues of contract non-performance, unacceptable performance, and failure to meet the minimum performance levels, deliverable deficiencies, or contract non-compliance. If the corrective action plan is unacceptable to the DEPARTMENT, the LOCAL AGENCY shall be assessed a non-performance retainage equivalent to ten percent (10%) of the total invoice amount. The retainage shall be applied to the invoice for the then-current billing period. The retainage shall be withheld until the LOCAL AGENCY resolves the deficiency. If the deficiency is subsequently resolved, the LOCAL AGENCY may bill the DEPARTMENT for the retained amount during the next billing period. If the LOCAL AGENCY is unable to resolve the deficiency, the funds may be forfeited at the end of the Agreement term.

i) All costs charged to the Project by the LOCAL AGENCY shall be supported by detailed invoices, proof of payments, contracts or vouchers evidencing in sufficient detail the nature and propriety of the charges.

H. The LOCAL AGENCY providing goods and services to the DEPARTMENT should be aware of the following time frames. Inspection and approval of goods or services shall take no longer than twenty (20) working days, upon receipt of an invoice. The DEPARTMENT has twenty (20) days to deliver a request for payment (voucher) to the Department of Financial Services. The twenty (20) days are measured from the latter of the date the invoice is received or the goods or services are received, inspected and approved.

I. If a payment is not available within forty (40) days, a separate interest penalty at a rate as established pursuant to Section 55.03(1), Florida Statutes, will be due and payable, in

addition to the invoice amount to the LOCAL AGENCY. Interest penalties of less than one dollar (\$1.00) will not be enforced unless the LOCAL AGENCY requests payment. Invoices which have to be returned to the LOCAL AGENCY because of LOCAL AGENCY preparation errors will result in a delay in the payment. The invoice payment requirements do not start until a properly completed invoice is provided to the DEPARTMENT.

J. A Vendor Ombudsman has been established within the Department of Financial Services. The duties of this individual include acting as an advocate for the LOCAL AGENCY who may be experiencing problems in obtaining timely payment(s) from a state agency. The Vendor Ombudsman may be contacted at (850) 413-5516.

K. Records of costs incurred under terms of this Agreement shall be maintained and made available upon request to the DEPARTMENT at all times during the period of this Agreement and for five (5) years after final payment is made. Copies of these documents and records shall be furnished to the DEPARTMENT upon request. Records of costs incurred include the LOCAL AGENCY'S general accounting records and the Project records, together with supporting documents and records, of the contractor and all subcontractors performing work on the Project, and all other records of the contractor and subcontractors considered necessary by the DEPARTMENT for a proper audit of costs. Any discrepancies revealed by any such audit shall be resolved by a corrected final billing from the LOCAL AGENCY to the DEPARTMENT.

L. The contractor/consultant/vendor agrees to comply with Section 20.055(5), Florida Statutes, and to incorporate in all subcontracts the obligation to comply with Section 20.055(5), Florida Statutes.

M. In the event this Agreement is in excess of \$25,000.00 (TWENTY-FIVE THOUSAND DOLLARS AND NO/100) and a term for a period of more than one (1) year, the provisions of Section 339.135(6)(a), Florida Statutes, are hereby incorporated as follows:

"The DEPARTMENT, during any fiscal year, shall not expend money, incur any liability, or enter into any contract which, by its terms, involves the expenditure of money in excess of the amounts budgeted as available for expenditure during such fiscal year. Any contract, verbal or written, made in violation of this subsection is null and void, and no money may be paid on such contract. The DEPARTMENT shall require a statement from the Comptroller of the Department that funds are available prior to entering into any such contract or other binding commitment of funds. Nothing herein contained shall prevent the making of

contracts for periods exceeding one (1) year, but any contract so made shall be executory only for the value of the services to be rendered or agreed to be paid for in succeeding fiscal years; and this paragraph shall be incorporated verbatim in all contracts of the DEPARTMENT which are for an amount in excess of \$25,000.00 and which have a term for a period of more than one (1) year.”

N. The DEPARTMENT’s performance and obligation to pay under this contract is contingent upon an annual appropriation by the Florida Legislature. The parties agree that in the event funds are not appropriated to the DEPARTMENT for the Project, this Agreement may be terminated, which shall be effective upon the DEPARTMENT giving notice to the LOCAL AGENCY to that effect.

#### **4. COMPLIANCE WITH LAWS**

A. The LOCAL AGENCY shall allow public access to all documents, papers, letters, or other material subject to the provisions of Chapter 119, Florida Statutes, and made or received by the LOCAL AGENCY in conjunction with this Agreement. Failure by the LOCAL AGENCY to grant such public access shall be grounds for immediate unilateral cancellation of this Agreement by the DEPARTMENT.

B. The LOCAL AGENCY shall comply with all federal, state and local laws and ordinances applicable to the work or payment for work thereof. The LOCAL AGENCY shall not discriminate on the grounds of race, color, religion, sex or national origin in the performance of work under this Agreement.

C. No funds received pursuant to this Agreement may be expended for lobbying the Legislature, the judicial branch, or a state agency.

D. The LOCAL AGENCY and the DEPARTMENT agree that the LOCAL AGENCY, its employees, and subcontractors are not agents of the DEPARTMENT as a result of this Contract.

#### **5. TERMINATION AND DEFAULT**

A. This Agreement may be cancelled by the DEPARTMENT in whole or in part at any time the interest of the DEPARTMENT requires such termination. The DEPARTMENT also reserves the right to seek termination or cancellation of this Agreement in the event the LOCAL AGENCY shall be placed in either voluntary or involuntary bankruptcy. The DEPARTMENT further reserves the right to terminate or cancel this Agreement in the event an assignment is made for the benefit of creditors.

B. If the DEPARTMENT determines that the performance of the LOCAL AGENCY is not satisfactory, the DEPARTMENT shall have the option of (a) immediately terminating the Agreement, or (b) notifying the LOCAL AGENCY of the deficiency with a requirement that the deficiency be corrected within a specified time, otherwise the Agreement will be terminated at the end of such time, or (c) taking whatever action is deemed appropriate by the DEPARTMENT.

C. If the DEPARTMENT requires termination of the Agreement for reasons other than unsatisfactory performance of the LOCAL AGENCY, the DEPARTMENT shall notify the LOCAL AGENCY of such termination, with instructions to the effective date of termination or specify the stage of work at which the Agreement is to be terminated.

D. If the Agreement is terminated before performance is completed, the LOCAL AGENCY shall be paid only for that work satisfactorily performed for which costs can be substantiated. All work in progress, paid for by the DEPARTMENT, will become the property of the DEPARTMENT and will be turned over promptly by the LOCAL AGENCY.

#### **6. MISCELLANEOUS**

A. In no event shall the making by the DEPARTMENT of any payment to the LOCAL AGENCY constitute or be construed as a waiver by the DEPARTMENT of any breach of covenant or any default which may then exist, on the part of the LOCAL AGENCY, and the making of such payment by the DEPARTMENT while any such breach or default shall exist shall in no way impair or prejudice any right or remedy available to the DEPARTMENT with respect to such breach or default.

B. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Florida. Any provision herein determined by a court of competent jurisdiction, or any other legally constituted body having jurisdiction, to be invalid or unenforceable shall be severable and the remainder of this Agreement shall remain in full force and effect, provided that the invalidated or unenforceable provision is not material to the intended operation of this Agreement.

C. This Agreement shall be effective upon execution by both parties and shall continue in effect and be binding on the parties until the Project is completed, any subsequent litigation is complete and terminated, final costs are known, and legislatively appropriated reimbursements, if approved, are made by the DEPARTMENT.

**D. PUBLIC ENTITY CRIME INFORMATION AND ANTI-DISCRIMINATION STATEMENT:** A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list. An entity or affiliate who has been placed on the discriminatory vendor list may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity.

**E.** The DEPARTMENT and the LOCAL AGENCY acknowledge and agree to the following:

i) The LOCAL AGENCY shall utilize the U.S. Department of Homeland Security's E-Verify System to verify the employment eligibility of all new employees hired by the LOCAL AGENCY during the term of the contract; and

ii) The LOCAL AGENCY shall expressly require any contractors and subcontractors performing work or providing services pursuant to the state contract to likewise utilize the U.S. Department of Homeland Security's E-Verify System to verify the employment eligibility of all new employees hired by the contractor/subcontractor during the contract term.

**F.** All notices required pursuant to the terms hereof shall be sent by First Class United States Mail. Unless prior written notification of an alternate address for notices is sent, all notices shall be sent to the following addresses:



**Points of Contact:**

**DEPARTMENT**

Jeremy Dilmore  
Program Coordinator  
719 South Woodland Boulevard, M.S. 4-520  
DeLand, Florida 32720-6834  
PH: 386-943-5360  
E-mail Address: [Jeremy.Dilmore@dot.state.fl.us](mailto:Jeremy.Dilmore@dot.state.fl.us)

**LOCAL AGENCY**

Bryan Homayouni, P.E.  
Manager of Traffic Operations  
4974 ORL Tower Road  
Orlando, Florida 32807  
PH: 407-690-5333  
E-mail Address: [Bryan.Homayouni@cfxway.com](mailto:Bryan.Homayouni@cfxway.com)

General Counsel  
4974 ORL Tower Road  
Orlando, Florida 32807  
E-mail Address: [Joe.Passiatore@cfxway.com](mailto:Joe.Passiatore@cfxway.com)

IN WITNESS WHEREOF, the LOCAL AGENCY has executed this Agreement this 12<sup>th</sup> day of May, 2016, and the DEPARTMENT has executed this Agreement this 17 day of May, 2016.

**CENTRAL FLORIDA EXPRESSWAY  
AUTHORITY**

By: [Signature]  
Name: Laura Kelley  
Title: Executive Director

As approved by the Board on: 5/12/16

Attest:

[Signature]  
Darla M. Mays

Legal Review:

[Signature]  
Joseph Florio  
Authority Attorney

**STATE OF FLORIDA  
DEPARTMENT OF TRANSPORTATION**

By: [Signature]  
Name: Frank J. O'Dea, P.E.  
Title: Director of Transportation Development

Attest:

[Signature]  
Executive Secretary

Legal Review:

[Signature]

Financial Provisions Approval by  
the Office of the Comptroller on:

4/15/2016

Authorization Received from the Office of  
the Comptroller as to Availability of Funds:

5/17/2016

## **Exhibit "A"**

### **SCOPE OF SERVICES**

**Financial Management Number: 439109-1-98-01**

#### **Purpose**

The objective of the LiDAR Accident Scanning Pilot Program is to reduce the amount of lane closure times experienced as a result of Signal 7 traffic events on limited access facilities within the Central Florida Region. This agreement is intended to solidify the current ongoing collaborative effort between the Central Florida Expressway Authority, (LOCAL AGENCY), the Florida Department of Transportation District Five (FDOT), MetroPlan Orlando Metropolitan Planning Organization (MPO) and the Florida Turnpike Enterprise (FTE) launched to investigate new technological methods that would assist the Florida Highway Patrol (FHP) with conducting their traffic homicide investigations in a more effective and efficient manner. This initiative is anticipated to improve safety and reduce impacts to the motoring public by reducing the amount of secondary incidents and providing reduction in delays.

When a fatality occurs during a traffic incident, the site of the incident becomes a crime scene. For a guilty party to be prosecuted a court case requires homicide investigators to provide very specific details of the road conditions, speed limits, distance between vehicles and a full inventory of what is found on the road, such as skid markings or debris. Throughout the investigator's work, the site of the incident typically requires multiple lanes or the entire road to be closed. Investigators may spend many hours manually surveying the crash scene, taking measurements and collecting evidence with traditional equipment such as hand held cameras, tape measures and wheeled devices. This survey combined with additional investigative measures including interviewing witnesses can lead to long road closures. The effect of long road closure has a significant impact on traffic and pose a consequential cost to the economy. Studies have shown that the likelihood of a secondary crash occurring increases by 2.8 percent for each minute the primary accident continues to be a hazard. This increases the time that first responders must spend on roadway collision being exposed to hazards. Secondary crashes due to congestion caused by a previous crash are estimated to represent 20% of all crashes.

#### **Objective**

The objective of this Pilot Program is for the LOCAL AGENCY to purchase new survey technology for the local law enforcement agencies to use in traffic homicide investigations on limited access right of way located within the geographic area of District Five of the DEPARTMENT. Using enhanced surveying technology for roadway homicide investigations is an internationally practiced solution intended to expedite law enforcement's investigative process, thereby opening roads in a faster manner. This is a proven solution to aid in the reduction of closure times related to homicide incidents in many agencies, as further detailed below. Utilizing laser scanners to assist with getting roads open more expediently greatly reduces the potential for secondary crashes and reduces the amount of time first responders are exposed to roadside hazards.

The equipment procurement will include all licensing, maintenance, warranties, training, expert witness services and auxiliary components necessary to successfully operate, support and maintain the equipment. The LOCAL AGENCY and the DEPARTMENT will provide funding; however, the LOCAL AGENCY will purchase and provide the manpower necessary to manage the Pilot Program and provide the reporting and accountability tracking to ensure the project is successful and provides useable information to all of the Stakeholders involved.

The equipment will be stored at FHP headquarters and be dispatched to all Signal 7 events within a 3 year period (or a longer period, as mutually agreed to by the parties hereto) on limited access roadways within the geographic area of the DEPARTMENT's District Five. Both the LOCAL AGENCY and FHP will be responsible for the storage, transport and general care of the units purchase hereunder. FHP will track and record performance associated with the use of the LiDAR scanning equipment as identified by the LOCAL AGENCY and the DEPARTMENT, including the estimated time savings associated with each response and the overall effectiveness of the equipment.

**Scope**

The DEPARTMENT will provide up to \$100,000 to the LOCAL AGENCY for the purchase of the LiDAR unit for use by FHP including all licensing, maintenance, warranties, training, expert witness services and auxiliary components necessary to successfully operate, support and maintain the equipment for a three year operational period, unless otherwise extended upon mutual consent by the parties hereto.

The LOCAL AGENCY will be responsible to provide the LiDAR unit to FHP and to assure that the Project is administered correctly by FHP, including providing adequate security, use, maintenance for the LiDAR units.

The LOCAL AGENCY will provide the DEPARTMENT with a summary of FHP performance as provided by FHP associated with the use of the LiDAR scanning equipment annually. The LOCAL AGENCY will administer the Project to assure the summary will include sufficient detail and description to the LOCAL AGENCY and the DEPARTMENT to ascertain the effectiveness of the LiDAR equipment and the increase in efficiency in clearing investigation scenes on limited access roadways in the DEPARTMENT's District Five geographic area.

**Deliverables**

The DEPARTMENT will provide up to \$100,000.00 to the LOCAL AGENCY for the purchase of the LiDAR unit for use by FHP including all licensing, maintenance, warranties, training, expert witness services and auxiliary components necessary to successfully operate, support and maintain the equipment for a three year operational period. *The agreement will remain open for the full length of the 3-year period for reporting requirements, unless otherwise extended upon mutual consent of the parties hereto.*

**Exhibit "B"**

**METHOD OF COMPENSATION**  
**Financial Management Number: 439109-1-98-01**

For satisfactory completion of all services detailed in Exhibit "A" (Deliverables) of this Agreement, the DEPARTMENT will compensate the LOCAL AGENCY an amount not to exceed \$100,000.00 (One Hundred Thousand Dollars and No/100) for actual costs incurred.

The LOCAL AGENCY may receive progress payments for actual costs incurred for deliverables, approved and accepted to the satisfaction of the DEPARTMENT when properly supported by detailed invoices and acceptable evidence of payment.

**Exhibit "C"**

**ESTIMATED PROJECT PRODUCTION SCHEDULE**

**Financial Management Number: 439109-1-98-01**

**Exhibit "D"**

**NOTICE OF COMPLETION**

**JOINT PARTICIPATION AGREEMENT**

Between

**THE STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION**

and

**THE CENTRAL FLORIDA EXPRESSWAY AUTHORITY**

**PROJECT DESCRIPTION:** Purchase of LiDAR Accident Scanning Equipment

**FINANCIAL MANAGEMENT ID#** 439109-1-98-01

In accordance with the Terms and Conditions of the JOINT PARTICIPATION AGREEMENT,  
the undersigned hereby provides notification that the work authorized by this Agreement is  
complete as of \_\_\_\_\_, 20\_\_.

**By:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

\_\_\_\_\_

**Exhibit "E"**

**RESOLUTION**

**Financial Management Number: 439109-1-98-01**




**CONSENT AGENDA ITEM**

**#19**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: Aneth Williams   
Director of Procurement

DATE: December 14, 2016

RE: Approval of Supplemental Agreement No. 7 with TransCore for  
Toll System Upgrade  
Contract No. 001021

Board approval is requested for Supplemental Agreement No. 7 of the referenced Contract with TransCore L.P, for additional toll lane equipment for the Toll System Upgrade Project in the amount of \$1,902,965.56.

When the original contract was awarded on May 14, 2015, all known roadway projects were included with the configuration for the project. CFX has determined it necessary to reconfigure some of its toll plazas since that time. Due to this reconfiguration it is necessary to modify the Scope of Work to purchase additional toll system lane equipment to support the reconfiguration.

Original Contract Amount	\$ 85,000,000.00
Supplemental Agreement No. 1	\$ (693,692.16)
Supplemental Agreement No. 2	\$ (75,000.00)
Supplemental Agreement No. 3	\$ 0.00
Supplemental Agreement No. 4	\$ 1,102,791.68*
Supplemental Agreement No. 5	\$ 0.00
Supplemental Agreement No. 6	\$ 39,491.54
Supplemental Agreement No. 7	<u>\$ 1,902,965.56</u>
Total	\$ 87,276,556.62

\*This is for maintenance on Poinciana Parkway and will be pass through to Osceola County Expressway Authority.

Reviewed by:   
Joann Chizlett  
Director of Special Projects

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
TOLL SYSTEM UPGRADE  
CONTRACT NO. 001021  
SUPPLEMENTAL AGREEMENT NO. 7**

This Supplemental Agreement No. 6 (“Supplemental Agreement”) is entered into this 12<sup>th</sup> day of January, 2017, by and between the Central Florida Expressway Authority (“CFX”) and TransCore, L.P. (“Contractor”).

**WITNESSETH:**

WHEREAS, CFX and the Contractor on May 14, 2015, entered into an agreement (“the Contract”) whereby CFX retained the Contractor to provide toll system upgrade services; and

WHEREAS, CFX has determined it necessary and desirable to reconfigure some of its toll plazas. Due to this reconfiguration it is necessary to modify the Contract Scope of Work to purchase additional toll system lane equipment to support the reconfiguration as well as provide Owner Furnished materials for new plazas.

NOW, THEREFORE, for and in consideration of the mutual benefits to flow each to the other, the parties agree that the Contractor shall reconfigure some toll plazas and purchase additional toll system lane equipment at a cost of \$1,902,965.56.

All other provisions of the Contract shall remain in full force and effect, the same as if they had been set forth herein. In the event of a conflict between the provisions of this Supplement Agreement and any supplements may previously thereto, the provisions of this Supplemental Agreement shall take precedence.

IN WITNESS THEREOF, the parties hereto have caused these presents to be executed to be executed, in triplicate, on the day and year first written above.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

By: \_\_\_\_\_  
Director of Procurement

TRANSCORE, L.P.

By \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Attest: \_\_\_\_\_

Title: \_\_\_\_\_

Approved as to form and execution, only.

\_\_\_\_\_  
General Counsel for CFX



2100 Lake Orange Drive, Suite 100  
Orlando, FL 32837  
407.382.1301 tel 407.382.8914 fax

December 19, 2016

Attention: Joann Chizlett  
Director of Information Technology  
CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
4974 ORL Tower Road  
Orlando, FL 32807

Subj: (Revised) Pricing for Owner-Furnished materials and Project reconfiguration

Ref: Contract 001021, Toll System Upgrade Project

Dear Ms. Chizlett:

Enclosed, per our recent discussions, is pricing for additional CFX Owner-Furnished materials and proposed changes to the Project configuration. The pricing for the Encompass 6 readers and antennas is defined in the Product Purchase Agreement between TransCore and the State of Florida. The pricing for the reconfiguration of the Project lanes was calculated using the existing contract Price Sheets (Exhibit 1.14), as modified by Supplemental Agreement #1. The pricing for the Automatic Coin Machine is an estimate based on pricing from Xerox for CFX in March 2015.

The total for all proposed changes is \$1,902,965.56

Should you have any questions or require additional information, please contact me at (321) 281-4067. For your convenience, I may be reached via cell at (305) 298-5722. We look forward to the continued development of the Project.

Sincerely

A handwritten signature in blue ink, appearing to read "S. Hooton".

Scott Hooton  
Vice President, Program Manager

cc: Jim Wilson, TransCore  
Project file

attachment



2100 Lake Orange Drive, Suite 100  
Orlando, FL 32837  
407.382.1301 tel 407.382.8914 fax

Attachment

Total: \$ 1,802,965.56

Location	Ex. 1.14 Item	Short Description	Qty	each	PRICES		Site total
					Ex. 1.14 Price*	Extended	
1	Wekiva A	E6 Readers and Antenna kits	14	\$ 10,900.00	\$ 152,600.00	\$ 152,600.00	\$ 152,600.00
	Wekiva B	E6 Readers and Antenna kits	14	\$ 10,900.00	\$ 152,600.00	\$ 152,600.00	\$ 152,600.00
	Wekiva C	E6 Readers and Antenna kits	18	\$ 10,900.00	\$ 196,200.00	\$ 196,200.00	\$ 196,200.00
2	Wekiva 2C	Addition of ORT lane in each direction	2	\$ 81,957.58	\$ 163,915.16	\$ 163,915.16	\$ 163,915.16
	511.b	ORT Toll Zone - 2-lane section (2 gantries) - New Facility Equipment		\$ 311,094.63			
	512.b	ORT Toll Zone - 3-lane section - New Facility Equipment		\$ 393,052.21			
3	Route WB Off Ramp	Owner-Furnished equipment					\$ 164,116.51
		E6 Readers and Antenna kits	2	\$ 10,900.00	\$ 21,800.00	\$ 21,800.00	
		Compact Automatic Coin Machine, complete unit, surface-mount configuration. Includes materials, packaging, handling, shipment to site, and sales tax **	1	\$ 142,316.51	\$ 142,316.51	\$ 142,316.51	
4	429 555 On Ramp	Replace E-Pass Only lane with 2-lane ORT zone	1	\$ 225,151.18	\$ 225,151.18	\$ 225,151.18	\$ 246,951.18
	508.a	Toll Lane - Dedicated AVI - Ramp - Replace Legacy Equipment		\$ 85,543.45			
	511.b	ORT Toll Zone - 2-lane section (2 gantries) - New Facility Equipment		\$ 311,094.63			
5	Hiwassee Mainline	Addition of ORT lane in each direction	2	\$ 86,012.23	\$ 176,024.46	\$ 176,024.46	\$ 219,624.46
	511.a	ORT Toll Zone - 2-lane section (2 gantries) - Replace Legacy Equipment		\$ 310,598.48			
	512.a	ORT Toll Zone - 3-lane section - Replace Legacy Equipment		\$ 398,608.71			
6	Dean Mainline	Addition of ORT lane in each direction	2	\$ 88,012.23	\$ 176,024.46	\$ 176,024.46	\$ 219,624.46
	511.a	ORT Toll Zone - 2-lane section (2 gantries) - Replace Legacy Equipment		\$ 310,598.48			
	512.a	ORT Toll Zone - 3-lane section - Replace Legacy Equipment		\$ 398,608.71			
7	University Mainline	Removal of 1 lane in each direction of barrier plaza to make room for an additional of ORT lane in each direction	2	\$ 7,750.69	\$ 15,501.38	\$ 15,501.38	\$ 59,101.38
	502.a	Toll Lane - Manned Booth/ACM/AVI - Mainline - Replace Legacy Equipment		\$ 80,261.54			
	511.a	ORT Toll Zone - 2-lane section (2 gantries) - Replace Legacy Equipment		\$ 310,598.48			
8	Innovation Way	Owner-Furnished equipment	4	\$ 10,900.00	\$ 43,600.00	\$ 43,600.00	\$ 328,232.62
		E6 Readers and Antenna kits	2	\$ 142,316.31	\$ 284,632.62	\$ 284,632.62	
		Compact Automatic Coin Machine, complete unit, surface-mount configuration. Includes materials, packaging, handling, shipment to site, and sales tax **					

\* - As modified by Supplemental Agreement #1

\*\* - Estimate based on previous pricing obtained from Xerox (March 2015)

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
TOLL SYSTEM UPGRADE  
CONTRACT NO. 001021  
SUPPLEMENTAL AGREEMENT NO. 6**

30.07.2016

This Supplemental Agreement No. 6 (“Supplemental Agreement”) is entered into this 18<sup>th</sup> day of July, 2016, by and between the Central Florida Expressway Authority (“CFX”) and TransCore, L.P. (“Contractor”).

**WITNESSETH:**

WHEREAS, CFX and the Contractor on May 14, 2015, entered into an agreement (“the Contract”) whereby CFX retained the Contractor to provide toll system upgrade services; and

WHEREAS, CFX has determined it necessary and desirable expand the Contract Statement of Work to include the replacement of the UPS at the Forest Lake Plaza to support the new toll system replacement project.

NOW, THEREFORE, for and in consideration of the mutual benefits to flow each to the other, the parties agree that the Contractor shall furnish and install the UPS at the Forest Lake Plaza at a cost of \$39,491.54.

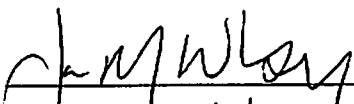
All other provisions of the Contract shall remain in full force and effect, the same as if they had been set forth herein. In the event of a conflict between the provisions of this Supplement Agreement and any supplements may previously thereto, the provisions of this Supplemental Agreement shall take precedence.

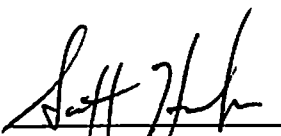
IN WITNESS THEREOF, the parties hereto have caused these presents to be executed to be executed, in triplicate, on the day and year first written above.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

By:  \_\_\_\_\_  
Director of Procurement

TRANSCORE, L.P.

By  \_\_\_\_\_  
Print Name: Jim Wilson \_\_\_\_\_  
Title: SVP \_\_\_\_\_

Attest:  \_\_\_\_\_  
Title: VICE PRESIDENT

Approved as to form and execution, only.

 \_\_\_\_\_  
General Counsel for CFX



**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
TOLL SYSTEM UPGRADE  
CONTRACT NO. 001021  
SUPPLEMENTAL AGREEMENT NO. 5**

8 AUGUST 2016

This Supplemental Agreement No. 5 ("Supplemental Agreement") is entered into this 12<sup>th</sup> day of July, 2016, by and between the Central Florida Expressway Authority ("CFX") and TransCore, L.P. ("Contractor").

WITNESSETH:

WHEREAS, CFX and the Contractor on May 14, 2015, entered into an agreement ("the Contract") whereby CFX retained the Contractor to provide toll system upgrade services; and

WHEREAS, CFX has determined it necessary and desirable to accelerate the Toll System Upgrade Project ("TSUP") schedule and share in the cost savings realized by the acceleration.

NOW, THEREFORE, for and in consideration of the mutual benefits to flow each to the other, the parties agree to acceleration of the installation portion of the Toll System Replacement Project to include the following changes and edits:

- A. Reducing the number of toll lanes contained in the scope of the TSUP from 341 to 339. This factor revises the per lane payment of \$10,747.48, a reduction of \$4,856.05 per lane.
- B. The current milestone payment term of 50% upon complete delivery of equipment to local (Orlando) warehouse, and verification of inventory will be modified to payment terms of 25% upon delivery of equipment and verification of inventory at Houston warehouse and 25% upon delivery of equipment and verification of inventory at Orlando warehouse.

Contractor will be responsible for CFX equipment as defined in section 7.3 of the Contract. If required, Contractor will reimburse CFX or designee for time and travel costs to Houston to verify inventory.

- C. The early completion bonus of \$1,048,378.97 to the Contractor will be paid as follows:
  - A 50 percent payment or \$524,189.48 paid on a per-lane basis. Which would increase the payment to \$12,293.76 per lane.

- The remaining 50 percent or \$524,189.49 will be paid as a time-based bonus per the following schedule:

<b>Months Early (max baseline May 2018)</b>	<b>Completion Bonus</b>
8 (installation completed by end of May 2018)	\$524,189.49
7 (installation completed by end of June 2018)	\$458,665.80
6 (installation completed by end of July 2018)	\$393,142.11
5 (installation completed by end of August 2018)	\$327,618.42
4 (installation completed by end of September 2018)	\$262,094.75
3 (installation completed by end of October 2018)	\$196,571.04
2 (installation completed by end of November 2018)	\$131,047.37
1 (installation completed by end of December 2018)	\$ 65,523.69

- D. Contractor contends that there will be no excuses in schedule delays related to project design, project review comments, testing delays, or installation issues; schedule delays due to force majeure, as defined in section 19.2(viii) of the contract, shall be cause for a matching relief in schedule. Contractor shall document and sent to CFX any perceived delay within one (1) business day for review and concurrence. The Contractor will add additional installation crew at no further cost to CFX which is expected to reduce the duration of the installation by upwards of eight (8) months. In the event the Contractor is able to achieve a schedule acceleration greater than above, additional credit to CFX and/or Contractor is not part of this Supplement Agreement.

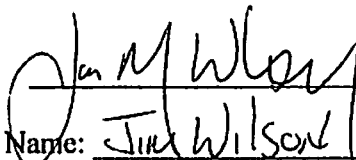
All other provisions of the Contract shall remain in full force and effect, the same as if they had been set forth herein. In the event of a conflict between the provisions of this Supplement Agreement and any supplements may previously thereto, the provisions of this Supplemental Agreement shall take precedence.

IN WITNESS THEREOF, the parties hereto have caused these presents to be executed to be executed, in triplicate, on the day and year first written above.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY


By:   
Director of Procurement

TRANSCORE, L.P.

By   
Print Name: JIM WILSON  
Title: SVP

Attest:   
Title: VICE PRESIDENT

Approved as to form and execution, only.

  
General Counsel for CFX

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
TOLL SYSTEM UPGRADE  
CONTRACT NO. 001021  
SUPPLEMENTAL AGREEMENT NO. 4**

This Supplemental Agreement No. 4 (“Supplemental Agreement”) is entered into this 12<sup>th</sup> day of May, 2016, by and between the Central Florida Expressway Authority (“CFX”) and TransCore, L.P. (“Contractor”).

**WITNESSETH:**

WHEREAS, CFX and the Contractor on May 14, 2015, entered into an agreement (“the Contract”) whereby CFX retained the Contractor to provide toll system upgrade services; and

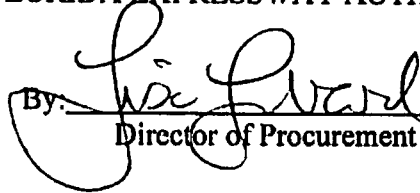
WHEREAS, CFX has determined it necessary and desirable to expand the Contract Statement of Work to include full maintenance of the toll system installed at the Marigold and KOA tolling facilities on the Poinciana Parkway when so directed by CFX.

NOW, THEREFORE, for and in consideration of the mutual benefits to flow each to the other, the parties agree to the expansion of the Contract Statement of Work to include full maintenance of the toll system installed at the Marigold and KOA tolling facilities on the Poinciana Parkway when so directed by CFX, with no increase in the Contract time. Increase(s) in the Contract Amount will be based on costs and fees as outlined in Exhibit “A” in a not to exceed amount of \$1,102,791.68.

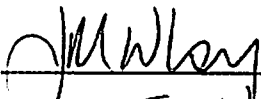
All other provisions of the Contract shall remain in full force and effect, the same as if they had been set forth herein. In the event of a conflict between the provisions of this Supplemental Agreement and any supplements made previously thereto, the provisions of this Supplemental Agreement shall take precedence.


IN WITNESS THEREOF, the parties hereto have caused these presents to be executed, in triplicate, on the day and year first written above.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

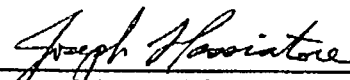
By:   
Director of Procurement

TRANSCORE, L.P.

By:   
Print Name: Jim Wilson  
Title: SVP

Attest:   
Title: VICE PRESIDENT

Approved as to form and execution, only.

  
General Counsel for CFX

**OCK MAINTENANCE PRICE - ATTACHMENT A**

Pay Item #	Description	Marigold			Marigold and KOA				
		Interim			Alignment with TSUP Interim Maintenance				
		Qty	Each	Extended	Qty	Each	Year #1	Extended	Year #2
619	Maintenance Monitoring Center (MIMC)	1	\$ 3,116.94	\$ 3,116.94	1	\$ 3,116.94	\$ 3,116.94	\$ 3,258.10	\$ 3,258.10
620	1-4mg CRT zone	3	\$ 1,168.14	\$ 3,504.42	4	\$ 1,168.14	\$ 4,672.56	\$ 1,701.10	\$ 6,812.76
621	Plaza Subsystem Maintenance - Mainline Plaza	1	\$ 1,080.64	\$ 1,080.64	1	\$ 1,080.64	\$ 1,080.64	\$ 1,113.06	\$ 1,113.06
622	LAN & Network Control Maintenance - Plaza	2	\$ 190.99	\$ 381.98	4	\$ 190.99	\$ 763.96	\$ 196.72	\$ 786.88
			Monthly	\$ 8,917.84	Monthly	\$ 11,656.10		\$ 11,010.60	

Pay Item #	Description	TSUP Maintenance									
		Year #1		Year #2		Year #3		Year #4		Year #5	
		Each	Extended	Each	Extended	Each	Extended	Each	Extended	Each	Extended
619	Maintenance Monitoring Center (MIMC)	\$ 3,483.33	\$ 3,483.33	\$ 3,675.46	\$ 3,675.46	\$ 3,874.10	\$ 3,874.10	\$ 4,050.32	\$ 4,050.32	\$ 4,221.83	\$ 4,221.83
620	1-4mg CRT zone	\$ 1,239.28	\$ 3,717.84	\$ 1,278.46	\$ 3,835.38	\$ 1,319.75	\$ 3,959.25	\$ 1,354.19	\$ 4,161.78	\$ 1,394.82	\$ 4,579.26
621	Plaza Subsystem Maintenance - Mainline Plaza	\$ 1,146.06	\$ 1,146.06	\$ 1,180.85	\$ 1,180.85	\$ 1,218.28	\$ 1,218.28	\$ 1,252.77	\$ 1,252.77	\$ 1,290.35	\$ 1,290.35
622	LAN & Network Control Maintenance - Plaza	\$ 202.63	\$ 405.26	\$ 208.70	\$ 417.40	\$ 214.66	\$ 429.32	\$ 221.41	\$ 442.82	\$ 228.05	\$ 456.10
		\$ 12,397.50	\$ 12,397.50	\$ 12,765.94	\$ 12,765.94	\$ 13,109.33	\$ 13,109.33	\$ 13,405.51	\$ 13,405.51	\$ 13,813.67	\$ 13,813.67

Summary Period	Duration (months)	Total cost
Interim period:	3	\$ 8,917.84
Alignment with TSUP Interim Maintenance:	21	\$ 283,762.78
Maintenance:	60	\$ 792,375.19
<b>Grand Total:</b>		<b>\$ 1,165,055.81</b>

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
TOLL SYSTEM UPGRADE  
CONTRACT NO. 001021  
SUPPLEMENTAL AGREEMENT NO. 3**

20 JAN 16 4:05 PM

This Supplemental Agreement No. 3 (“Supplemental Agreement”) is entered into this 8<sup>th</sup> day of January, 2016, by and between the Central Florida Expressway Authority (“CFX”) and TransCore, L.P. (“Contractor”).

**WITNESSETH:**

WHEREAS, CFX and the Contractor on May 14, 2015, entered into an agreement (“the Contract”) whereby CFX retained the Contractor to provide toll system upgrade services; and

WHEREAS, CFX has determined it necessary and desirable to expand the Contract Statement of Work to include transponder distribution services when so directed by CFX.

NOW, THEREFORE, for and in consideration of the mutual benefits to flow each to the other, the parties agree to the expansion of the Contract Statement of Work to include transponder distribution services when so directed by CFX, with no increase in the Contract time. Increase(s) in the Contract Amount will be based on costs and fees negotiated between CFX and the Contractor at the time the services are required and approved by CFX.

All other provisions of the Contract shall remain in full force and effect, the same as if they had been set forth herein. In the event of a conflict between the provisions of this Supplemental Agreement and any supplements made previously thereto, the provisions of this Supplemental Agreement shall take precedence.

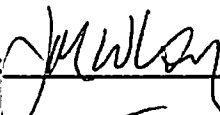
20 JAN 16 4:05 PM

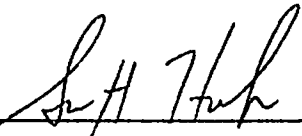
IN WITNESS THEREOF, the parties hereto have caused these presents to be executed, in triplicate, on the day and year first written above.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

By:   
Director of Procurement

TRANSCORE, L.P.

By:   
Print Name: Jim Wilson  
Title: SVP

Attest:   
Title: AVP



**SUPPLEMENTAL AGREEMENT NO. 2 TO**  
**CONTRACT FOR TOLL SYSTEM UPGRADE**  
**CONTRACT NO. 001021**

This Supplemental Agreement is made and entered as of the last date of execution below, by and between, TRANSCORE, LP, duly registered to do business in the State of Florida, having a place of business at 2100 Lake Orange Drive, Suite 100, Orlando, Florida 32837, and CENTRAL FLORIDA EXPRESSWAY AUTHORITY, a body politic and agency of the State of Florida, hereinafter "CFX."

**WITNESSETH:**

WHEREAS, Contract No. 001021 for a Toll System Upgrade, executed on or about May 14, 2015, requires TransCore to provide source code, corresponding configuration settings, documentation, compilers and other necessary materials required to create executable software from the source code, hereinafter collectively referred to as "Source Code;" to CFX, annually and at all significant events, including the first plaza acceptance test, Final System Acceptance, and routine updates and releases as indicated in Contract Exhibit 1.2, item number 13.

WHEREAS, the Contract provides that "CFX has the right to make copies, to use the code on its systems, and to alter or modify the source code, as upgraded, enhanced, modified, or configured, at its risk and option, which right survives the term of the Contract."

WHEREAS, one of TransCore's subcontractors, QFree America Inc., hereinafter "QFree," will not agree to provide CFX with the Source Code.

WHEREAS, the CFX's Board of Directors at its meeting on the 14<sup>th</sup> day of January 2016, agreed to enter into an Escrow Agreement; CFX Contract No. 001183, with QFree and NCC Group Escrow Associates, to provide protocol procedures for access to the source code in case of a release event.

WHEREAS, QFree has agreed in addition to the Escrow Agreement, to reduce the contractual cost to TransCore by \$75,000.

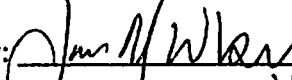
WHEREAS, CFX has determined it necessary to obtain a credit from TransCore in the amount of \$75,000.

NOW, THEREFORE, for and in consideration of the mutual benefits to flow each to the other, the parties agree with a total credit to the Contract of \$75,000.00, as detailed in the attached Exhibit A, Details of Credit to the Contract. The remaining total compensation to the Contractor shall be \$84,231,307.84 for all materials and services required under the Contract.

IN WITNESS WHEREOF, the authorized signatures named below have executed this Supplemental Agreement on behalf of the parties as of the last day of execution below.

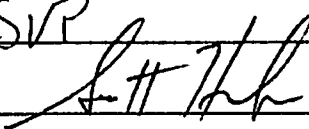
Date: 2/22/16

TRANSCORE, LP

By: 

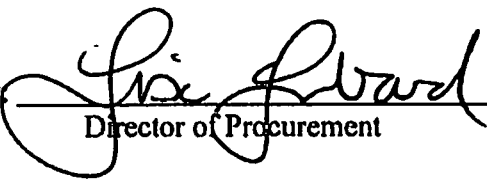
Print Name: Jim Wilson

Title: SVP

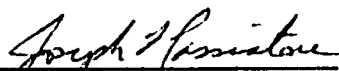
ATTEST:  (Seal)

Date: 2-26-16

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

By:   
Director of Procurement

APPROVED AS TO FORM AND EXECUTION ONLY

  
CFX General Counsel

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
TOLL SYSTEM UPGRADE  
CONTRACT NO. 001021  
SUPPLEMENTAL AGREEMENT NO. 2**

**EXHIBIT A  
DETAILS OF CREDIT TO THE CONTRACT**

The \$75,000 credit shall be applied towards the Factory Acceptance Test (FAT), line item 105 of Exhibit 1.15 of the contract.

<u>Line item</u>	<u>Nomenclature</u>	
105	Factory Acceptance Test (FAT)	Extended Price - \$199,307.56
		Credit - <u>-\$75,000.00</u>
		Total \$124,307.56

**END OF EXHIBIT A**

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
TOLL SYSTEM UPGRADE  
CONTRACT NO. 001021  
SUPPLEMENTAL AGREEMENT NO. 1**

This Supplemental Agreement No. 1 ("Supplemental Agreement") is entered into this 1<sup>st</sup> day of December, 2015, by and between the Central Florida Expressway Authority ("CFX") and TransCore, L.P. ("Contractor").

**WITNESSETH:**

WHEREAS, CFX and the Contractor on May 14, 2015, entered into an agreement ("the Contract") whereby CFX retained the Contractor to provide toll system upgrade services; and

WHEREAS, CFX has determined it necessary to delete from the Contract requirements the Patron Toll Displays, Island Traffic Lights, and Violator Beacons with audible alarms on the Traffic Control Pedestal for 262 lanes.

NOW, THEREFORE, for and in consideration of the mutual benefits to flow each to the other, the parties agree to the deletion of the equipment in accordance with the attached Exhibit A, Scope of Services, with a total credit to the Contract of \$693,692.16, as detailed in the attached Exhibit B, Details of Credit to the Contract. The remaining total compensation to the Contractor shall be \$84,306,307.84 for all materials and services required under the Contract.


All other provisions of the Contract shall remain in full force and effect, the same as if they had been set forth herein. In the event of a conflict between the provisions of this Supplemental Agreement and any supplements made previously thereto, the provisions of this Supplemental Agreement shall take precedence.

IN WITNESS THEREOF, the parties hereto have caused these presents to be executed, in triplicate, on the day and year first written above.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

By:   
Director of Procurement

TRANSCORE, L.P.

By: 

Print Name: Tracy Marks

Title: President

Attest:   
Title: Contract Manager

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
TOLL SYSTEM UPGRADE  
CONTRACT NO. 001021  
SUPPLEMENTAL AGREEMENT NO. 1**

**EXHIBIT A  
SCOPE OF WORK**

**I. General**

CFX wishes to delete from the Contract requirements the Patron Toll Displays, Island Traffic Lights, and Violator Beacons with audible alarms on the Traffic Control Pedestal for 262 lanes. A detailed breakdown of credit for each item is included in Exhibit B.

**II. Conditions**

The Contractor shall identify and bring to CFX's attention in writing any unique field conditions, different configurations, etc., not otherwise mentioned in this Supplemental Agreement that will affect the Contractor's work.

**III. Schedule Impact**

The removal of the existing equipment is considered a constructive acceleration of the work and does not impact the critical path schedule; therefore, there is no change to the overall project schedule. The Contractor shall have no right to make any claim for constructive acceleration or include the same as an element of any claim the Contractor may otherwise submit under the Contract.

**END OF EXHIBIT A**

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
TOLL SYSTEM UPGRADE  
CONTRACT NO. 001021  
SUPPLEMENTAL AGREEMENT NO. 1**

**EXHIBIT B  
DETAILS OF CREDIT TO THE CONTRACT**

Delete the Patron Toll Displays, Island Traffic Lights, and Violator Beacons with audible alarms on the Traffic Control Pedestal from the contract requirements for 262 lanes. This total includes 8 lanes in Osceola County identified as:

- 4 Manned/AVI lanes at Shingle Creek Mainline Plaza
- 2 Dedicated AVI lanes at Shingle Creek Mainline Plaza
- 1 Dedicated AVI lane at Poinciana Off Ramp
- 1 Dedicated AVI lane and Poinciana On Ramp

262 lanes x \$2,647.68 credit per lane = \$693,692.16 Total Credit to the Contract  
calculated as follows:

<u>Component</u>	<u>Unit Price</u>	<u>Total Credit</u>
2 Aspect (R/G) Signal @	\$493.72 each x 262 lanes =	\$129,354.64
Patron Toll Display @	\$1,719.49 each x 262 lanes =	\$450,506.38
Violation Beacon @	<u>\$434.47</u> each x 262 lanes =	<u>\$113,841.14</u>
	\$2,647.68	\$693,692.16

This total includes costs for labor, mounting brackets, and cable associated with each cable.

**END OF EXHIBIT B**

# **CONTRACT**

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
AND  
TRANSCORE, LP**

**TOLL SYSTEM UPGRADE**

**CONTRACT NO. 001021**

**CONTRACT DATE: MAY 14, 2015  
CONTRACT AMOUNT: \$85,000,000.00**

**CENTRAL FLORIDA  
EXPRESSWAY AUTHORITY**

**CONTRACT, NEGOTIATED AREAS, TRANSCORE MODIFICATIONS AND  
CLARIFICATIONS, REVISED CDRL APPENDIX K, AGREED CHANGES TO MILESTONE  
PAYMENTS, THE ADDENDA, STATEMENT OF WORK, SYSTEM REQUIREMENTS,  
METHOD OF COMPENSATION, APPENDICES, TRANSCORE PROJECT MANAGEMENT  
MATRIX, TRANSCORE MAINTENANCE PERSONNEL MATRIX, TRANSCORE REVISED  
PROJECT SCHEDULE, TECHNICAL PROPOSAL, PRICE PROPOSAL, TRANSCORE  
“ALLEGRO TOLL TRANSPONDER REPLACEMENT PROPOSAL”, BONDS, AND  
INSURANCE POLICIES**



**CONTRACT, NEGOTIATED AREAS, TRANSCORE MODIFICATIONS AND  
CLARIFICATIONS, REVISED CDRL APPENDIX K, AGREED CHANGES TO  
MILESTONE PAYMENTS, THE ADDENDA, STATEMENT OF WORK,  
SYSTEM REQUIREMENTS, METHOD OF COMPENSATION,  
APPENDICES, TRANSCORE PROJECT MANAGEMENT MATRIX,  
TRANSCORE MAINTENANCE PERSONNEL MATRIX, TRANSCORE  
REVISED PROJECT SCHEDULE, TECHNICAL PROPOSAL, PRICE  
PROPOSAL, TRANSCORE “ALLEGRO TOLL TRANSPONDER  
REPLACEMENT PROPOSAL”, BONDS, AND INSURANCE POLICIES**

**FOR**

**TOLL SYSTEM UPGRADE**

**CONTRACT NO. 001021**

**MAY 2015**

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY**

**Members of the Board**

**Welton G. Cadwell, Chairman  
S. Scott Boyd, Vice Chairman  
Brenda Carey, Secretary/Treasurer  
Fred Hawkins, Jr., Board Member  
Teresa Jacobs, Orange County Mayor  
Buddy Dyer, City of Orlando Mayor  
Walter A. Ketcham, Jr., Board Member  
Jay Madara, Member  
S. Michael Scheeringa, Member  
Diane Guitierrez-Scaccetti, Non-Voting Advisor**

## TABLE OF CONTENTS

<u>Title</u>	<u>Page</u>
CONTRACT	1 to 28

Below listed documents included on CD

(Negotiated Areas, TransCore modifications and clarifications, Revised CDRL Appendix K, Agreed changes to Milestone Payments, The Addenda, Statement of Work, System Requirements, Method of Compensation, Appendices, TransCore Project Management Matrix, TransCore Maintenance Personnel Matrix, TransCore Revised Project Schedule, Technical Proposal, Price Proposal, TransCore “Allegro Toll Transponder Replacement Proposal”)

Below listed documents included at the back of this binder behind the Contract  
(Bonds, and Insurance policies)

## **CONTRACT**

This Contract (the "Contract" as defined herein below), is made this 14<sup>th</sup> day of May, 2015, between the CENTRAL FLORIDA EXPRESSWAY AUTHORITY, a body politic and agency of the State of Florida, hereinafter called the CFX and TransCore, LP, hereinafter the CONTRACTOR:

### **WITNESSETH:**

**WHEREAS**, the CFX was created by statute and is charged with acquiring, constructing, operating and maintaining a system of limited access roadways known as the Orlando-Orange County Expressway System; and,

**WHEREAS**, the CFX has been granted the power under Section 348.754(2)(m) of Florida Statutes, "to do all acts and things necessary or convenient for the conduct of its business and the general welfare of the authority, in order to carry out the powers granted to it (by state law);" and,

**WHEREAS**, the CFX has determined that it is necessary and convenient in the conduct of its business to retain the services of a CONTRACTOR to design, furnish, install and maintain toll collection system replacement equipment and related tasks as may from time to time be assigned to the CONTRACTOR by the CFX; and,

**WHEREAS**, on or about September 29, 2014, the CFX issued a Request for Proposals seeking qualified contractors to perform such tasks; and,

**WHEREAS**, CONTRACTOR was the sole qualified firm that responded to the Request for Proposals and was ultimately selected; and,

**NOW THEREFORE**, in consideration of the mutual covenants and benefits set forth herein and other good and valuable consideration, the receipt and sufficiency of which being hereby acknowledged by each party to the other, the parties hereto agree as follows:

### **1. SERVICES TO BE PROVIDED**

The CONTRACTOR shall, for the consideration herein stated and at its cost and expense, do all the work and furnish all the materials, equipment, supplies and labor necessary to perform this Contract in the manner and to the full extent as set forth in the Contract Documents all of which are hereby adopted and made part of this Contract as completely as if incorporated herein. The Contract shall be performed and services provided to the satisfaction of the duly authorized representatives of the CFX, who shall have at all times full opportunity to evaluate the services provided under this Contract.

The services to be provided under this Contract include designing, furnishing, installing and maintaining toll collection system replacement equipment as detailed in the Contract Documents and any amendments, supplements, or modifications thereto.

The CFX does not guarantee that all of the services described in the Scope of Services will be assigned during the term of the Contract. Further, the CONTRACTOR is providing these services

on a non-exclusive basis. The CFX, at its option, may elect to have any of the services set forth herein performed by other contractors or CFX staff.

The Contract Documents, in order of precedence, consist of:

- 1.1 The Contract
- 1.2 Negotiated Areas v12 dated 4/21/2015
- 1.3 TransCore modifications and clarifications
- 1.4 Revised CDRL Appendix K dated 2/24/2015
- 1.5 Agreed changes to Milestone Payments
- 1.6 The Addenda (RFP001021 Addendum 1, 2, & 3) modifying the Contract Documents,
- 1.7 The Statement of Work,
- 1.8 The System Requirements,
- 1.9 The Method of Compensation,
- 1.10 TransCore Project Management Matrix
- 1.11 TransCore Maintenance Personnel Matrix
- 1.12 TransCore Revised Project Schedule
- 1.13 The Technical Proposal submitted by CONTRACTOR
- 1.14 The Price Proposal submitted by CONTRACTOR,
- 1.15 TransCore “Allegro Toll Transponder Replacement Proposal”
- 1.16 Bonds, and
- 1.17 Insurance policies

(collectively, the “Contract”).

## 2. TERM AND NOTICE

The term of the Contract will be from the date established in the Notice to Proceed from the CFX as shown in the table below:

Table III.00.02 – Project Milestones			
Project Phase	Milestone No.	Milestone	Time Frame
Phase I System Design Development	1	Completion of Mobilization	8/27/2015
	2	Satisfactory Completion of Preliminary Design Review (PDR)	9/7/2015
	3	Satisfactory Completion of Detail Design Review (DDR)	10/21/2015

Table III.00.02 – Project Milestones			
Project Phase	Mile-stone No.	Milestone	Time Frame
Phase II System Integration & Testing	4	Satisfactory Completion of Factory Acceptance Test (FAT)	2/22/2016
	5	Satisfactory Completion of Implementation of Toll Host Environment Subsystems & Message Converter Interface w/Legacy	3/7/2016
Phase III System Implementation, Installation, Commissioning & Testing	6	Satisfactory Completion of Toll Host Environment Interoperability & External Interface Testing	6/7/2016
	7	Satisfactory Completion of System Initial End-to-End Testing (SIETET)	11/28/2016
	8	Satisfactory Completion of Plaza Acceptance Testing (PAT) at Last Plaza Group	12/3/2019
Phase IV Final System Acceptance	9	Satisfactory Completion of Final System Acceptance Testing (SAT)	6/27/2019
Phase V Warranty Period	—	—————	11/28/2016 THRU 12/19/2019 H/W: Host Environment: Date of Host Environment Commissioning for 3 years. Plaza Group: Date of 1 <sup>st</sup> Plaza Group Commissioning for 1 year. S/W: Date of 1 <sup>st</sup> Plaza Group Commissioning thru end of Contract Term.
Phase VI System Maintenance Period	10	End of Initial System Maintenance Period	6/27/2019 H/W: Date of Final System Acceptance. S/W: Date of Final System Acceptance.
	11	End of Operational System Maintenance Period	5 years after Date of Final System Acceptance.

**EXTENDED SYSTEM MAINTENANCE**

At CFX’s sole option, CONTRACTOR shall provide extended system maintenance for ten (10) additional one-year periods, or portions thereof, with a price that shall not increase more than the prior year’s average annual increase as reported in the Consumer Price Index (CPI) for All Urban Consumers (not seasonally adjusted, south urban, all items) published by the Bureau of Labor Statistics or no more than 3% per year, whichever is lower. If the CPI is negative, then the price shall not decrease, but remain the same as the prior year.

The CFX shall have the right to terminate or suspend the Contract, in whole or in part, at any time with 120 days notice for convenience or 60 days with cure notice for cause for CONTRACTOR's material failure to perform the provisions of the Contract. Under no circumstances shall a properly noticed termination by the CFX (with or without cause) constitute a default by the CFX. In the event of a termination for convenience or without cause, CFX shall notify CONTRACTOR (in writing) of such action with instructions as to the effective date of termination or suspension, in accordance with the time frames set forth hereinabove. CONTRACTOR will be paid for all work performed prior to termination and any reasonable, documented, direct, normal, and ordinary termination expenses. CONTRACTOR will not be paid for special, indirect, consequential, or undocumented termination expenses. Payment for work performed will be based on Contract prices, which prices are deemed to include profit and overhead. No profit or overhead will be allowed for work not performed, regardless of whether the termination is for cause.

If CONTRACTOR: (i) fails to perform the Contract terms and conditions; (ii) fails to begin the work under the Contract within the time specified in the "Notice to Proceed"; (iii) fails to perform the work with sufficient personnel or with sufficient materials to assure the prompt performance of the work items covered by the Contract; (iv) fails to comply with the Contract, or (v) performs unsuitably or unsatisfactorily in the opinion of CFX reasonably exercised, or for any other cause whatsoever, fails to carry on the work in an acceptable manner, or if the surety executing the bond, for any reasonable cause, becomes unsatisfactory in the opinion of the CFX, the CFX will give notice in writing to the CONTRACTOR and CONTRACTOR's surety of such delay, neglect or default. If the Contract is declared in default, the CFX may require the CONTRACTOR's surety to take over and complete the Contract performance. Upon the failure or refusal of the surety to assume the Contract within the time demanded, the CFX may take over the work covered by the Contract.

If CONTRACTOR (within the curative period, if any, described in the notice of default) does not correct the default, CFX will have the right to remove the work from CONTRACTOR and to declare the Contract in default and terminated.

Upon declaration of default and termination of the Contract, CFX will have the right to appropriate or use any or all materials and equipment on the sites where work is or was occurring, as the CFX determines, and may retain others for the completion of the work under the Contract, or may use other methods which in the opinion of CFX are required for Contract completion. All costs and charges incurred by CFX because of, or related to, the CONTRACTOR's default (including the costs of completing Contract performance) shall be charged against the CONTRACTOR. If the expense of Contract completion exceeds the sum which would have been payable under the Contract, the CONTRACTOR and the surety shall be jointly and severally liable and shall pay the CFX the amount of the excess. If, after the default notice curative period has expired, but prior to any action by CFX to complete the work under the Contract, CONTRACTOR demonstrates an intent and ability to cure the default in accordance with CFX's requirements, CFX may, but is not obligated to, permit CONTRACTOR to resume work under the Contract. In such circumstances, any costs of CFX incurred by the delay (or from any reason attributable to the delay) will be deducted from any monies due or which may become due CONTRACTOR under the Contract. Any such costs incurred by CFX which exceed the remaining amount due on the Contract shall be

reimbursed to CFX by CONTRACTOR. The financial obligations of this paragraph, as well as any other provision of the Contract which by its nature and context survives the expiration of earlier termination of the Contract, shall survive the expiration or earlier termination of the Contract.

CFX shall have no liability to CONTRACTOR for expenses or profits related to unfinished work on a Contract terminated for default.

CFX reserves the right to cancel and terminate this Contract in the event the CONTRACTOR or any employee, servant, or agent of the CONTRACTOR is indicted for any crime arising out of or in conjunction with any work being performed by the CONTRACTOR for on behalf of the CFX, without penalty. Such termination shall be deemed a termination for default.

CFX reserves the right to terminate or cancel this Contract in the event the CONTRACTOR shall be placed in either voluntary or involuntary bankruptcy or an assignment is made for the benefit of creditors. Such termination shall be deemed a termination for default.

### 3. CONTRACT AMOUNT AND COMPENSATION FOR SERVICES

3.1 The Contract Amount for the Contract term is \$85,000,000.00.

3.2 CFX agrees to pay CONTRACTOR for services performed in accordance with the Method of Compensation, Contract Exhibit 1.9 as amended by Contract Exhibit 1.5.

### 4. AUDIT AND EXAMINATION OF RECORDS

#### 4.1 Definition of Records:

(i) "Contract Records" shall include, but not be limited to, all information, communications and data, whether in writing or stored on a computer, computer disks, microfilm, writings, working papers, drafts, computer printouts, field notes, charts or any other data compilations, books of account, photographs, videotapes and audiotapes supporting documents, any other papers or preserved data in whatever form, related to the Contract or the CONTRACTOR's performance of the Contract determined necessary or desirable by the CFX for any purpose. Proposal Records shall include, but not be limited to, all information and data, whether in writing or stored on a computer, writings, working papers, computer printouts, charts or other data compilations that contain or reflect information, data or calculations used by CONTRACTOR in determining labor, unit price, or any other component of a bid submitted to the CFX.

(ii) "Proposal Records" shall include, but not be limited to, any material relating to the determination or application of equipment rates, home and field overhead rates, related time schedules, labor rates, efficiency or productivity factors, arithmetic extensions, quotations from subcontractors, or material suppliers, profit contingencies and any manuals standard in the industry that may be used by CONTRACTOR in determining a price.

CFX reserves and is granted the right (at any time and from time to time, for any reason whatsoever) to review, audit, copy, examine and investigate in any manner, any Contract Records (as herein defined) or Proposal Records (as hereinafter defined) of the CONTRACTOR or any subcontractor. The CONTRACTOR or any subcontractor submits to and agree to comply with the provisions of this section.

If the CFX requests access to or review of any Contract Documents or Proposal Records and CONTRACTOR refuses such access or review, CONTRACTOR shall be in default under its Contract with CFX, and such refusal shall, without any other or additional actions or omissions, constitute grounds for suspension or disqualification of CONTRACTOR. These provisions shall not be limited in any manner by the existence of any CONTRACTOR claims or pending litigation relating to the Contract. Disqualification or suspension of the CONTRACTOR for failure to comply with this section shall also preclude the CONTRACTOR from acting in the future as a subcontractor of another CONTRACTOR doing work for the CFX during the period of disqualification or suspension. Disqualification shall mean the CONTRACTOR is not eligible for and shall be precluded from doing future work for the CFX until reinstated by the CFX.

**Final Audit for Project Closeout:** The CONTRACTOR shall permit the CFX, at the CFX's option, to perform or have performed an audit of the records of the CONTRACTOR and any or all subcontractors to support the compensation paid the CONTRACTOR. The audit will be performed as soon as practical after completion and acceptance of the contracted services. In the event funds paid to the CONTRACTOR under the Contract are subsequently determined to have been inadvertently paid by the CFX because of accounting errors or charges not in conformity with the Contract, the CONTRACTOR agrees that such amounts are due to the CFX upon demand. Final payment to the CONTRACTOR shall be adjusted for audit results.

CONTRACTOR shall preserve all Proposal Records and Contract Records for the entire term of the Contract and for a period of five (5) years after the later of: (i) final acceptance of the project by the CFX, (ii) until all claims (if any) regarding the Contract are resolved, or (iii) expiration of the Proposal Records and Contract Records' status as public records, as and if applicable, under Chapter 119, Florida Statutes.

## **5. MINORITY AND WOMEN'S BUSINESS ENTERPRISES**

The CFX encourages participation of local minority and women business enterprises on contracts considered for an award. The CONTRACTOR has committed to a two point seven (2.7%) M/WBE participation objective for this project.

The CONTRACTOR shall ensure that M/WBE as defined herein will have the maximum opportunity to participate in the performance of subcontracts. In this regard, the CONTRACTOR shall take all necessary and reasonable steps to accomplish that result.

The CONTRACTOR shall submit a draft M/WBE Participation Plan to the CFX for review within 15 days after the Notice to Proceed for the project. The CONTRACTOR's M/WBE plan shall meet the CONTRACTOR's objective approved by the CFX.



At any time, the CFX's Executive Director may grant a partial or complete waiver of the M/WBE objectives for the project due to consideration of property, public safety, and health, including financial impact to the CFX.

5.1 **Definitions:** The following words and phrases shall have the respective meanings set forth below unless a different meaning is plainly required by the context:

- (1) "Socially and economically disadvantaged individuals" means those individuals who are citizens of the United States or lawfully admitted permanent residents and who are women, Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, or Asian-Indian Americans. Individuals in the following groups are presumed to be socially and economically disadvantaged:
  - (a) "Black Americans", which includes persons having origins in any of the black racial groups of Africa;
  - (b) "Hispanic Americans", which includes persons of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish or Portuguese culture or origin, regardless of race;
  - (c) "Asian-Pacific Americans", which includes persons whose origins are from Japan, China, Taiwan, Korea, Vietnam, Laos, Cambodia, the Philippines, Samoa, Guam, the U.S. Trust Territories of the Pacific and the Northern Marianas;
  - (d) "Native Americans", which includes persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians;
  - (e) "Asian-Indian Americans", which includes persons whose origins are from India, Pakistan, and Bangladesh; and
  - (f) "Women".
- (2) "Joint Venture" means an association of two or more firms to carry out a single business enterprise for which purpose the firms combined their property, money, effects, skills or knowledge.
- (3) "Certified" means a finding by Orange County, Florida, or the City of Orlando, Florida that the business is a bona fide Minority or Women owned and operated business.
- (4) "Women Business Enterprise" comprises all women. All minority women business owners will be classified as a Women Business Enterprise.

**5.2 Specific Requirements:** The CONTRACTOR shall, among other things, implement techniques to facilitate continuing M/WBE participation in contracting activities including, but not limited to:

- (1) Soliciting price quotations and arranging a time for the review of plans, quantities, specifications, and delivery schedules, and for the preparation and presentation of quotations;
- (2) Providing assistance to M/WBEs in overcoming barriers such as the inability to obtain bonding, financing, or technical assistance;
- (3) Carrying out information and communication programs or workshops on contracting procedures and specific contracting opportunities in a timely manner, with such programs being bilingual where appropriate;
- (4) Contacting Minority Contractor Associations and city and county agencies with programs for disadvantaged individuals for assistance in recruiting and encouraging eligible M/WBE contractors to apply for certification.
- (5) Meeting with appropriate officials of the CFX, including its Business Development Program Office, to assist with the CONTRACTOR's efforts to locate M/WBEs and assist with developing joint ventures, partnering, and mentorship.

**5.3** The CFX will count M/WBE participation toward meeting M/WBE objectives as follows:

- (1) The total dollar value of the contract to be awarded to the certified M/WBE may be counted toward the applicable M/WBE objective.
- (2) A portion of the total dollar value of a contract, with an eligible joint venture, equal to the percentage of the ownership and control of the M/WBE partner in the joint venture may be counted toward the M/WBE objective.
- (3) Only expenditures to M/WBEs that perform a commercially useful function may be counted toward the M/WBE objective. An M/WBE is considered to perform a commercially useful function when it actually performs and manages at least 51 percent of the work subcontracted to it. To determine whether an M/WBE is performing a commercially useful function, the CFX will evaluate all relevant factors such as the amount of work subcontracted and industry practices.
- (4) Consistent with normal industry practices, an M/WBE may enter into subcontracts. If an M/WBE subcontracts 50 percent or more of the work

assigned to it, the M/WBE shall be presumed not to be performing a commercially useful function.

- (5) Expenditures for materials and supplies obtained from M/WBE suppliers and manufacturers may be counted toward the M/WBE objective, provided that the M/WBEs assume the actual and contractual responsibility for the provision of the materials and supplies. The percentage allowed toward the M/WBE objective is as follows:
- (a) All expenditures to an M/WBE manufacturer (i.e., a supplier that produces goods from raw materials or substantially alters them before resale) may be counted toward the M/WBE objective.
  - (b) CONTRACTOR may count toward its M/WBE objective 60 percent of its expenditures for materials and supplies required under a contract and obtained from an M/WBE regular dealer, and 100 percent of such expenditures to an M/WBE manufacturer.

A manufacturer is a firm that operates or maintains a factory or establishment that produces on the premises the materials or supplies obtained by the CONTRACTOR.

A regular dealer is a firm that owns, operates, or maintains a store, warehouse or other establishment in which the materials or supplies required for the performance of the contract are bought, kept in stock, and regularly sold to the public in the usual course of business. To be a regular dealer, the firm must engage in, as its principal business, and in its own name, the purchase and sale of the products in question. A regular dealer in such bulk items as steel, cement, gravel, stone, and petroleum products need not keep such products in stock, if it owns or operates distribution equipment. Brokers and packages shall not be regarded as manufacturers or regular dealers within the meaning of this article.

- (c) CONTRACTOR may count toward M/WBE objectives the following expenditures to M/WBE firms that are not manufacturers or regular dealers:
  - 1. The fees or commissions charged for providing a bona fide service, such as professional, technical, consultant or managerial services and assistance in the procurement of essential personnel, facilities, equipment, materials of supplies required for performance of the Contract, provided that the fee or commission

is determined by the recipient to be reasonable and not excessive as compared with fees customarily allowed for similar services.

2. The fees charged for delivery of materials and supplies required on a job site (but not the cost of the materials and supplies themselves) when the hauler, trucker, or delivery service is not also the manufacturer of or a regular dealer in the materials and supplies, provided that the fee is determined to be reasonable and not excessive as compared with fees customarily allowed for similar services.
3. The fees or commissions charged for providing any bonds or insurance specifically required for the performance of the Contract, provided that the fee or commission is determined to be reasonable and not excessive as compared with fees customarily allowed for similar services.

**5.4 Records and Reports:** The CONTRACTOR shall develop a record keeping system to monitor its M/WBE participation and shall maintain the following records:

- (1) the procedures adopted to comply with these special provisions;
- (2) the number of subordinated contracts on CFX projects awarded to M/WBEs;
- (3) the dollar value of the contracts awarded to M/WBEs;
- (4) the percentage of the dollar value of all subordinate contracts awarded to M/WBEs as a percentage of the total contract amount;
- (5) a description of the general categories of contracts awarded to M/WBEs;
- (6) the specific efforts employed to identify and award contracts to M/WBEs;
- (7) maintenance of records of payments and monthly reports to the CFX;
- (8) Subcontract Agreement between CONTRACTOR and M/WBE subcontractors; and
- (9) any other records required by the CFX's Project Manager or Executive Director.

The records maintained by the CONTRACTOR in accordance with this article shall be provided to the CFX for review within 48 hours of the CFX's request. The CONTRACTOR shall submit a

properly executed M/WBE Payment Certification (Form No. 275-020-001-A) monthly during the life of the M/WBE subcontract whether payment is made or not.

CONTRACTOR shall provide information regarding its employment of such businesses and the percentage of payments made to such businesses and others. CONTRACTOR shall provide an annual report to CFX on or before each anniversary of the Contract Date hereof and throughout the Term, regarding use of small business MBEs and WBEs and the percentage of payments made to enterprises falling within such categories. Such report shall consolidate the information contained in CONTRACTOR's invoices, and shall be in a form reasonably acceptable to CFX.

## **6. CONTRACTOR INSURANCE AND PERFORMANCE PAYMENT BOND**

CONTRACTOR shall carry and keep in force during the period of this Contract, the required amount of coverage as stated below. All bonds and insurance must be underwritten by insurers that are qualified to transact business in the State of Florida and that have been in business and have a record of successful and continuous operations for at least five (5) years. Each shall carry a rating of "A-" (excellent) and a financial rating of Class XII, as defined by A.M. Best and Company's Key Rating Guide and must be approved by the CFX. All surety bonds shall be in a form and issued by a surety company approved by CFX. CONTRACTOR shall carry and keep in force the following insurance coverage, and provide the CFX with correct certificates of insurance (ACORD forms) upon Contract execution:

6.1 **Commercial General Liability Insurance** having a minimum coverage of Five Million Dollars (\$5,000,000.00) per occurrence of bodily injury or property damage and a minimum of Ten Million Dollars (\$10,000,000.00) annual aggregate for both General and Products and Completed Operations. Liability insurance shall be current ISO simplified form including products and completed operations coverage. The contractual liability insurance coverage shall include coverage for tort liability for bodily injury and property damages assumed by CONTRACTOR under this Contract.

6.2 **Business Automobile Liability** (for bodily injury, death and property damage) having a minimum coverage of Five Million Dollars (\$5,000,000.00) for each accident;

6.3 **Workers' Compensation Insurance Coverage**, including all coverage required under the laws of the state of Florida (as amended from time to time hereafter);

6.4 **Unemployment Insurance Coverage** in amounts and forms required by Florida law, as it may be amended from time to time hereafter.

6.5 **Performance and Payment Bond equal to the amount of the Contract;**

6.6 **Employees Fidelity Bond** covering each employee for a minimum of \$100,000.00 per employee, covering each employee of CONTRACTOR employed on this Contract. Commercial Crime insurance with limits no less than \$5,000,000 is acceptable in lieu of an Employees Fidelity Bond.

Such insurance policies shall be without co-insurance, and shall (a) include the CFX, and such other applicable parties the CFX shall designate, as additional insureds for commercial general liability and business automobile liability, (b) be primary insurance, (c) include contractual liability for commercial general liability, (d) provide that the policy may not be canceled or materially changed without at least thirty (30) days prior written notice to the CFX from the company providing such insurance, and (e) provide that the insurer waives any right of subrogation against CFX, to the extent allowed by law and to the extent the same would not void primary coverage for applicable insurance policies. CONTRACTOR shall be responsible for any deductible it may carry. At least fifteen (15) days prior to the expiration of any such policy of insurance required to be carried by CONTRACTOR hereunder, CONTRACTOR shall deliver insurance certificates to CFX evidencing a renewal or new policy to take the place of the one expiring. Procurement of insurance shall not be construed to limit CONTRACTOR's obligations or liabilities under the Contract. The requirement of insurance shall not be deemed a waiver of sovereign immunity by CFX.

Any insurance carried by the CFX in addition to CONTRACTOR's policies shall be excess insurance, not contributory.

If CONTRACTOR fails to obtain the proper insurance policies or coverages, or fails to provide CFX with certificates of same, the CFX may obtain such policies and coverages at CONTRACTOR's expense and deduct such costs from CONTRACTOR payments.

## **7. CONTRACTOR RESPONSIBILITY**

7.1 CONTRACTOR shall take all reasonable precautions in the performance of the Services and shall cause its employees, agents and subcontractors to do the same. CONTRACTOR shall be solely responsible for the safety of, and shall provide protection to prevent damage, injury or loss to:

- (i) all employees of CONTRACTOR and its subcontractors and other persons who would reasonably be expected to be affected by the performance of the Services;
- (ii) other property of CONTRACTOR and its employees, agents, officers and subcontractors and all other persons for whom CONTRACTOR may be legally or contractually responsible on or adjacent to the plazas or other areas upon which services are performed;
- (iii) members of the public who may be traveling through the plazas and their vehicles.

7.2 CONTRACTOR shall comply, and shall cause its employees, agents, officers and subcontractors and all other persons for whom CONTRACTOR may be legally or contractually responsible, with the applicable laws, ordinances, rules, regulations, orders of public authorities, sound business practices, including without limitation:

- (i) those relating to the safety of persons and property and their protection from damage, injury or loss, and

- (ii) all workplace laws, regulations, and posting requirements, and
- (iii) implementation of a drug-free workplace policy at least of a standard comparable to, and in compliance with, CFX's Drug-Free Workplace Policy; and
- (iv) compliance with the public records laws of Chapter 119, Florida Statutes.

7.3 CONTRACTOR shall be responsible for actual damage and loss that may occur with respect to any and all property located on or about any structures in any way involved in the provision of services by CONTRACTOR, whether such property is owned by CONTRACTOR, CFX, or any other person, to the extent such damage or loss shall have been caused or brought about by the negligent acts or omissions of CONTRACTOR or its employees, agents, officers or subcontractors or any other persons for whom CONTRACTOR may be legally or contractually responsible.

7.4 CONTRACTOR shall ensure that all of its activities and the activities of its employees, agents, officers and subcontractors and all other persons for whom CONTRACTOR may be legally or contractually responsible are undertaken in a manner that will minimize the effect on surrounding property and the public. CONTRACTOR shall immediately notify CFX of any material adverse change in CONTRACTOR's financial condition, business, prospects, affairs, or operations, or of such change of any partner, or of such change of any shareholder holding greater than a 10% interest in CONTRACTOR, or of the existence of any material impairment of rights or ability of CONTRACTOR to carry on as its business and operations are currently conducted.

7.5 CONTRACTOR shall not make any requirement of any employee, or enter into a non-competition agreement with any employee, whether oral or written, of any kind or nature, that would prohibit CONTRACTOR's employees from leaving CONTRACTOR's employ and taking employment with any successor of CONTRACTOR.

## **8. ASSIGNMENT AND REMOVAL OF KEY PERSONNEL**

A significant factor in the decision of the CFX to award this Contract to the CONTRACTOR is the level of expertise, knowledge and experience possessed by employees of CONTRACTOR, particularly the Principal-In-Charge; Project Manager; Deputy Project Manager, System Design; Deputy Project Manager, System Installation; Manager, Quality Assurance/Quality Control; Manager, Application Development; Database Administrator; Toll Installation and Maintenance Liaison Leader(s); Manager, Training (the "Key Personnel") and CONTRACTOR's covenant to have employees possessing such expertise, knowledge and experience available at all times to assist in the provision of the services. Throughout the Term of this Contract, CONTRACTOR shall employ individuals having significant training, expertise, and experience in the areas or disciplines more particularly set forth in the Statement of Work, together with such other areas of expertise or experience, as may be designated from time to time during the Term of this Contract by the CFX. When the CFX designates an additional area for which expertise or experience shall be required, CONTRACTOR shall use all reasonable and diligent efforts to promptly hire and retain one or more individuals possessing such experience or expertise.

CONTRACTOR shall hire and maintain Key Personnel as employees throughout the Term of the Contract. The identity of the individuals, initially assigned to each of such positions by CONTRACTOR, shall be submitted to CFX and the CFX shall be notified in advance of any changes in the individuals. The Key Personnel shall be committed to performing services on this Contract to the extent required. Key Personnel may be dismissed for unsatisfactory performance or any reason set forth below.

If prior to the second anniversary of the Effective Date of this Contract, CONTRACTOR removes, suspends, dismisses, fires, transfers, reassigns, lays off, discharges, or otherwise terminates any Key Personnel without the prior notification to the CFX, such action shall constitute an event of default by CONTRACTOR hereunder. CONTRACTOR may cure such event of default only by replacing the Key Personnel with another employee having comparable experience and qualifications.

Promptly upon request of CFX, CONTRACTOR shall remove from activities associated with or related to the performance of this Contract any employee whom CFX considers unsuitable for such work. Such employee shall not be reassigned to perform any work relating to the services except with the express written consent of the CFX.

## 9. INDEMNITY

The CONTRACTOR shall indemnify, defend and hold harmless CFX and all of its respective officers, CONTRACTOR's or employees from actual suits, actions, claims, demands, costs as defined elsewhere herein, expenses (including reasonable attorneys' fees as defined elsewhere herein), judgments, liabilities of any nature whatsoever (collectively, "Claims") arising out of, because of, or due to breach of the Contract by the CONTRACTOR (its subcontractors, officers, agents or employees) or due to any negligent or intentional act or occurrence of omission or commission of the CONTRACTOR (its subcontractors, officers, agents or employees), including without limitation any misappropriation or violation of third party copyright, trademark, patent, trade secret, publicity, or other intellectual property rights or other third party rights of any kind by or arising out of any one or more of the following:

9.1 violation of same by CONTRACTOR, its subcontractors, officers, agents or employees,

9.2 CFX's use or possession of the CONTRACTOR Property or CONTRACTOR Intellectual Property (as defined herein below),

9.3 CFX's full exercise of its rights under any license conveyed to it by CONTRACTOR,

9.4 CONTRACTOR's violation of the confidentiality and security requirements associated with the CFX Property and CFX Intellectual Property (as defined herein below),

9.5 CONTRACTOR's failure to include terms in its subcontracts as required by this Contract,



9.6 CONTRACTOR's failure to ensure compliance with the requirements of the Contract by its employees, agents, officers, or subcontractors, or

9.7 CONTRACTOR's breach of any of the warranties or representations contained in this Contract.

CONTRACTOR will not be liable for damages arising out of injury or damage to persons or property directly caused or resulting from the sole negligence of the CFX or any of its officers, agents or employees. The parties agree that 1% of the total compensation to the CONTRACTOR for performance of each task authorized under the Contract is the specific consideration from CFX to CONTRACTOR for CONTRACTOR's indemnity and the parties further agree that the 1% is included in the amount negotiated for each authorized task.

#### **10. PUBLIC RECORDS**

Upon receipt of any request by a member of the public for any documents, papers, letters, or other material subject to the provisions of Chapter 119, Florida Statutes, made or received by CONTRACTOR in conjunction with this Contract (including without limitation CONTRACTOR Records and Proposal Records, if and as applicable), CONTRACTOR shall immediately notify the CFX. Thereafter, CONTRACTOR shall follow CFX's instructions with regard to such request. To the extent that such request seeks non-exempt public records, the CFX shall direct CONTRACTOR to provide such records for inspection and copying in compliance with Chapter 119. A subsequent refusal or failure by CONTRACTOR to timely grant such public access will be grounds for immediate, unilateral cancellation of the Contract by CFX.

#### **11. INFORMATION RELEASES**

CONTRACTOR shall make no statements, press releases or publicity releases concerning the Contract or its subject matter, or otherwise disclose or permit to be disclosed any of the data or other information obtained or furnished under the Contract, or any particulars thereof, including without limitation CFX Property and CFX Intellectual Property, without first notifying CFX and securing its consent in writing.

CONTRACTOR shall protect and shall make no release of any information, data, customer information, system metrics, to anyone outside of the Contract, unless otherwise explicitly authorized by CFX. The CONTRACTOR shall secure all network interfaces and take prudent measures to protect CFX data and information within the CONTRACTOR'S organization from both internal and external potential threats of data theft and misuse.

#### **12. OWNERSHIP OF MATERIALS AND INTELLECTUAL PROPERTY RIGHTS**

CFX is and shall be and remain the sole owner of all rights, title, and interest in, to, and associated with all plans, documents, software in all forms, hardware, programs, procedures, specifications, drawings, brochures pamphlets, manuals, flyers, models, photographic or design images, negatives, videos and film, tapes, work product, information, data and other items (all whether in

preliminary, draft, master, final, paper, electronic, or other form), along with the media on which they reside and with which they interface for function or aesthetics, that are generated or developed with respect to and in connection with this Contract and the performance thereof (collectively, the “CFX Property”).

CFX’s ownership rights apply to all data gathered, processed, stored or otherwise used by the System. CFX shall have unrestricted, free access to all such System data at all times. CFX’s rights to all data shall be at no additional cost. The CONTRACTOR shall in a timely manner support all data requests made by CFX.

CFX’s ownership of the CFX Property includes without limitation all common law, statutory and other rights, title, and interest in, to, and associated with trademark, service mark, copyright, patent, trade secret, and publicity (collectively, the “CFX Intellectual Property”). CONTRACTOR, its employees, agents, officers, and subcontractors acknowledge that E-PASS® is the CFX’s registered trademark name for the CFX’s electronic toll collection system, and comprises a portion of the CFX Intellectual Property.

CONTRACTOR, its employees, agents, officers, and subcontractors may not use the CFX Property or CFX Intellectual Property in any way, other than in performance of its services under the terms of this Contract, without the prior written consent of CFX, which may be granted or denied in the CFX’s sole discretion. CONTRACTOR, its employees, agents, officers, and subcontractors’ access to and/or use of the CFX Property and CFX Intellectual Property is without any warranty or representation by CFX regarding same.

For all materials listed hereinabove that are not generated or developed under this Contract or performance hereof, but rather are brought in, provided, or installed by CONTRACTOR (collectively, the “CONTRACTOR Property”), and the intellectual property rights associated therewith (collectively, the “CONTRACTOR Intellectual Property”), CONTRACTOR (its employees, officers, agents, and subcontractors, which for purposes of this section shall collectively be referred to as “CONTRACTOR”) warrants and represents the following:

12.1 CONTRACTOR was and is the sole owner of all right, title and interest in and to all CONTRACTOR Property and CONTRACTOR Intellectual Property; OR

12.2 CONTRACTOR has obtained, and was and is the sole holder of one or more freely assignable, transferable, non-exclusive licenses in and to the CONTRACTOR Property and CONTRACTOR Intellectual Property, as necessary to provide and install the CONTRACTOR Property and/or to assign or grant corresponding to CFX all licenses necessary for the full performance of this Contract; and that the CONTRACTOR is current and will remain current on all royalty payments due and payable under any license where CONTRACTOR is licensee; AND

12.3 CONTRACTOR has not conveyed, and will not convey, any assignment, security interest, exclusive license, or other right, title, or interest that would interfere in any way with the CFX’s use of the CONTRACTOR Property or any license granted to CFX for use of the CONTRACTOR Intellectual Property rights; AND

12.4 Subject to Chapter 119, Florida Statutes (Florida Public Records Act), CONTRACTOR shall maintain the CFX Property and CFX Intellectual Property in strictest confidence and may not transfer, disclose, duplicate, or otherwise use the CFX Property or CFX Intellectual Property in any way, other than in performance of its services under the terms of this Contract, without the prior written consent of CFX, which may be granted or denied in the CFX's sole discretion. CONTRACTOR shall not publish, copyright, trademark, service mark, patent, or claim trade secret, publicity, or other rights of any kind in any of the Property. In ensuring the confidentiality and security of the CFX Property and CFX Intellectual Property, CONTRACTOR shall utilize the same standards of protection and confidentiality that CONTRACTOR uses to protect its own property and confidential information, but in no instance less than reasonable care plus the standards set forth anywhere in this Contract.

CONTRACTOR further warrants and represents that there are no pending, threatened, or anticipated Claims against CONTRACTOR, its employees, officers, agents, or subcontractors with respect to the CONTRACTOR Property or CONTRACTOR Intellectual Property.

The provisions of this Section shall survive the term of this Contract for the longer of:

12.5 The statute of limitations on any action arising out of either party's conduct relating to this section, whether such action may be brought by CFX, CONTRACTOR, or a third party; or

12.6 CFX's continued use (notwithstanding any temporary suspension of use) of any CONTRACTOR Property or CONTRACTOR Intellectual Property; **and**

12.7 Notwithstanding sections 12.5 and 12.6, the confidentiality and security provisions contained herein shall survive the term of this Contract for ten (10) years beyond 12.5 and 12.6.

### **13. CUSTOM SOFTWARE OWNERSHIP AND LICENSING**

All custom software provided under this agreement, as the term "custom software" is defined in Volume VI, Appendix "A", including documentation, executable code and source code, will be owned by CFX or licensed to CFX as stated below.

#### **13.1 Custom Software Ownership**

The CONTRACTOR shall provide to CFX a license for all custom software and any related software including any product upgrades for the life of the system. The CONTRACTOR or its subcontractor(s) shall grant CFX a non-exclusive, no cost, royalty free, perpetual license for unlimited CFX use of the custom software and documentation including executable code and source code. Such license shall extend to any CFX owned or operated facility. All such software will remain the property of the CONTRACTOR or its subcontractor(s) and all title and rights will remain with the CONTRACTOR or its subcontractor(s) subject to CFX's license. Said license of the CONTRACTOR or its subcontractor(s) shall grant CFX or any third party under contract with CFX the right to modify or change any software (source and executable code) in performance of maintenance and enhancement functions. Any modification of the source code by CFX, its agents, or third party contractors shall nullify and invalidate CONTRACTOR's software warranty for that particular piece of software.

If CFX decides to release licensed custom software during the term of this Contract to any firm specializing in software integration for toll collection systems, it shall provide the CONTRACTOR with sufficient notification to allow the CONTRACTOR to facilitate the execution of a non-disclosure agreement between the owner and the receiving party. CFX shall not release the software and/or source code until the non-disclosure agreement is fully executed. The owner of the software shall act within a reasonable time and fashion to execute the non-disclosure agreement with the receiving party, but in no event shall the owner execution exceed 30 calendar days from owner receipt of non-disclosure agreement signed by the recipient; otherwise the owner waives its right to such non-disclosure agreement. The CONTRACTOR shall include such provision in all CONTRACTOR software subcontracts where CFX will be licensed custom software. The CONTRACTOR and CFX will utilize mutually agreed upon non-disclosure forms. Such non-disclosure agreement shall not be required beyond the term of this Contract.

**14. PERMITS, LICENSES, ETC.**

Throughout the Term of the Contract, the CONTRACTOR shall, unless otherwise specified, procure and maintain, at its sole expense, all permits and licenses that may be required in connection with the performance of Services by CONTRACTOR; shall pay all charges, fees, royalties, and taxes; and shall give all notices necessary and incidental to the due and lawful prosecution of the Services. Copies of required permits and licenses shall be furnished to CFX upon request.

**15. CONFLICT OF INTEREST AND STANDARDS OF CONDUCT**

CONTRACTOR warrants that it has not employed or retained any entity or person, other than a bona fide employee working solely for the CONTRACTOR, to solicit or secure this Contract, and that CONTRACTOR has not paid or agreed to pay any person, company, corporation, individual or firm any fee, commission, percentage, gift or any other consideration, contingent upon or resulting from the award or making of this Contract. It is understood and agreed that the term "fee" shall also include brokerage fee, however denoted.

CONTRACTOR acknowledges that CFX officials and employees are prohibited from soliciting and accepting funds or gifts from any person who has, maintains, or seeks business relations with the CFX in accordance with the CFX's Ethics Policy. CONTRACTOR acknowledges that it has read the Ethics Policy and, to the extent applicable, CONTRACTOR will comply with the aforesaid Ethics Policy in connection with performance of the Contract.

In the performance of the Contract, CONTRACTOR shall comply with all applicable local, state, and federal laws and regulations and obtain all permits necessary to provide the Contract services.

CONTRACTOR covenants and agrees that it and its employees, officers, agents, and subcontractors shall be bound by the standards of conduct provided in Florida Statutes 112.313 as

it relates to work performed under this Contract, which standards will be reference be made a part of this Contract as though set forth in full.

**16. NONDISCRIMINATION**

CONTRACTOR, its employees, officers, agents, and subcontractors shall not discriminate on the grounds of race, color, religion, sex, national origin, or other protected class, in the performance of work or selection of personnel under this Contract.

**17. NOTIFICATION of CONVICTION of CRIMES**

CONTRACTOR shall notify the CFX if any of CONTRACTOR's Key Personnel shall be convicted of any crime, whether state or federal, or felony or misdemeanor of any degree. Such notification shall be made no later than thirty (30) days after the conviction, regardless of whether such conviction is appealed.

**18. SUBLETTING AND ASSIGNMENT**

CFX has selected CONTRACTOR to perform the Services based upon, among other considerations, characteristics and qualifications of CONTRACTOR and its employees. Therefore, CONTRACTOR shall not sublet, sell, transfer, assign, delegate, subcontract, or otherwise dispose of this Contract or any portion thereof, or of the CONTRACTOR's right, title, or interest therein without the written consent of the CFX, which may be withheld in the CFX's sole and absolute discretion. Any attempt by CONTRACTOR to dispose of this Contract as described above, in part or in whole, without CFX's written consent shall be null and void and shall, at CFX's option, constitute a default under the Contract. Notwithstanding the foregoing:

18.1 CONTRACTOR may assign its rights to receive payment under this Agreement with CFX's prior written consent, which consent shall not be unreasonably withheld. CFX may assign all or any portion of its rights under this Agreement without consent of or advance notice to CONTRACTOR; and

18.2 Subject to the right of CFX to review and approve or disapprove subcontracts, and subject to the compliance by CONTRACTOR with the provisions of this Contract with regard to Key Personnel, CONTRACTOR shall be entitled to subcontract some of the services hereunder to other entities, provided that all subcontracts:

- (i) shall name CFX as a third party beneficiary and provide that the subcontract is assignable to the CFX (or its successor in interest under the terms of this Contract) without the prior approval of the parties thereto, and that the assignment thereof shall be effective upon receipt by the subcontractor of written notice of the assignment from the CFX. Upon such event, the CFX shall be deemed to assume all rights and obligations of the CONTRACTOR under the subcontract, but only to the extent such rights and obligations accrue from and after the date of the assignment. Without limitation, all warranties and representations of subcontractor shall inure to the benefit of CFX, and

(ii) shall require the subcontractor to comply with all laws and the SOP Manual, as all may be revised, modified and supplemented from time to time, and must require the subcontractor to carry forms and amounts of insurance satisfactory to the CFX in its sole discretion, and shall provide CFX with certificates of insurance upon request. The CFX shall be listed as an additional insured on all such insurance policies, and copies of correct insurance certificates and policies shall be delivered to the CFX upon request, and

(iii) shall require the subcontractor to join in any dispute resolution proceeding upon request of CFX, and

(iv) shall include the same or similar terms as are included in this Contract with respect to subcontractors, providing the CFX with equal or greater protections than herein.

If, during the Term of the Contract, CONTRACTOR desires to subcontract any portion(s) of the work to a subcontractor that was not disclosed by the CONTRACTOR to the CFX at the time that the Contract was originally awarded, and such subcontract would, standing alone or aggregated with prior subcontracts awarded to the proposed subcontractor, equal or exceed twenty five thousand dollars (\$25,000.00), the CONTRACTOR shall first submit a request to the CFX's Director of Procurement requesting approval to enter into such subcontract. Except in the case of an emergency, as determined by the Executive Director or his/her designee, no such subcontract shall be executed by the CONTRACTOR until it has been approved by the CFX Board. In the event of a designated emergency, the CONTRACTOR may enter into such a subcontract with the prior written approval of the Executive Director or his/her designee, but such subcontract shall contain a provision that provides that it shall be automatically terminated if not approved by the CFX Board at its next regularly scheduled meeting.

## 19. DAMAGES

CFX and the CONTRACTOR recognize that time is an essential element of the Contract, and that such conditions including without limitation: delay in completing the work on time; failure of the System to perform with the required functionality or at required service levels; and/or failure to provide the required level of service for Contract activities such as System Maintenance; will result in damages due to public inconvenience, obstruction to traffic, interference with business, loss of revenues, and increasing of inspection and administrative costs to CFX.

### 19.1 Liquidated Damages

It is therefore agreed that in view of the difficulty of making a precise determination of actual damages, a sum of money in the amount stipulated in Appendix E of Volume VI, will be charged against the CONTRACTOR for failure to perform within the time required, not as penalty, but as liquidated damages.

### 19.2 Assessment and Collection of Damages

(i) The Contractor's delay in completing the work in accordance with the baseline schedule and subsequent revisions shall result in a damage to CFX. These damages

will be assessed as Liquidated Damages as indicated herein. The assessment for each applicable milestone, phase or plaza group implementation shall be one thousand dollars (\$1,000.00) per calendar day for each day of delay beyond the scheduled date of completion. Assessment of and collection of payment for such Liquidated Damages will occur upon completion of work the milestone, phase, or plaza group for which the Liquidated Damages occur. Liquidated Damages shall apply to the following completion dates for milestones, phases and plaza groups as provided in the baseline schedule:

- a. Failure to meet the schedule date for Milestone 7 – Completion of the System Initial End-to-End Test (SIETET).
- b. Failure to meet the scheduled dates for completion of the Plaza Acceptance Test by individual Plaza group (subset of Milestone 8)
  - (ii) Assessment and collection of liquidated damages for failure to meet service level requirements shall occur at the completion of each invoice period (generally monthly).
  - (iii) Assessment and collection of actual damages such as for loss of revenues, etc. shall occur at the completion of each invoice period (generally monthly).
  - (iv) CFX shall have the right to apply as payment on such liquidated or actual damages any money that is due to the CONTRACTOR by CFX.
  - (v) CFX does not waive its right to liquidated or actual damages due under the Contract by allowing the CONTRACTOR to continue and to finish the work, or any part of it, after the expiration of the contract time for a phase including granted time extensions. CFX considers a phase complete when the CONTRACTOR has completed all work and CFX has accepted the work.
  - (vi) CFX reserves the right to delay assessment of liquidated and/or actual damages or waive damages in whole or in part at any time if CFX determines such waiver is in its best interest. Any such waiver is at CFX's sole discretion.
  - (vii) CFX reserves the right to assess and collect actual damages as a result of poor workmanship or failure of the CONTRACTOR to follow manufacturer's instructions relating to any supplied installed product. This provision includes but is not limited to the Point of Sale (POS) equipment in the event of a compromise that results in damages and fines to CFX which is attributable to the device not being installed, operated or maintained in accordance with the manufacturer's instructions.

19.3 Schedule of Liquidated Damages – The amounts and descriptions of various warrants for Liquidated Damages are provided throughout the Contract documents, particularly in Volume III, Statement of Work; Volume IV, System Requirements; and in Volume VI, Appendix E, Performance Measures and Service Levels.

19.4 Not used

19.5 Permitting CONTRACTOR to Finish Work – Permitting the CONTRACTOR to continue and to finish the work, or any part of it, after the expiration of the contract time allowed for a phase, including extensions of time granted to the CONTRACTOR, shall in no way act as a waiver on the part of CFX of the damages due under the Contract.

19.6 Completion of Work by CFX – In case of default of the Contract and the completion of the work by CFX, the CONTRACTOR and the CONTRACTOR's Surety shall be liable for the damages under the contract, but no shall be chargeable for any delay in the final completion of the work by CFX due to any unreasonable action or delay on the part of CFX.

19.7 Reduction in Payment for Liquidated or Actual Damages – Liquidated or actual damages for days of delay will be charged against the payment(s) due the CONTRACTOR for a Phase before the balance thereof is released and paid to the CONTRACTOR. In the event the balance due the CONTRACTOR for a Phase is insufficient to offset the liquidated damages due CFX, CFX shall have the right of offset against other payments due the CONTRACTOR under other phases of work. When neither offset provision remedies the damages amount due CFX, damages are due CFX upon demand.

19.8 Contract Cap on Liquidated Damages related to Appendix E of Volume VI, – An overall Contract cap to Liquidated Damages will apply for the duration of this Contract related to the requirements stipulated in Appendix E of Volume VI. After the first month of operations, Liquidated Damages, if any, are capped at a maximum of fifteen percent (15%) of the monthly Contract's invoice. After the second month of operations, Liquidated Damages, if any, are capped at a maximum of thirty percent (30%) of the monthly Contract's invoice. After the third month of operations, Liquidated Damages, if any, are capped at a maximum of forty-five percent (45%) of the monthly Contract's invoice. After the fourth month of operations, Liquidated Damages, if any, are capped at a maximum of sixty percent (60%) of the monthly Contract's invoice. After the fifth month of operations, Liquidated Damages, if any, are capped at a maximum of seventy-five percent (75%) of the monthly Contractor's invoice. After the sixth month of operations and thereafter, Liquidated Damages, if any, are capped at a maximum of ninety percent (90%) of the monthly Contractor's invoice.

19.9 Contract Cap on Actual Damages – The Contract cap to Actual Damages is divided into two phases as follows:

(i) Prior to Final System Acceptance

- 1) Cap for toll revenue losses is capped at the amount of the lost toll revenue due to any issue that results in a loss of revenues. (Note: for current toll revenue and traffic information, refer to CFX's monthly statistical report which can be found on CFX's website:



<https://www.cfxway.com/CorporateInformation/FinancialReports&Statistics/StatisticalReports.aspx>

- 2) Cap for non-toll revenue losses is capped at five million dollars (\$5,000,000.00).  
(ii) After Final System Acceptance  
The cap is ten million dollars (\$10,000,000.00).

19.10 At its sole discretion, CFX may waive Liquidated Damages and assess the Contractor Actual Damages to recover revenue loss due to system malfunctioning and the costs associated with researching such system malfunctioning, which may include but not limited to labor costs, consultant costs, and any other miscellaneous costs.

## 20. DISPUTES

All services shall be performed by the CONTRACTOR to the reasonable satisfaction of the CFX's Executive Director (or his/her delegate), who shall decide all questions, difficulties and disputes of any nature whatsoever that may arise under or by reason of this Contract, the prosecution and fulfillment of the services described and the character, quality, amount and value thereof. The Executive Director's decision upon all claims, questions and disputes shall be final agency action. Adjustments of compensation and Contract time, because of any major changes in the work that may become necessary or desirable as the work progresses shall be left to the absolute discretion of the Executive Director (and the CFX Board if amendments are required) and supplemental agreement(s) of such nature as required may be entered into by the parties in accordance herewith.

## 21. REMEDIES

In addition to any remedies otherwise available to the CFX under law, upon an uncured default the CFX shall have the right to appropriate or use any or all materials and equipment on the sites where work is or was occurring, and may enter into agreements with others for the completion of the work under the Contract, or may use other methods which in the opinion of the CFX are required for Contract completion. All costs and charges incurred by the CFX because of or related to the CONTRACTOR's default including, but not limited to, the costs of completing Contract performance shall be charged against the CONTRACTOR. If the expense of Contract completion exceeds the remaining sum which would have been payable under the balance of the Contract, CONTRACTOR shall be liable to the CFX for the difference. On a Contract terminated for default, in no event shall the CFX have any liability to the CONTRACTOR for expenses or profits related to unfinished work, or for CFX's use of any CONTRACTOR materials or equipment on the work sites, including without limitation the CONTRACTOR Property and CONTRACTOR Intellectual Property.

## 22. PREVAILING PARTY ATTORNEY'S FEES

If any contested claim arises hereunder or relating to the Contract (or CONTRACTOR's work hereunder), and either party engages legal counsel, the prevailing party in such dispute, as "prevailing party" is hereinafter defined, shall be entitled to recover reasonable attorneys' fees and costs as defined herein, from the non-prevailing party.

In order for CONTRACTOR to be the prevailing party, CONTRACTOR must receive an adjusted judgment or adjusted award equal to at least eighty percent (80%) of its contested claims filed with CFX, failing which CFX will be deemed the prevailing party for purposes of this Contract.

For purposes of determining whether the judgment of award is eighty percent (80%) or more of the contested claims, “adjusted award” or “adjusted judgment” shall mean the amount designated in the award or final judgment as compensation to CONTRACTOR for its claims (exclusive of interest, cost or expenses), less: (i) any amount awarded to CFX (exclusive of interest, costs or expenses) on claims asserted by CFX against CONTRACTOR in connection with the Contract, and (ii) any amount offered in settlement prior to initiation of CONTRACTOR litigation (exclusive of interest, cost or expense), which for purposes of enforcing this section only shall be admissible into evidence.

The term “contested claim” or “claims” shall include “Claims” as defined in Section 9, as well as the initial written claim (s) submitted to CFX by CONTRACTOR (disputed by CFX) which have not otherwise been resolved through ordinary close-out procedures of the Contract prior to the initiation of litigation. CONTRACTOR claims or portions thereof, which CFX agrees or offers to pay prior to initiation of litigation, shall not be deemed contested claims for purposes of this provision. If CONTRACTOR submits a modified, amended or substituted claim after its original claim and such modified, amended or substituted claim(s) is for an amount greater than the prior claim(s), the higher amount shall be the claim(s) for purposes of determining whether the award is at least eighty percent (80%) of CONTRACTOR’s claim(s).

Attorneys’ fees and costs awarded to the prevailing party shall mean reasonable fees and costs incurred in connection with and measured from the date a claim is initially submitted to CFX through and including trial, appeal and collection. In the circumstance where an original claim is subsequently modified, amended or a substituted claim is filed therefore, fees and costs shall accrue from the date of the first written claim submitted, regardless of whether the original or subsequent claim amount is ultimately used in determining if the judgment or award is at least eighty percent (80%) of the cumulative claims.

“Attorneys’ fees” shall include but not be limited to fees and charges of attorneys, paralegals, legal assistants, attorneys’ CONTRACTOR’s, expert witnesses, court reporters, photocopying, telephone charges, travel expenses, or any other charges, fees, or expenses incurred through use of legal counsel, whether or not such fees are provided by statute or contained in State-Wide guidelines, and shall apply to any pretrial fees (whether or not an action is filed), trial, appeal, collection, bankruptcy, arbitration, mediation, or administrative proceedings arising out of this Contract.

“Costs” shall include but not be limited to any filing fees, application fees, expert witnesses’ fees, court reporters’ fees, photocopying costs, telephone charges, travel expenses, or any other charges, fees, or expenses incurred whether or not legal counsel is retained, whether or not such costs are provided by statute or contained in State-Wide guidelines, and shall apply to any pretrial costs (whether or not an action is filed), trial, appeal, collection, bankruptcy, arbitration, mediation or administrative proceeding arising out of this Contract.

As a condition precedent to filing a claim with any legal or administrative tribunal, CONTRACTOR shall have first submitted its claim (together with supporting documentation) to CFX, and CFX shall have had sixty (60) days thereafter within which to respond thereto.

The purpose of this provision is to discourage frivolous or overstated claims and, as a result thereof, CFX and CONTRACTOR agree that neither party shall avail itself of Section 768.79, Florida Statutes, or any other like statute or rule involving offers of settlement or offers of judgment, it being understood and agreed that the purpose of such statute or rule are being served by this provision.

Should this section be judged void, unenforceable or illegal, in whole or in substantial part, by a court of competent jurisdiction, this section shall be void in its entirety and each party shall bear its own attorneys' fees and costs.

### **23. OTHER SEVERABILITY**

If any section of this Contract, other than the immediately preceding Prevailing Party Attorneys' Fees section, be judged void, unenforceable or illegal, then the illegal provision shall be, if at all possible, interpreted or re-drafted into a valid, enforceable, legal provision as close to the parties' original intention, and the remaining portions of the Contract shall remain in full force and effect and shall be enforced and interpreted as closely as possible to the parties' intention for the whole of the Contract.

### **24. GOVERNING LAW**

This Contract shall be governed by and construed in accordance with the laws of Florida. Venue of any legal or administrative proceedings arising out of this Contract shall be exclusively in Orange County, Florida.

### **25. RELATIONSHIPS**

CONTRACTOR acknowledges that no employment relationship exists between AUTHORITY and CONTRACTOR or CONTRACTOR's employees. CONTRACTOR shall be responsible for all direction and control of its employees and payment of all wages and salaries and other amounts due its employees. CONTRACTOR shall be responsible for all reports and obligations respecting such employees, including without limitation social security tax and income tax withholding, unemployment compensation, workers compensation, and employment benefits.

CONTRACTOR shall conduct no act or omission that would lead CONTRACTOR's employees or any legal tribunal or regulatory agency to believe or conclude that CONTRACTOR's employees would be employees of the CFX.

Any approval by CFX of a subcontract or other matter herein requiring CFX approval for its occurrence shall not be deemed a warranty or endorsement of any kind by CFX of such subcontract, subcontractor, or matter.

## 26. INTERPRETATION

For purposes of this Contract, the singular shall include the plural, and the plural shall include the singular, unless the context clearly requires otherwise. Except for reference to women's business enterprises and matters relating thereto, reference to one gender shall include all genders. Reference to statutes or regulations include all statutory or regulatory provisions consolidating, amending, or replacing the stated statute or regulation. Words not otherwise defined and that have well-known technical, industry, or legal meanings, are used in accordance with such recognized meanings, in the order stated. References to persons include their respective permitted successors and assigns and, in the case of governmental persons, persons succeeding to their respective functions and capacities. If CONTRACTOR discovers any material discrepancy, deficiency, or ambiguity in this Contract, or is otherwise in doubt as to the meaning of any provision of the Contract, CONTRACTOR may immediately notify CFX and request clarification of CFX's interpretation of the Contract. The Contract Documents, together with and including all exhibits, comprise the entire agreement of the parties and supersedes and nullifies all prior and contemporaneous negotiations, representations, understandings, and agreements, whether written or oral, with respect to the subject matter hereof.

## 27. WAGE RATES AND TRUTH-IN-NEGOTIATIONS CERTIFICATE

The CONTRACTOR hereby certifies, covenants and warrants that wage rates and other factual unit costs as shown in attached documentation supporting the compensation are accurate, complete and current as of the date of this Contract. It is further agreed that said price shall be adjusted to exclude any significant sums where the CFX shall determine the price was increased due to inaccurate, incomplete or non-current wage rates and other factual unit costs. All such adjustments shall be made within one year following the date of final billing or acceptance of the work by the CFX, whichever is later.

## 28. SURVIVAL OF EXPIRATION OR TERMINATION

Any clause, sentence, paragraph, or section providing for, discussing, or relating to any of the following shall survive the expiration or earlier termination of the Contract:

28.1 Trademarks, service marks, patents, trade secrets, copyrights, publicity, or other intellectual property rights, and terms relating to the ownership, security, protection, or confidentiality thereof; and

28.2 Payment to CONTRACTOR for satisfactory work performed or for termination expenses, if applicable; and

28.3 Prohibition on non-competition agreements of CONTRACTOR's employees with respect to any successor of CONTRACTOR; and

28.4 Obligations upon expiration or termination of the Contract, as set forth in Section 27; and

28.5 Any other term or terms of this Contract which by their nature or context necessarily survive the expiration or earlier termination of the Contract for their fulfillment.

**29. OBLIGATIONS UPON EXPIRATION OR TERMINATION OF CONTRACT**

29.1 Immediately upon expiration or termination of this Contract: CONTRACTOR shall submit to CFX a report containing the last known contact information for each subcontractor or employee of CONTRACTOR who performed work under the Contract; and

29.2 CONTRACTOR shall initiate settlement of all outstanding liabilities and claims arising out of the Contract and any subcontracts or vending agreements to be canceled. All settlements shall be subject to the approval of CFX.

IN WITNESS WHEREOF, the authorized signatures named below have executed this Contract on behalf of the parties as of the day and year first above written. This Contract was awarded by the CFX's Board of Directors at its meeting on May 14, 2015.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

By: *Claude Miller*  
Director of Procurement

Print Name: Claude Miller

TRANSCORE LP.

By: *Tracy Marks*

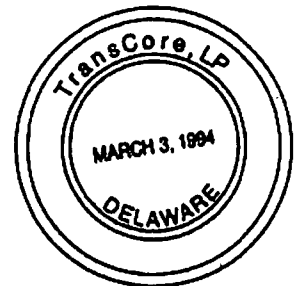
Print Name: Tracy Marks

Title: President

ATTEST: *Motta* (Seal)

Approved as to form and execution, only.

*Joseph H. Hainstre*  
General Counsel for the CFX



**E.1.**

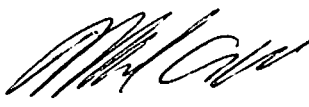
**Treasurer's Report**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: Michael Carlisle, Director of Accounting and Finance

DATE: December 16, 2016 

RE: November 2016 Financial Reports

Attached please find the November 2016 Financial Reports. Please feel free to contact me if you have any questions or comments with regard to any of these reports.



**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
CALCULATION OF NET REVENUES AS DEFINED BY THE BOND RESOLUTIONS  
AND RELATED DOCUMENTS  
FOR THE MONTH ENDING NOVEMBER 30, 2016 AND YEAR-TO-DATE**

	<u>FY 17 MONTH ACTUAL</u>	<u>FY 17 MONTH BUDGET</u>	<u>FY 17 YEAR-TO-DATE ACTUAL</u>	<u>FY 17 YEAR-TO-DATE BUDGET</u>	<u>FY 17 YEAR-TO-DATE VARIANCE</u>	<u>FY 17 YEAR-TO-DATE % VARIANCE</u>	<u>FY 16 - 17 YEAR-TO-DATE COMPARISON</u>
<b>REVENUES</b>							
TOLLS	\$ 32,768,857	\$ 30,267,255	\$ 159,389,834	\$ 152,175,416	\$ 7,214,418	4.7%	7.1%
TOLLS COLLECTED VIA UTN'S AND PBP'S	1,528,295	908,852	7,244,465	4,382,045	2,862,420	65.3%	38.2%
FEES COLLECTED VIA UTN/UTC'S AND PBP'S	501,449	491,180	2,322,198	2,179,826	142,373	6.5%	-8.4%
TRANSPONDER SALES	18,220	40,731	87,770	203,653	(115,883)	-56.9%	303.9%
OTHER OPERATING	104,444	123,780	482,062	501,732	(19,670)	-3.9%	-9.2%
INTEREST	272,630	196,146	1,962,361	1,276,061	686,300	53.8%	70.9%
MISCELLANEOUS	84,879	82,624	436,631	425,689	10,942	2.6%	-11.3%
<b>TOTAL REVENUES</b>	<b>35,276,773</b>	<b>32,110,578</b>	<b>171,925,322</b>	<b>161,144,422</b>	<b>10,780,900</b>	<b>6.7%</b>	<b>8.3%</b>
<b>O M &amp; A EXPENSES</b>							
OPERATIONS	3,292,849	3,758,163	14,488,218	16,061,702	1,573,484	9.8%	-1.0%
MAINTENANCE	1,285,300	1,105,213	3,421,261	4,602,413	1,181,151	25.7%	3.5%
ADMINISTRATION	514,365	660,956	2,511,522	2,845,788	334,266	11.7%	1.3%
OTHER OPERATING	112,060	190,643	942,293	1,239,179	296,885	24.0%	10.1%
<b>TOTAL O M &amp; A EXPENSES</b>	<b>5,204,573</b>	<b>5,714,975</b>	<b>21,363,295</b>	<b>24,749,082</b>	<b>3,385,787</b>	<b>13.7%</b>	<b>0.4%</b>
<b>NET REVENUES BEFORE DEBT SERVICE</b>	<b>30,072,200</b>	<b>26,395,602</b>	<b>150,562,028</b>	<b>136,395,340</b>	<b>14,166,687</b>	<b>10.4%</b>	<b>9.5%</b>
<b>COMBINED NET DEBT SERVICE</b>	<b>14,245,956</b>	<b>14,392,730</b>	<b>71,499,015</b>	<b>71,987,086</b>	<b>488,071</b>	<b>0.7%</b>	<b>20.5%</b>
<b>NET REVENUES AFTER DEBT SERVICE</b>	<b><u>\$ 15,826,244</u></b>	<b><u>\$ 12,002,872</u></b>	<b><u>\$ 79,063,012</u></b>	<b><u>\$ 64,408,254</u></b>	<b><u>\$ 14,654,759</u></b>	<b><u>22.8%</u></b>	<b><u>1.1%</u></b>

The monthly Treasurer's Report is provided as interim information for management's use. It is prepared on a modified cash basis and has not been audited, nor should it be deemed final. For audited financial statements, please see CFX's Comprehensive Annual Financial Reports.

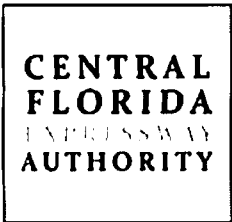
**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
SUMMARY OF OPERATIONS, MAINTENANCE AND ADMINISTRATION  
COMPARISON OF ACTUAL TO BUDGET FOR FISCAL YEAR 2017  
FOR THE MONTH ENDING NOVEMBER 30, 2016 AND YEAR-TO-DATE**

	<u>FY 2017 ACTUAL</u>	<u>FY 2017 BUDGET</u>	<u>VARIANCE</u>	<u>FY 17 YEAR-TO-DATE % VARIANCE</u>
Operations	\$ 14,488,218	\$ 16,061,702	\$ 1,573,484	9.8%
Maintenance	3,421,261	4,602,413	1,181,151	25.7%
Administration	2,511,522	2,845,788	334,266	11.7%
Other Operating	<u>942,293</u>	<u>1,239,179</u>	<u>296,885</u>	<u>24.0%</u>
Total O M & A	\$ 21,363,295	\$ 24,749,082	\$ 3,385,787	13.7%
 <b>Capital Expenditures</b>				
Operations	\$ 8,520	\$ 113,855	105,335	92.5%
Maintenance	19,750	2,083	(17,666)	-848.0%
Administration	<u>25,997</u>	<u>32,292</u>	<u>6,295</u>	<u>19.5%</u>
Total Capital Expenditures	\$ 54,267	\$ 148,230	\$ 93,963	63.4%

The monthly Treasurer's Report is provided as interim information for management's use. It is prepared on a modified cash basis and has not been audited, nor should it be deemed final. For audited financial statements, please see CFX's Comprehensive Annual Financial Reports.

**Central Florida Expressway Authority  
Operations - Comparison of Actual to Budget  
For the Five Months Ending November 30, 2016**

	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Budget Variance</u>	<u>Variance Percentage</u>
Toll Operations	192,556	219,037	26,481	12.09%
Image Review	1,447,932	1,592,825	144,893	9.10%
Special Projects	64,356	79,163	14,806	18.70%
Information Technology	1,099,510	1,395,146	295,636	21.19%
E-PASS Service Center	4,320,144	4,870,020	549,876	11.29%
Public Outreach/Education	720,135	536,741	(183,393)	-34.17%
<b>Subtotal CFX</b>	<b><u>7,844,633</u></b>	<b><u>8,692,931</u></b>	<b><u>848,299</u></b>	<b><u>9.76%</u></b>
<b>TOLL FACILITIES</b>				
<b>Beachline Expressway (SR 528)</b>				
Beachline Plaza	507,637	595,929	88,292	14.82%
Airport Plaza	0	0	0	0.00%
Dallas Plaza	433,365	472,902	39,536	8.36%
<b>East-West Expressway (SR 408)</b>				
Dean Plaza	461,412	525,299	63,887	12.16%
Conway Main Plaza	837,481	872,389	34,908	4.00%
Pine Hills Plaza	560,685	635,043	74,358	11.71%
Hiawassee Plaza	471,705	542,884	71,178	13.11%
<b>Western Expressway (SR 429)</b>				
Independence Plaza	461,586	527,228	65,643	12.45%
Forest Lake Plaza	461,859	559,411	97,552	17.44%
Ponkan Plaza	0	0	0	0.00%
<b>Greenway Expressway (SR 417)</b>				
University Plaza	457,360	534,625	77,266	14.45%
Curry Ford Plaza	445,779	511,803	66,024	12.90%
Boggy Creek Plaza	558,547	595,138	36,590	6.15%
John Young Plaza	515,912	555,897	39,985	7.19%
<b>John Land Apopka (SR 414)</b>				
Coral Hills Plaza	478,778	554,078	75,300	13.59%
<b>Subtotal Toll Facilities</b>	<b><u>6,652,105</u></b>	<b><u>7,482,626</u></b>	<b><u>830,520</u></b>	<b><u>11.10%</u></b>
<b>Total Operations Expenses</b>	<b><u><u>14,496,738</u></u></b>	<b><u><u>16,175,557</u></u></b>	<b><u><u>1,678,819</u></u></b>	<b><u><u>10.38%</u></u></b>



**Central Florida Expressway Authority  
Maintenance - Comparison of Actual to Budget  
For the Five Months Ending November 30, 2016**

	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Budget Variance</u>	<u>Variance Percentage</u>
Maintenance Administration	585,682	735,143	149,461	20.33%
Expressway Operations	1,011,049	1,332,432	321,383	24.12%
Routine Maintenance	1,844,280	2,536,921	692,641	27.30%
FDOT Services	0	0	0	0.00%
<b>Total Maintenance Expenses</b>	<u><u>3,441,011</u></u>	<u><u>4,604,496</u></u>	<u><u>1,163,485</u></u>	<u><u>25.27%</u></u>



**Central Florida Expressway Authority  
Administration - Actual to Budget by Cost Center  
For the Five Months Ending November 30, 2016**

	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Budget Variance</u>	<u>Variance Percentage</u>
General	234,661	248,520	13,859	5.58%
Administrative Services	827,431	873,416	45,985	5.26%
Communications	209,538	248,890	39,352	15.81%
Human Resources	58,640	108,474	49,834	45.94%
Supplier Diversity	74,402	74,810	408	0.55%
Accounting	497,378	595,819	98,441	16.52%
Records Management	101,577	107,843	6,266	5.81%
Construction Administration	23,666	39,498	15,832	40.08%
Procurement	170,646	195,695	25,049	12.80%
Legal	215,025	300,197	85,172	28.37%
Internal Audit	92,925	50,648	(42,277)	-83.47%
525 Magnolia	10,054	10,899	844	7.75%
Plans Production	21,577	23,370	1,793	7.67%
<b>Grand Total Expenses</b>	<u><u>2,537,519</u></u>	<u><u>2,878,080</u></u>	<u><u>340,561</u></u>	<u><u>11.83%</u></u>

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
CALCULATION OF NET REVENUES AS DEFINED BY THE BOND RESOLUTIONS  
PREVIOUS YEAR BUDGET TO ACTUAL COMPARISON  
FOR THE MONTH ENDING NOVEMBER 30, 2016 AND YEAR-TO-DATE**

	FY 17 YEAR-TO-DATE ACTUAL	FY 17 YEAR-TO-DATE BUDGET	FY 17 YEAR-TO-DATE VARIANCE	FY 16 YEAR-TO-DATE ACTUAL	FY 16 YEAR-TO-DATE BUDGET	FY 16 YEAR-TO-DATE VARIANCE	YEAR-TO-DATE VARIANCE COMPARISON
<b>REVENUES</b>							
TOLLS	\$ 159,389,834	\$ 152,175,416	\$ 7,214,418	\$ 148,841,135	\$ 134,165,993	\$ 14,675,142	\$ (7,460,724)
TOLLS COLLECTED VIA UTN'S AND PBP'S	7,244,465	4,382,045	2,862,420	5,243,794	3,078,884	2,164,910	697,510
FEES COLLECTED VIA UTN/UTC'S AND PBP'S	2,322,198	2,179,826	142,373	2,535,128	1,817,910	717,218	(574,846)
TRANSPONDER SALES	87,770	203,653	(115,883)	21,733	27,155	(5,422)	(110,461)
OTHER OPERATING	482,062	501,732	(19,670)	530,820	782,603	(251,783)	232,113
INTEREST	1,962,361	1,276,061	686,300	1,148,049	809,432	338,617	347,683
MISCELLANEOUS	436,631	425,689	10,942	492,189	411,478	80,711	(69,769)
<b>TOTAL REVENUES</b>	<b>171,925,322</b>	<b>161,144,422</b>	<b>10,780,900</b>	<b>158,812,848</b>	<b>141,093,455</b>	<b>17,719,393</b>	<b>(6,938,493)</b>
<b>O M &amp; A EXPENSES</b>							
OPERATIONS	14,488,218	16,061,702	1,573,484	14,634,332	15,768,989	1,134,657	438,827
MAINTENANCE	3,421,261	4,602,413	1,181,151	3,304,571	5,106,916	1,802,345	(621,194)
ADMINISTRATION	2,511,522	2,845,788	334,266	2,479,428	2,708,391	228,963	105,303
OTHER OPERATING	942,293	1,239,179	296,885	855,678	891,910	36,232	260,653
<b>TOTAL O M &amp; A EXPENSES</b>	<b>21,363,295</b>	<b>24,749,082</b>	<b>3,385,787</b>	<b>21,274,009</b>	<b>24,476,206</b>	<b>3,202,197</b>	<b>183,590</b>
<b>NET REVENUES BEFORE DEBT SERVICE</b>	<b>150,562,028</b>	<b>136,395,340</b>	<b>14,166,687</b>	<b>137,538,839</b>	<b>116,617,249</b>	<b>20,921,590</b>	<b>(6,754,903)</b>
<b>COMBINED NET DEBT SERVICE</b>	<b>71,499,015</b>	<b>71,987,086</b>	<b>488,071</b>	<b>59,348,770</b>	<b>59,516,433</b>	<b>(167,663)</b>	<b>655,734</b>
<b>NET REVENUES AFTER DEBT SERVICE</b>	<b>\$ 79,063,012</b>	<b>\$ 64,408,254</b>	<b>\$ 14,654,759</b>	<b>\$ 78,190,069</b>	<b>\$ 57,100,816</b>	<b>\$ 21,089,253</b>	<b>\$ (6,434,494)</b>

The monthly Treasurer's Report is provided as interim information for management's use. It is prepared on a modified cash basis and has not been audited, nor should it be deemed final. For audited financial statements, please see CFX's Comprehensive Annual Financial Reports.

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
CALCULATION OF NET REVENUES AS DEFINED BY THE BOND RESOLUTIONS  
PREVIOUS YEAR COMPARISON  
FOR THE MONTH ENDING NOVEMBER 30, 2016 AND YEAR-TO-DATE**

	FY 17 MONTH ACTUAL	FY 16 MONTH ACTUAL	FY 16 - 17 SAME MONTH COMPARISON	FY 17 YEAR-TO-DATE ACTUAL	FY 16 YEAR-TO-DATE ACTUAL	FY 16 - 17 YEAR-TO-DATE COMPARISON
<b>REVENUES</b>						
TOLLS	\$ 32,768,857	\$ 29,465,504	\$ 3,303,353	\$ 159,389,834	\$ 148,841,135	\$ 10,548,699
TOLLS COLLECTED VIA UTNS AND PBPS	1,526,295	1,087,581	438,714	7,244,465	5,243,794	2,000,671
FEES COLLECTED VIA UTMUTC'S AND PBPS	501,449	495,978	5,471	2,322,198	2,535,128	(212,930)
TRANSPONDER SALES	18,220	5,004	13,216	87,770	21,733	66,037
OTHER OPERATING	104,444	109,280	(4,836)	482,062	530,820	(48,758)
INTEREST	272,630	259,543	13,087	1,962,361	1,148,049	814,312
MISCELLANEOUS	84,879	79,928	4,951	436,631	492,189	(55,558)
<b>TOTAL REVENUES</b>	<b>35,276,773</b>	<b>31,502,818</b>	<b>3,773,955</b>	<b>171,925,322</b>	<b>158,812,848</b>	<b>13,112,474</b>
<b>O M &amp; A EXPENSES</b>						
OPERATIONS	3,292,849	3,376,648	(83,799)	14,488,218	14,634,332	(146,114)
MAINTENANCE	1,285,300	800,613	484,687	3,421,261	3,304,571	116,690
ADMINISTRATION	514,365	516,933	(2,569)	2,511,522	2,479,428	32,094
OTHER OPERATING	112,060	271,973	(159,913)	942,293	855,678	86,615
<b>TOTAL O M &amp; A EXPENSES</b>	<b>5,204,573</b>	<b>4,966,167</b>	<b>238,406</b>	<b>21,363,295</b>	<b>21,274,009</b>	<b>89,286</b>
<b>NET REVENUES BEFORE DEBT SERVICE</b>	<b>30,072,200</b>	<b>26,536,651</b>	<b>3,535,549</b>	<b>150,562,028</b>	<b>137,538,839</b>	<b>13,023,189</b>
<b>COMBINED NET DEBT SERVICE</b>	<b>14,245,956</b>	<b>11,587,583</b>	<b>2,658,373</b>	<b>71,499,015</b>	<b>59,348,770</b>	<b>12,150,245</b>
<b>NET REVENUES AFTER DEBT SERVICE</b>	<b><u>\$ 15,826,244</u></b>	<b><u>\$ 14,949,068</u></b>	<b><u>\$ 877,176</u></b>	<b><u>\$ 79,063,012</u></b>	<b><u>\$ 78,190,069</u></b>	<b><u>\$ 872,943</u></b>

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# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: Michael Carlisle, Director of Accounting and Finance

DATE: November 21, 2016 

RE: October 2016 Financial Reports

Attached please find the October 2016 Financial Reports. Please feel free to contact me if you have any questions or comments with regard to any of these reports.

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
CALCULATION OF NET REVENUES AS DEFINED BY THE BOND RESOLUTIONS  
AND RELATED DOCUMENTS  
FOR THE MONTH ENDING OCTOBER 31, 2016 AND YEAR-TO-DATE**

	<u>FY 17 MONTH ACTUAL</u>	<u>FY 17 MONTH BUDGET</u>	<u>FY 17 YEAR-TO-DATE ACTUAL</u>	<u>FY 17 YEAR-TO-DATE BUDGET</u>	<u>FY 17 YEAR-TO-DATE VARIANCE</u>	<u>FY 17 YEAR-TO-DATE % VARIANCE</u>	<u>FY 16 - 17 YEAR-TO-DATE COMPARISON</u>
<b>REVENUES</b>							
TOLLS	\$ 29,168,511	\$ 31,814,251	\$ 126,620,978	\$ 121,908,161	\$ 4,712,817	3.9%	6.1%
TOLLS COLLECTED VIA UTN'S AND PBP'S	1,446,896	1,004,123	5,718,170	3,473,193	2,244,977	64.6%	37.6%
FEES COLLECTED VIA UTN/UTC'S AND PBP'S	487,842	574,166	1,820,749	1,688,636	132,114	7.8%	-10.7%
TRANSPONDER SALES	17,028	40,731	69,551	162,922	(93,372)	-57.3%	315.7%
OTHER OPERATING	114,031	120,071	377,619	377,952	(334)	-0.1%	-10.4%
INTEREST	510,683	202,935	1,689,731	1,079,915	609,816	56.5%	90.2%
MISCELLANEOUS	81,167	82,624	351,752	343,065	8,687	2.5%	-14.7%
<b>TOTAL REVENUES</b>	<b>31,826,157</b>	<b>33,838,901</b>	<b>136,648,549</b>	<b>129,033,844</b>	<b>7,614,705</b>	<b>5.9%</b>	<b>7.3%</b>
<b>O M &amp; A EXPENSES</b>							
OPERATIONS	2,973,139	3,798,885	11,195,370	12,303,539	1,108,169	9.0%	-0.6%
MAINTENANCE	679,122	2,031,577	2,135,961	3,497,199	1,361,238	38.9%	-14.7%
ADMINISTRATION	594,101	553,351	1,997,158	2,184,833	187,675	8.6%	1.8%
OTHER OPERATING	217,550	190,643	830,234	1,048,536	218,302	20.8%	42.2%
<b>TOTAL O M &amp; A EXPENSES</b>	<b>4,463,912</b>	<b>6,574,456</b>	<b>16,158,722</b>	<b>19,034,107</b>	<b>2,875,385</b>	<b>15.1%</b>	<b>-0.9%</b>
<b>NET REVENUES BEFORE DEBT SERVICE</b>	<b>27,362,245</b>	<b>27,264,444</b>	<b>120,489,827</b>	<b>109,999,738</b>	<b>10,490,090</b>	<b>9.5%</b>	<b>8.5%</b>
<b>COMBINED NET DEBT SERVICE</b>	<b>14,306,694</b>	<b>14,400,217</b>	<b>57,253,059</b>	<b>57,594,356</b>	<b>341,298</b>	<b>0.6%</b>	<b>19.9%</b>
<b>NET REVENUES AFTER DEBT SERVICE</b>	<b><u>\$ 13,055,551</u></b>	<b><u>\$ 12,864,227</u></b>	<b><u>\$ 63,236,769</u></b>	<b><u>\$ 52,405,382</u></b>	<b><u>\$ 10,831,387</u></b>	<b><u>20.7%</u></b>	<b><u>0.0%</u></b>

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**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
SUMMARY OF OPERATIONS, MAINTENANCE AND ADMINISTRATION  
COMPARISON OF ACTUAL TO BUDGET FOR FISCAL YEAR 2017  
FOR THE MONTH ENDING OCTOBER 31, 2016 AND YEAR-TO-DATE**

	<u>FY 2017 ACTUAL</u>	<u>FY 2017 BUDGET</u>	<u>VARIANCE</u>	<u>FY 17 YEAR-TO-DATE % VARIANCE</u>
Operations	\$ 11,195,370	\$ 12,303,539	\$ 1,108,169	9.0%
Maintenance	2,135,961	3,497,199	1,361,238	38.9%
Administration	1,997,158	2,184,833	187,675	8.6%
Other Operating	<u>830,234</u>	<u>1,048,536</u>	<u>218,302</u>	<u>20.8%</u>
Total O M & A	\$ 16,158,722	\$ 19,034,107	\$ 2,875,385	15.1%
<b>Capital Expenditures</b>				
Operations	\$ 8,520	\$ 106,306	97,786	92.0%
Maintenance	15,252	1,667	(13,585)	-815.1%
Administration	<u>-</u>	<u>25,833</u>	<u>25,833</u>	<u>100.0%</u>
Total Capital Expenditures	\$ 23,772	\$ 133,806	\$ 110,034	82.2%

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**Central Florida Expressway Authority  
Operations - Comparison of Actual to Budget  
For the Four Months Ending October 31, 2016**

	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Budget Variance</u>	<u>Variance Percentage</u>
Toll Operations	150,061	164,203	14,142	8.61%
Image Review	910,241	1,088,607	178,365	16.38%
Special Projects	40,153	59,104	18,951	32.06%
Information Technology	849,562	994,900	145,338	14.61%
E-PASS Service Center	3,386,282	3,739,587	353,305	9.45%
Public Outreach/Education	497,162	461,547	(35,614)	-7.72%
<b>Subtotal CFX</b>	<u><b>5,833,461</b></u>	<u><b>6,507,948</b></u>	<u><b>674,487</b></u>	<u><b>10.36%</b></u>
<b>TOLL FACILITIES</b>				
<b>Beachline Expressway (SR 528)</b>				
Beachline Plaza	412,956	469,157	56,201	11.98%
Airport Plaza	0	0	0	0.00%
Dallas Plaza	339,913	366,528	26,615	7.26%
<b>East-West Expressway (SR 408)</b>				
Dean Plaza	368,314	418,289	49,976	11.95%
Conway Main Plaza	677,604	684,621	7,017	1.02%
Pine Hills Plaza	465,065	503,997	38,931	7.72%
Hiawassee Plaza	380,722	436,322	55,600	12.74%
<b>Western Expressway (SR 429)</b>				
Independence Plaza	376,346	404,111	27,764	6.87%
Forest Lake Plaza	375,641	453,561	77,920	17.18%
Ponkan Plaza	0	0	0	0.00%
<b>Greenway Expressway (SR 417)</b>				
University Plaza	363,267	419,201	55,934	13.34%
Curry Ford Plaza	358,556	403,960	45,404	11.24%
Boggy Creek Plaza	449,825	463,612	13,787	2.97%
John Young Plaza	415,499	438,430	22,931	5.23%
<b>John Land Apopka (SR 414)</b>				
Coral Hills Plaza	386,721	440,108	53,386	12.13%
<b>Subtotal Toll Facilities</b>	<u><b>5,370,429</b></u>	<u><b>5,901,897</b></u>	<u><b>531,468</b></u>	<u><b>9.01%</b></u>
<b>Total Operations Expenses</b>	<u><u><b>11,203,890</b></u></u>	<u><u><b>12,409,845</b></u></u>	<u><u><b>1,205,955</b></u></u>	<u><u><b>9.72%</b></u></u>

**Central Florida Expressway Authority  
Maintenance - Comparison of Actual to Budget  
For the Four Months Ending October 31, 2016**

	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Budget Variance</u>	<u>Variance Percentage</u>
Maintenance Administration	498,074	490,100	(7,974)	-1.63%
Expressway Operations	600,772	648,666	47,894	7.38%
Routine Maintenance	1,052,367	2,360,100	1,307,733	55.41%
FDOT Services	0	0	0	0.00%
<b>Total Maintenance Expenses</b>	<u><u>2,151,213</u></u>	<u><u>3,498,866</u></u>	<u><u>1,347,652</u></u>	<u><u>38.52%</u></u>



**Central Florida Expressway Authority  
Administration - Actual to Budget by Cost Center  
For the Four Months Ending October 31, 2016**

	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Budget Variance</u>	<u>Variance Percentage</u>
General	202,441	189,166	(13,275)	-7.02%
Administrative Services	616,765	667,785	51,020	7.64%
Communications	188,360	186,060	(2,300)	-1.24%
Human Resources	44,080	87,091	43,011	49.39%
Supplier Diversity	56,901	54,230	(2,671)	-4.93%
Accounting	381,291	459,429	78,138	17.01%
Records Management	92,313	86,688	(5,625)	-6.49%
Construction Administration	16,084	30,168	14,084	46.69%
Procurement	126,910	145,457	18,548	12.75%
Legal	154,100	227,270	73,170	32.20%
Internal Audit	92,925	50,648	(42,277)	-83.47%
525 Magnolia	8,541	9,203	662	7.19%
Plans Production	16,446	17,470	1,024	5.86%
<b>Grand Total Expenses</b>	<u><u>1,997,158</u></u>	<u><u>2,210,666</u></u>	<u><u>213,508</u></u>	<u><u>9.66%</u></u>

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
CALCULATION OF NET REVENUES AS DEFINED BY THE BOND RESOLUTIONS  
PREVIOUS YEAR BUDGET TO ACTUAL COMPARISON  
FOR THE MONTH ENDING OCTOBER 31, 2016 AND YEAR-TO-DATE**

	<u>FY 17 YEAR-TO-DATE ACTUAL</u>	<u>FY 17 YEAR-TO-DATE BUDGET</u>	<u>FY 17 YEAR-TO-DATE VARIANCE</u>	<u>FY 16 YEAR-TO-DATE ACTUAL</u>	<u>FY 16 YEAR-TO-DATE BUDGET</u>	<u>FY 16 YEAR-TO-DATE VARIANCE</u>	<u>YEAR-TO-DATE VARIANCE COMPARISON</u>
<b>REVENUES</b>							
TOLLS	\$ 126,620,978	\$ 121,908,161	\$ 4,712,817	\$ 119,375,631	\$ 108,269,975	\$ 11,105,656	\$ (6,392,839)
TOLLS COLLECTED VIA UTN'S AND PBP'S	5,718,170	3,473,193	2,244,977	4,156,214	2,499,608	1,656,606	588,371
FEE'S COLLECTED VIA UTN/UTC'S AND PBP'S	1,820,749	1,688,636	132,114	2,039,150	1,458,434	580,716	(448,602)
TRANSPONDER SALES	69,551	162,922	(93,372)	16,729	22,629	(5,900)	(87,472)
OTHER OPERATING	377,619	377,952	(334)	421,541	600,920	(179,379)	179,045
INTEREST	1,689,731	1,079,915	609,816	888,506	651,360	237,146	372,670
MISCELLANEOUS	351,752	343,065	8,687	412,261	331,453	80,808	(72,121)
<b>TOTAL REVENUES</b>	<b>136,648,549</b>	<b>129,033,844</b>	<b>7,614,705</b>	<b>127,310,032</b>	<b>113,834,379</b>	<b>13,475,653</b>	<b>(5,860,948)</b>
<b>O M &amp; A EXPENSES</b>							
OPERATIONS	11,195,370	12,303,539	1,108,169	11,257,684	12,216,919	959,235	148,934
MAINTENANCE	2,135,961	3,497,199	1,361,238	2,503,958	3,989,872	1,485,914	(124,676)
ADMINISTRATION	1,997,158	2,184,833	187,675	1,962,495	2,018,182	55,687	131,988
OTHER OPERATING	830,234	1,048,536	218,302	583,705	445,955	(137,750)	358,052
<b>TOTAL O M &amp; A EXPENSES</b>	<b>16,158,722</b>	<b>19,034,107</b>	<b>2,875,385</b>	<b>16,307,842</b>	<b>18,670,928</b>	<b>2,363,086</b>	<b>512,299</b>
<b>NET REVENUES BEFORE DEBT SERVICE</b>	<b>120,489,827</b>	<b>109,999,738</b>	<b>10,490,090</b>	<b>111,002,188</b>	<b>95,163,452</b>	<b>15,838,736</b>	<b>(5,348,646)</b>
<b>COMBINED NET DEBT SERVICE</b>	<b>57,253,059</b>	<b>57,594,356</b>	<b>341,298</b>	<b>47,761,187</b>	<b>47,620,552</b>	<b>140,635</b>	<b>200,663</b>
<b>NET REVENUES AFTER DEBT SERVICE</b>	<b><u>\$ 63,236,769</u></b>	<b><u>\$ 52,405,382</u></b>	<b><u>\$ 10,831,387</u></b>	<b><u>\$ 63,241,001</u></b>	<b><u>\$ 47,542,900</u></b>	<b><u>\$ 15,698,101</u></b>	<b><u>\$ (4,866,714)</u></b>

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**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
CALCULATION OF NET REVENUES AS DEFINED BY THE BOND RESOLUTIONS  
PREVIOUS YEAR COMPARISON  
FOR THE MONTH ENDING OCTOBER 31, 2016 AND YEAR-TO-DATE**

	FY 17 MONTH ACTUAL	FY 16 MONTH ACTUAL	FY 16 - 17 SAME MONTH COMPARISON	FY 17 YEAR-TO-DATE ACTUAL	FY 16 YEAR-TO-DATE ACTUAL	FY 16 - 17 YEAR-TO-DATE COMPARISON
<b>REVENUES</b>						
TOLLS	\$ 29,168,511	\$ 31,123,472	\$ (1,954,961)	\$ 126,620,978	\$ 119,375,631	\$ 7,245,347
TOLLS COLLECTED VIA UTN'S AND PBP'S	1,446,896	1,201,590	245,306	5,718,170	4,156,214	1,561,956
FEE'S COLLECTED VIA UTN/UTC'S AND PBP'S	487,842	600,341	(112,499)	1,820,749	2,039,150	(218,401)
TRANSPONDER SALES	17,028	4,374	12,654	69,551	16,729	52,822
OTHER OPERATING	114,031	105,172	8,859	377,619	421,541	(43,922)
INTEREST	510,683	244,906	265,777	1,689,731	888,506	801,225
MISCELLANEOUS	81,167	79,729	1,438	351,752	412,261	(60,509)
<b>TOTAL REVENUES</b>	<b>31,826,157</b>	<b>33,359,584</b>	<b>(1,533,427)</b>	<b>136,648,549</b>	<b>127,310,032</b>	<b>9,338,517</b>
<b>O M &amp; A EXPENSES</b>						
OPERATIONS	2,973,139	3,399,018	(425,879)	11,195,370	11,257,684	(62,314)
MAINTENANCE	678,122	1,419,689	(740,567)	2,135,961	2,503,958	(367,997)
ADMINISTRATION	594,101	501,251	92,850	1,997,158	1,982,495	34,663
OTHER OPERATING	217,550	517,301	(299,751)	830,234	583,705	246,529
<b>TOTAL O M &amp; A EXPENSES</b>	<b>4,463,912</b>	<b>5,837,259</b>	<b>(1,373,347)</b>	<b>16,158,722</b>	<b>16,307,842</b>	<b>(149,120)</b>
<b>NET REVENUES BEFORE DEBT SERVICE</b>	<b>27,362,245</b>	<b>27,522,324</b>	<b>(160,079)</b>	<b>120,489,827</b>	<b>111,002,188</b>	<b>9,487,639</b>
<b>COMBINED NET DEBT SERVICE</b>	<b>14,306,694</b>	<b>12,176,851</b>	<b>2,129,843</b>	<b>57,253,059</b>	<b>47,761,187</b>	<b>9,491,872</b>
<b>NET REVENUES AFTER DEBT SERVICE</b>	<b><u>\$ 13,055,551</u></b>	<b><u>\$ 15,345,473</u></b>	<b><u>\$ (2,289,922)</u></b>	<b><u>\$ 63,236,769</u></b>	<b><u>\$ 63,241,001</u></b>	<b><u>\$ (4,232)</u></b>

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# E.2.

## Executive Director's Report

**Executive Director Report  
January, 2017**

The October and November Performance Dashboards are attached for your review. The SR 408/SR 417 Interchange project is reporting 12% behind schedule which represents an improvement from 18% behind reported in September, an improvement of 6% in two months. As the construction of this project continues, we expect the Contractor's progress to continue to improve.

Attended the Florida Autonomous Vehicles Summit in Tampa on November 29 and 30, 2016.

Met with Florida Department of Transportation staff on December 1, 2016 to discuss the Osceola County Expressway Authority's Preliminary Design & Engineering for the Osceola Parkway Extension and the Poinciana Parkway Extension in preparation for the reviews to be conducted by CFX this spring.

Attended the Wekiva River Basin Commission meeting on December 5, 2016.

Attended the Osceola County Expressway Authority meeting on December 13, 2016 to update them on the CFX procurement of the concept and feasibility studies/reviews for the Master Plan projects in Osceola County.

Met with Diane Crews, Executive Director, Sanford Orlando International Airport to discuss airport parking.

LYNX officials toured the renovated CFX call center on December 21, 2016.

Met with the following elected officials to brief them on CFX activities:

- Commissioner Josh Blake, Lake County
- Commissioner Wendy Breeden, Lake County
- Commissioner Emily Bonilla, Orange County
- Commissioner Jennifer Thompson, Orange County
- Commissioner Peggy Choudhry, Osceola County
- Congressman Darren Soto
- Congresswoman Stephanie Murphy
- Senator David Simmons

Turn lane improvements from southbound SR 417 to SB Narcoossee Road were recently completed. An additional turn lane was added.

**COMMUNITY EVENTS/MEETINGS**

CFX staff participated in the following events/meetings:  
11/12 - UCF Football Game (E-PASS)

11/15 - SR 408 widening from East of SR 417 to East of Alafaya Trail Sound  
Wall/Information meeting  
11/15 - Hamilton Elementary School (Sanford) Teach In (Wekiva Parkway)  
11/16 - Zellwood Elementary School Teach In (Wekiva Parkway)  
11/16 - Apopka Elementary School Teach In (Wekiva Parkway)  
11/17 – Florida Minority Business Enterprise Officials Annual Session  
11/18 - Property Appraisers' Association of Florida Annual Conference  
11/22 - UCF Transportation Engineering Systems Class Presentation  
11/22 - Shadow Lake Woods (Wekiva Parkway)  
11/30 - Light Up UCF (E-PASS)  
12/2 – Orlando Business Journal Doing Business Luncheon (E-PASS)  
12/7 – Light Up UCF (E-PASS)  
12/7 - African American Chamber of Commerce Exchange  
12/8 – Conference of Minority Transportation Officials  
12/8 - Lake Kehoe Preserve HOA presentation RE: SR 408 widening project  
from SR 417 to Alafaya Trail  
12/20 – Light Up UCF (E-PASS)  
12/21 - I-4 Ultimate Communications Team Meeting  
12/21 – Light Up UCF (E-PASS)  
1/4 – African American Chamber of Commerce Conference  
1/4 - I-4 Ultimate Communications Team Meeting  
1/6 – Light Up UCF (E-PASS)  
1/11 - Jetsetters Senior Group of Avalon Park Presentation

# PERFORMANCE DASHBOARD

**OCTOBER 2016**

Fiscal year runs from July 1-June 30

## CUSTOMER SERVICE

	Activity		Wait Time		
	Actual	Avg	Actual	Target	
Service Center: East	9,149	9,814	2:23	<5m	<span style="color: green;">■</span>
Service Center: West	2,373	3,038	1:14	<5m	<span style="color: green;">■</span>

**SERVICE CENTER: MINUTE INTERVALS** <5 ■ 5-6 ■ 6-7 ■ 7-8 ■ 8-9 ■ 9+ ■

Call Center	61,439	65,543	0:49	<1m	<span style="color: green;">■</span>
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**CALL CENTER: % MINUTE INTERVALS** <1 ■ 1-2 ■ 2-3 ■ 3-4 ■ 4-5 ■ 5+ ■



## AVERAGE SPEED: PEAK DIRECTION

		mph	AM Peak (6-9) Avg mph	PM Peak (4-7) Avg mph
SR 408	W. SR 50 to E. SR 50	55-65	52 <span style="color: green;">■</span>	52 <span style="color: green;">■</span>
SR 417	Int'l Dr. to Seminole Co. Line	55-70	65 <span style="color: green;">■</span>	63 <span style="color: green;">■</span>
SR 528	Sand Lake Rd. to SR 520	70	64 <span style="color: green;">■</span>	64 <span style="color: green;">■</span>
SR 429	Seidel Rd. to SR 414	70	67 <span style="color: green;">■</span>	66 <span style="color: green;">■</span>
SR 451	SR 429 to US 441	65	61 <span style="color: green;">■</span>	65 <span style="color: green;">■</span>
SR 414	US 441 to US 441	65	64 <span style="color: green;">■</span>	64 <span style="color: green;">■</span>

LEGEND: <10 ■ 11-20 ■ >= 21 ■

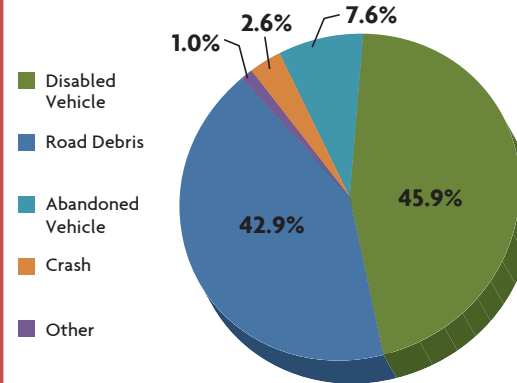
## MAJOR CONSTRUCTION PROJECTS

	Contract (millions)	Spent	% Spent	% Time	VAR
SR 408/SR 417 Interchange	\$36.0	\$15.7	44%	55%	<span style="color: yellow;">■</span>
SR 429 Systems Interchange	\$80.7	\$28.3	35%	41%	<span style="color: green;">■</span>
SR 429, US 441 to North of Ponkan Rd.	\$56.3	\$38.3	68%	75%	<span style="color: green;">■</span>
SR 429, North of Ponkan Rd. to North of Kelly Park Rd.	\$46.5	\$35.8	77%	75%	<span style="color: green;">■</span>
SR 453, Lake County Line to SR 46	\$49.4	\$13.1	26%	29%	<span style="color: green;">■</span>
SR 528/Innovation Way Interchange	\$62.5	\$12.4	20%	18%	<span style="color: green;">■</span>
SR 429 Systems Interchange to Mt. Plymouth Rd.	\$38.6	\$4.4	11%	10%	<span style="color: green;">■</span>
SR 417 Resurfacing I-Drive to Moss Park	\$18.5	\$9.5	51%	59%	<span style="color: green;">■</span>

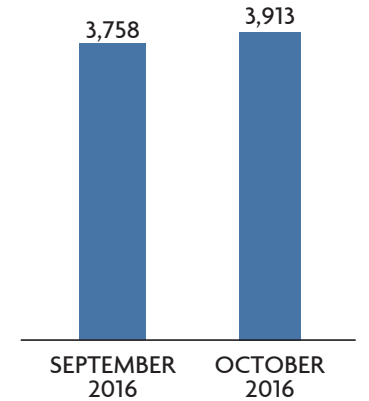
LEGEND: Spent vs. Time <10 ■ 11-20 ■ >= 21 ■

## SAFETY

### ROAD RANGER: CATEGORY OF ASSISTS ON CFX ROADS



### ROAD RANGER: NUMBER OF ASSISTS ON CFX ROADS



### 2014 FATALITIES

1.07	Nationwide: Arterials, Limited Access, Toll Roads
0.26	FDOT: Urban Toll Roads
0.20	CFX: Toll Roads Urban Only

Per 100 Million Vehicles Miles Traveled  
2010-2014 – 5 Year Average

### WRONG WAY DRIVING (WWD)

	Vehicles Detected	Documented Turn Arounds
24 Locations	10	6

## FINANCIALS

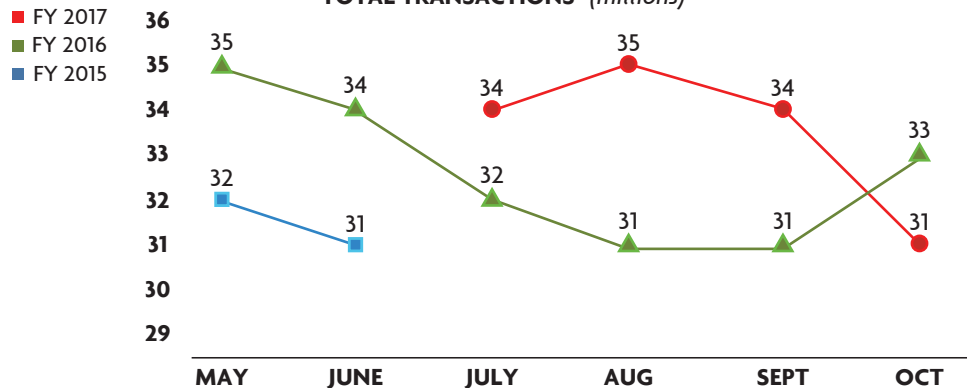
### FINANCIALS\*

FY to Date	Actual	Budget	VAR
Total Revenue	\$136.6	\$129.0	6% <span style="color: green;">■</span>
OM&A Expenses	\$16.2	\$19.0	15% <span style="color: green;">■</span>
Net Revenue	\$63.2	\$52.4	21% <span style="color: green;">■</span>

### DEBT SERVICE

Year to Date	Actual	Budget
Senior Lien	2	1.96 <span style="color: green;">■</span>
Subordinate Lien	1.72	1.68 <span style="color: green;">■</span>

### TOTAL TRANSACTIONS\* (millions)



\*All plazas had tolls suspended in FY17 due to Hurricane Matthew from 10/5/16 until early on 10/10/16.

PERFORMANCE DASHBOARD

NOVEMBER 2016

Fiscal year runs from July 1-June 30

CUSTOMER SERVICE

	Activity		Wait Time		
	Actual	Avg	Actual	Target	
Service Center: East	8,886	9,562	2:44	<5m	<span style="color: green;">■</span>
Service Center: West	2,577	2,926	2:38	<5m	<span style="color: green;">■</span>

SERVICE CENTER: MINUTE INTERVALS <5 ■ 5-6 ■ 6-7 ■ 7-8 ■ 8-9 ■ 9+ ■

	Actual	Avg	Wait Time	Target	
Call Center	64,111	64,477	1:01	<1m	<span style="color: lightgreen;">■</span>

CALL CENTER: % MINUTE INTERVALS <1 ■ 1-2 ■ 2-3 ■ 3-4 ■ 4-5 ■ 5+ ■



AVERAGE SPEED: PEAK DIRECTION

		mph	AM Peak (6-9) Avg mph	PM Peak (4-7) Avg mph
SR 408	W. SR 50 to E. SR 50	55-65	53 <span style="color: green;">■</span>	50 <span style="color: green;">■</span>
SR 417	Int'l Dr. to Seminole Co. Line	55-70	65 <span style="color: green;">■</span>	62 <span style="color: green;">■</span>
SR 528	Sand Lake Rd. to SR 520	70	65 <span style="color: green;">■</span>	64 <span style="color: green;">■</span>
SR 429	Seidel Rd. to SR 414	70	68 <span style="color: green;">■</span>	66 <span style="color: green;">■</span>
SR 451	SR 429 to US 441	65	61 <span style="color: green;">■</span>	65 <span style="color: green;">■</span>
SR 414	US 441 to US 441	65	64 <span style="color: green;">■</span>	64 <span style="color: green;">■</span>

LEGEND: <10 ■ 11-20 ■ >= 21 ■

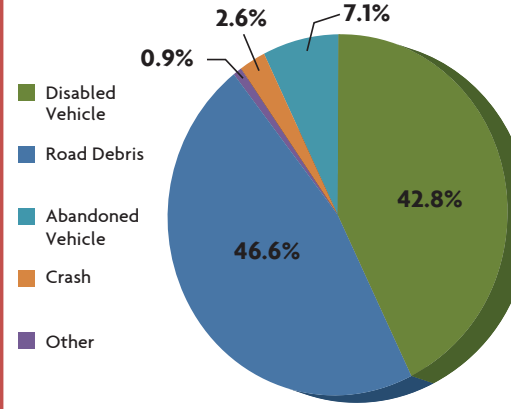
MAJOR CONSTRUCTION PROJECTS

	Contract (millions)	Spent	% Spent	% Time	VAR
SR 408/SR 417 Interchange	\$36.0	\$17.6	49%	61%	<span style="color: yellow;">■</span>
SR 429 Systems Interchange	\$80.7	\$31.5	39%	45%	<span style="color: green;">■</span>
SR 429, US 441 to North of Ponkan Rd.	\$56.3	\$40.3	72%	79%	<span style="color: green;">■</span>
SR 429, North of Ponkan Rd. to North of Kelly Park Rd.	\$46.5	\$38.2	82%	80%	<span style="color: green;">■</span>
SR 453, Lake County Line to SR 46	\$49.4	\$16.0	32%	35%	<span style="color: green;">■</span>
SR 528/Innovation Way Interchange	\$61.3	\$17.0	27%	23%	<span style="color: green;">■</span>
SR 429 Systems Interchange to Mt. Plymouth Rd.	\$38.6	\$5.3	14%	20%	<span style="color: green;">■</span>

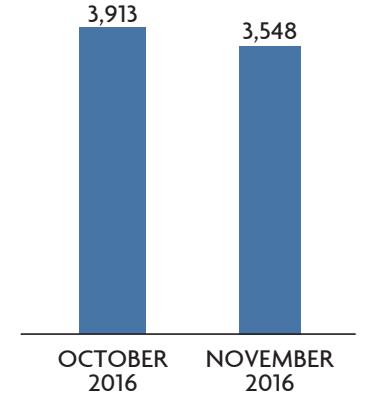
LEGEND: Spent vs. Time <10 ■ 11-20 ■ >= 21 ■

SAFETY

ROAD RANGER: CATEGORY OF ASSISTS ON CFX ROADS



ROAD RANGER: NUMBER OF ASSISTS ON CFX ROADS



2014 FATALITIES

1.07	Nationwide: Arterials, Limited Access, Toll Roads
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Per 100 Million Vehicles Miles Traveled  
2010-2014 – 5 Year Average

WRONG WAY DRIVING (WWD)

	Vehicles Detected	Documented Turn Arounds
24 Locations	8	7

FINANCIALS

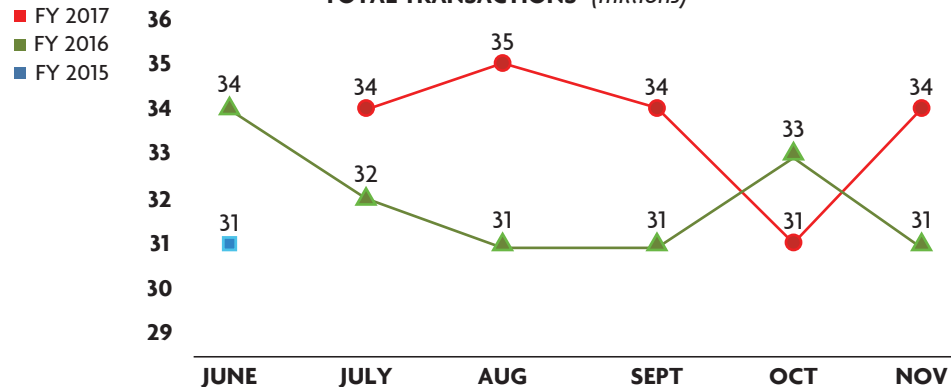
FINANCIALS\*

FY to Date	Actual	Budget	VAR
Total Revenue	\$171.9	\$161.1	7% <span style="color: green;">■</span>
OM&A Expenses	\$21.4	\$24.7	14% <span style="color: green;">■</span>
Net Revenue	\$79.1	\$64.4	23% <span style="color: green;">■</span>

DEBT SERVICE

Year to Date	Actual	Budget
Senior Lien	2.02	1.96 <span style="color: green;">■</span>
Subordinate Lien	1.73	1.68 <span style="color: green;">■</span>

TOTAL TRANSACTIONS\* (millions)



\*All plazas had tolls suspended in FY17 due to Hurricane Matthew from 10/5/16 until early on 10/10/16.

F. 1.

ANNUAL ELECTIONS

**THERE ARE NO  
BACKUP MATERIALS  
FOR THIS ITEM**

# F. 2.

## FINANCIAL STATEMENTS





**MOORE STEPHENS  
LOVELACE CPAs & ADVISORS**

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**CENTRAL FLORIDA  
EXPRESSWAY AUTHORITY**

**REQUIRED AUDITOR COMMUNICATIONS  
FISCAL YEAR ENDED JUNE 30, 2016**

Presented by:  
Daniel J. O'Keefe, CPA, MBA, CFE  
Shareholder



MOORE STEPHENS  
LOVELACE CPAs & ADVISORS

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# AUDIT OVERVIEW

# Required Communications

- **Auditor Responsibilities**
- **Management Responsibilities**
- **Internal Controls and Compliance**
- **Significant Matters**
- **Management Representations**
- **Assigned Individual for Oversight**
- **Audit Schedule**

# Services and Deliverables

## **Auditor's Report on Financial Statements (Pages B-1 – B-2)**

- **Unmodified Opinion**

## **Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters (Page D-1)**

- **No internal control findings related to financial reporting and no compliance findings**

# Services and Deliverables (cont.)

## Auditor's Report on Compliance with Bond Covenants (Page D-2)

- No compliance findings

## Accountant's Examination Report on Investment Compliance (Page D-3)

- No compliance findings

## Management Letter (Pages D-4 – D-5)

- No management letter comments



MOORE STEPHENS  
LOVELACE CPAs & ADVISORS

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# FINANCIAL HIGHLIGHTS

# Financial Highlights - Overview

(in thousands)

	Year Ended 6/30/16
Total Assets and Deferred Outflows	\$ 5,144,000
Total Liabilities and Deferred Inflows	\$ 3,383,000
Net Position	\$ 1,761,000
Operating Revenue	\$ 401,000
Operating Expenses	\$ 93,000
Operating Income	\$ 308,000
Change in Net Position	\$ 203,000
% Increase in Operating Revenue	11.6%
% Increase in Operating Expense	15.2%



# Financial Highlights – Balance Sheets

(in thousands)

	2016	2015
Unrestricted Assets	\$ 547,000	\$ 471,000
Restricted Assets	293,000	172,000
Capital Assets	3,945,000	3,755,000
Deferred Outflows of Resources	<u>359,000</u>	<u>302,000</u>
<b>Total Assets and Deferred Outflows</b>	<b><u>\$ 5,144,000</u></b>	<b><u>\$ 4,700,000</u></b>
Revenue Bonds Outstanding	2,821,000	2,649,000
Other Liabilities	555,000	485,000
Deferred Inflows of Resources	<u>7,000</u>	<u>8,000</u>
<b>Total Liabilities and Deferred Inflows</b>	<b>3,383,000</b>	<b>3,142,000</b>
<b>Total Net Position</b>	<b><u>1,761,000</u></b>	<b><u>1,558,000</u></b>
<b>Total Liabilities, Deferred Inflows, and Net Position</b>	<b><u>\$ 5,144,000</u></b>	<b><u>\$ 4,700,000</u></b>





# Financial Highlights – Operation Overview

(in thousands)

	2016	2015
Operating Revenues	\$ 401,000	\$ 359,000
Investment and Other Income	<u>20,000</u>	<u>3,000</u>
Total Revenues	<u>421,000</u>	<u>362,000</u>
Operating Expenses	93,000	81,000
Interest Expense	124,000	95,000
Other Expense	<u>1,000</u>	<u>5,000</u>
Total Expenses	<u>218,000</u>	<u>181,000</u>
Change in Net Position	203,000	181,000
Net Position, Beginning of Year	<u>1,558,000</u>	<u>1,377,000</u>
Net Position, End of Year	<u>\$ 1,761,000</u>	<u>\$ 1,558,000</u>
Debt Service Ratio w/o Gas Tax Pledge	2.42	2.20

# Questions or Comments





# CENTRAL FLORIDA'S ECONOMIC ENGINE

2016 Comprehensive Annual Financial Report  
An Independent Special District of the State of Florida  
Fiscal Years Ended June 30, 2016 and 2015





# CENTRAL FLORIDA'S ECONOMIC ENGINE

2016 Comprehensive Annual Financial Report  
An Independent Special District of the State of Florida  
Fiscal Years Ended June 30, 2016 and 2015

*Prepared by Central Florida Expressway Authority's Financial Office*

CENTRAL  
FLORIDA  
EXPRESSWAY  
AUTHORITY

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\*E-PASS is a registered trademark of the Central Florida Expressway Authority.



# INTRODUCTORY SECTION

# VISION & MISSION STATEMENTS

In September 2015, CFX's Governing Board adopted the agency's new mission and vision statements, which solidify a commitment to providing Central Florida's communities with transportation options.

**VISION:** *To provide the region with a world-class, integrated mobility network that drives economic prosperity and quality of life.*

**MISSION:** *To build, operate and maintain a mobility network through accountability, fiscally sound practices and a community focus.*

Development of the mission and vision statements was a collaborative effort as CFX gathered input from Central Florida residents and representatives from other agencies across the region as part of the 2040 Master Plan process.



**CFX STAFF ALSO DEVELOPED THE  
AGENCY'S CORE VALUES:  
Excellence, Innovation, Service,  
Commitment and Teamwork.**

## **Board Members – Central Florida Expressway Authority,**

The Comprehensive Annual Financial Report (CAFR) for the Central Florida Expressway Authority (CFX) for the fiscal year ended June 30, 2016 is hereby submitted.

In preparing this report, responsibility for accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of CFX. Internal controls are designed to provide reasonable assurance regarding the safeguard of assets and the reliability of the financial records for preparing financial statements. Management believes it has established and maintained an internal control system that provides reasonable, but not complete, assurance that the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of CFX, which is reported as an independent special district of the State of Florida, consisting of a single enterprise fund.

CFX established an audit committee to assist the CFX Board in fulfilling its oversight responsibilities by reviewing the financial information, systems of internal controls and the audit process. In fiscal year 2016 there were six voting members; five were staff members from Orange County, City of Orlando, Lake County, Osceola County and Seminole County, as selected by their respective commissions; and one citizen representative appointed by the CFX Board.

The financial operations of CFX are independently audited on an annual basis. For the fiscal year 2016, Moore Stephens Lovelace, P.A. conducted the audit and issued an unmodified (“clean”) opinion on CFX’s financial statements. Their report is presented in the financial section of the CAFR.

To gain a more complete understanding of the operations and financial condition of CFX, the management discussion and analysis contained in the Financial Section introduces the basic financial statements and provides a brief analysis of the financial activities of CFX.

### **CFX Profile**

CFX is an agency of the state of Florida, created by the Florida Legislature. On June 20, 2014, the Governor of Florida signed the bill to create CFX, which assumed the governance and control of the former Orlando-Orange County Expressway Authority, including its assets, personnel, contracts, obligations, liabilities, facilities and tangible and intangible property. CFX is responsible for the construction, maintenance and operation of toll roads in Seminole, Lake, Osceola and Orange Counties, and may also acquire, construct and equip rapid transit, trams and fixed guideways within the rights-of-way of the expressway system. The CFX Board is made up of nine members, consisting of: (a) one member each appointed by the respective chairs of the county commissions of Lake, Orange, Osceola and Seminole

Counties; (b) three citizens appointed by the Governor; (c) the Mayor of Orange County; and (d) the Mayor of the City of Orlando. The Florida Turnpike Enterprise Executive Director serves as a non-voting advisor.

CFX currently owns and operates 109 centerline miles of roadway in Orange County. The roadways include 22 centerline miles on the State Road (SR) 408 (Spessard L. Holland East-West Expressway), 23 centerline miles on SR 528 (Martin B. Andersen Beachline Expressway), 33 centerline miles on SR 417 (Central Florida GreeneWay), 23 centerline miles on SR 429 (Daniel Webster Western Beltway), six centerline miles on SR 414 (John Land Apopka Expressway) and two centerline miles on SR 451.

### **Economic Conditions**

The population in Orlando metropolitan statistical area (MSA), which includes Lake, Orange, Osceola and Seminole counties grew 20% over the last 10 years and was approximately 2.4 million in 2015. The Metro Orlando Economic Development Commission reports that the Orlando region is projected to be among the nation’s fastest-growing regions in this decade. With over one third of its population between the ages of 20 and 44, and a median age of 37, Orlando is a young and vibrant community.

The Florida Research and Economic Information Database Application reports the unemployment rate for the Orlando-Kissimmee-Sanford MSA (Orlando MSA) in August 2016 was 4.4%. Over that past five years the unemployment rate has steadily fallen. The five year annual average unemployment rate for the years 2010-2014 was 8.6% and the August 2015 rate was 5.1%. The Orlando MSA gained a total of 40,000 jobs in January 2016 compared to the previous year. Many different industries made up that job growth, including construction, manufacturing, transportation and leisure and hospitality, which is evidence of the diversification of the Orlando MSA economy. According to the Metro Orlando Economic Development Commission, Orlando welcomed 66 million visitors in 2015 to set a sixth consecutive record high.

The decrease in unemployment as well as the overall growth of the area has had a positive impact on traffic growth on the expressway system. Traffic on CFX’s system in fiscal year 2017 through September has increased approximately 9% over the same time period last year.

The City of Orlando approved the construction of a new soccer-specific stadium. It is under construction now with plans to be completed for the start of the 2017 Major League Soccer season. According to the Orlando Business Journal, this stadium will have more than a \$100 million impact on the economy.

In Seminole county, the Seminole County Sports Complex was completed in 2016. This 102 acre facility is expected to bring many visitors to the area. By the end of 2016 they expect to host over 40 sporting events with a total anticipated financial impact of over \$50 million.



In Osceola County the \$200 million Florida Advanced Manufacturing Research Center was just completed. This facility was built with the purpose of establishing a state of the art manufacturing research and incubation facility, with the goal of seeing over \$1 billion of economic impact over the next 10 years.

Orlando is becoming the epicenter for Modeling, Simulation & Training (MS&T), with over 1,000 companies and 60,000 jobs located in the city. The National Center for Simulation held its annual summit at the Orange County Convention Center, hosted by Mayor Teresa Jacobs, in September of 2016, highlighting Florida's growing simulation industry.

Orlando is home to the University of Central Florida (UCF), now the largest university in the country based on enrollment during the 2015-16 academic year. UCF spends over \$130 million on annual research. With the opening of the Nemours Children's Hospital and the University of Florida Academic and Research Center in 2012, Orlando's medical city has taken shape. Located just off of SR 417 in the Lake Nona community, the medical city is expected to bring 30,000 jobs and a \$7.6 billion impact on the economy within the next 10 years, according to Arduin, Laffer & Moore Econometrics. Additional facilities include:

- University of Central Florida College of Medicine
- Burnett School of Biomedical Sciences
- Sanford-Burnham Medical Research Institute at Lake Nona
- Valencia College at Lake Nona
- Orlando VA Medical Center

### Long-Term Financial Planning

CFX's capital projects are budgeted and planned for in its five-year work plan. Renewal and replacement projects, intelligent transportation systems projects and projects from the 2040 Master Plan are prioritized according to critical need. The 2040 Master plan was approved by the board in 2016, and is CFX's first regional master plan. The cost of the projects is then compared to revenue projections compiled by CFX's Traffic and Revenue consultant and CFX's debt policy which requires staff to utilize a 1.60x debt service coverage ratio as a target. Once the Finance Department deems the plan fundable, it is brought before the Board for approval.

During fiscal year 2016 CFX was operating under the FY2017 to FY2021 five-year work plan with an amount of \$1.36 billion. Projects in the plan include, but are not limited to, existing system widening; several interchange projects; the completion of the Wekiva Parkway and multiple PD&E studies in the region. CFX's total investment in capital assets, at historical cost less depreciation, is \$3.9 billion.

CFX utilizes the modified approach for infrastructure reporting. In lieu of recording depreciation on infrastructure, CFX reports preservation expense, which is the actual cost of maintaining the

roadway in good condition. This expense varies from year to year as can be seen in this year's Statements of Revenues, Expenses and Changes in Net Position. Preservation expense increased from \$4 million in fiscal year 2015 to \$16 million in fiscal year 2016.

In addition to the five-year work plan, CFX also has an annual Operations, Maintenance and Administration (OM&A) budget. Budgets are prepared at departmental/cost center level and compiled by the Finance Department. After financial review at several levels, the entire budget is presented to the Board for approval. The Executive Director can make transfers between funds (Operations, Maintenance and Administration) in the budget, but amendments of additional money must be approved by the Board. The Board's policy requires that the net OM&A budget not exceed 25% of the projected toll revenues. The fiscal year 2016 net OM&A budget was \$70.2 million.

### Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate Achievement for Excellence in Financial Reporting to the Central Florida Expressway Authority for its CAFR for the fiscal year ended June 30, 2015. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both U.S. generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the CAFR was made possible by the hard work and dedicated service of the Finance Department. Sincere thanks are expressed to the Communications Department and to our external auditors, Moore Stephens Lovelace, P.A., for their special effort in compiling this report. Finally, we extend our appreciation to all the employees and Board Members of the Central Florida Expressway Authority for their cooperation and assistance in matters pertaining to the finances of the Authority.

Respectfully submitted,



**Laura Kelley**  
Executive Director



**Lisa Lumbard**  
Chief Financial Officer

# CFX LAUNCHES NEW STRATEGIC AND MASTER PLANS

**In April 2016, CFX's Governing Board approved the agency's 2017-2022 Strategic Plan.** The new data-driven plan developed goals, strategies, tactics and performance measures to act as a guide and set the framework for the agency to make operational and strategic decisions that compliment our core values to:

- ▶ **Build a Customer-driven Organization**
- ▶ **Deliver a World-class Mobility Network**
- ▶ **Deliver Financially Sound Practices**
- ▶ **Focus on Community and Social Responsibility**

The *Strategic Plan* also assumes a degree of flexibility allowing CFX to adjust to emerging trends and seize upon new opportunities.

In May 2016, CFX's Board approved the *2040 Master Plan*, the agency's blueprint for system improvements and new projects that best address the mobility needs of Central Florida. The Master Plan also sets the policy for future operations and capital investment decisions and serves as the basis for CFX's 5-Year Work Plans. The *2040 Master Plan* is the first regional plan adopted by the Board.

The new Master Plan identifies approximately \$2 billion of specific project needs within the existing CFX system and potential expansion projects within the Central Florida region. These investments will be driven by the need to meet existing and anticipated future traffic demands as the region continues to develop and grow.

Key elements of the plan include:

- ▶ **EXISTING SYSTEM IMPROVEMENTS:** Capacity, traffic operations and system renewal needs
- ▶ **REVENUE AND TOLLING OPTIONS:** Toll rate policy, collection technology and operations
- ▶ **POTENTIAL EXPANSION PROJECTS:** New expressway routes and interchanges
- ▶ **MULTIMODAL TRANSPORTATION:** Bus rapid transit, trams or fixed guide ways within the right of way of an existing expressway

The *2040 Master Plan* culminated a yearlong process of community outreach, stakeholder interaction and technical analysis. CFX began the Master Plan public engagement process in April 2015, meeting with local cities, counties, chambers of commerce and civic groups to define how best to collaborate over the next 25 years. In all, CFX held more than 80 meetings, presentations and events that spanned four counties and 26 municipalities. The meetings generated extensive feedback essential to the development of the agency's *2040 Master Plan*.





**“A high-quality transportation network is vital to a top performing economy like Central Florida. It allows businesses to manage inventories and transport goods, get employees reliably to work, and move visitors seamlessly to their destinations, resulting in direct and indirect benefits that ripple throughout our local economy. In this regard, CFX’s economic impact on Central Florida is undeniable.”**

*~ Laura Kelley, CFX Executive Director*

# ECONOMIC BOOST

STUDY SHOWS CFX EXPRESSWAY SYSTEM SAVES TIME AND BENEFITS THE CENTRAL FLORIDA ECONOMY



Last year, CFX released an *Economic Impact and Benefits Study* of our \$1.2 billion Five-Year Work Plan (Fiscal Years 2017-2021) prepared by the Center for Urban Transportation Research (CUTR).

Prepared by the Center for Urban Transportation Research (CUTR), the report shows that CFX's Work Plan is estimated to create approximately 12,300 jobs statewide, or 2,460 jobs per year, and generate wages and other income of nearly \$700 million statewide over this time period. When including all Work Plan contributions, the total economic impact results in \$2.1 billion gross business sales and \$1 billion in gross domestic product. Additionally, the report said the Work Plan would save each household on average 32 travel hours annually, or \$334 in related expenses per year.

Additional travel benefits of the Work Plan, according to the study include increased safety and reduced harmful emissions. Households would save \$26 million over the five-year period because of reduced fuel consumption due to less traffic congestion and avoided medical expenses due to fewer traffic accidents.



# INNOVATION AND EFFICIENCY

## TOLL SYSTEM REPLACEMENT PROJECT

The CFX Toll System Replacement project, launched in September 2015, represents a multiyear effort to make significant improvements to our existing toll collection system infrastructure. This system-wide project will replace or upgrade our current system with the latest, state of the art technology and equipment, which will allow for more robust reporting capabilities, automated system monitoring, and seamless processing of toll transactions, data and images to ensure optimal toll operation performance.

The toll system improvements will provide our customers with a host of benefits including:

- ▶ Independent video audit system that evaluates toll collection system performance to monitor system accuracy
- ▶ New optical image processing system that captures both front and rear license plates and reduces the number of manual image reviewers to keep up with the same volume of images
- ▶ License plate recognition technology that alerts law enforcement in the vicinity of vehicles associated with Silver and Amber alerts, as well as toll violators
- ▶ Ability to support future toll interoperability efforts and future enhancements



As part of this project, all toll plaza beacons (red/green lights) were removed to improve traffic flow through the plazas so our customers can continue on their commute more efficiently and safely.

The toll system replacement project is scheduled to take approximately four years to complete and is anticipated to be in place system-wide by 2019.

# COMMUNITY OUTREACH & CUSTOMER ENGAGEMENT

CFX recognizes the value and importance of taking our message directly to the community and the customers we serve. In FY 2016, we presented to dozens of local groups and service organizations, and participated in festivals and events throughout Central Florida. By engaging with the community directly, we are able to provide a “face to the agency” and share our story while also answering questions and receiving valuable feedback.

CFX is also finding success engaging a wider audience through the agency’s popular monthly electronic newsletter *Driving CFX*, and through a revamped social media outreach initiative. Last year, the *Driving CFX* newsletter reached an all-time high readership of more than 23,000 subscribers and it boasted an impressive 50% open rate. Additionally, CFX’s Facebook page following grew by 24 percent from the previous year to an all-time high of more than 70,000 “likes”.



# IMPROVEMENTS

## SR 417 / BOGGY CREEK INTERCHANGE

In February 2016, CFX and local officials held a ribbon-cutting ceremony to commemorate the opening of the new and improved State Road 417 (Central Florida GreeneWay) / Boggy Creek Road interchange.

CFX chose an innovative design when planning the interchange, using precast concrete curved U-girders rather than traditional steel girders. The design saved the agency more than \$7 million in construction costs and earned the project national recognition.

The new interchange provides CFX customers with better access to and from Orlando International Airport (OIA) from south Orange County and

Osceola County as well as improved access to the growing Lake Nona Medical City community. The interchange also will accommodate the planned extension of the Osceola Parkway.

OIA is the second busiest airport in Florida, with more than 124,000 vehicles accessing the facility daily. Nearly half of those vehicles are expected to access the airport from SR 417 and Boggy Creek road when OIA's South Terminal opens in 2019.



# IMPROVEMENTS CONTINUED ALONG SR 417

Last year, CFX continued its ongoing initiative to add capacity to SR 417 from State Road 528 (Martin B. Andersen Beachline Expressway) to the Orange County/Seminole County line. To minimize the impact to our customers, CFX has broken this 19-mile effort out into six separate project phases. To date, CFX has completed four of the six phases, successfully widening SR 417 from the SR 528 interchange to Lake Underhill Road.

In February 2016, CFX started work on a new project section that will widen SR 417 from Lake Underhill Road to State Road 408 (Spessard L. Holland East-West Expressway). This project also will realign the northbound SR 417 ramp to eastbound SR 408 to help improve access to the SR 408/SR 417 interchange, the second busiest interchange on CFX's 109-mile expressway system. Construction on this project phase is scheduled to end in late 2017.





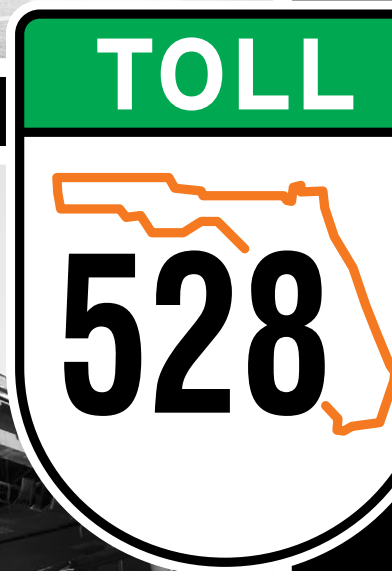
# TOLL PLAZA

## REMOVED ON SR 528 NEAR AIRPORT

After years of discussions and planning, the long-anticipated demolition of the State Road 528 (Martin B. Andersen Beachline Expressway) Airport Plaza became a reality in March 2016.

Opening in 1983, the Airport Plaza was CFX's oldest and second busiest toll plaza, and the only main plaza on our expressway system not equipped with Open Road Tolling (ORT) lanes which enable customers to pay tolls at highway speeds.

The plaza's removal, long championed by our customers as well as Central Florida's business community and tourism industry, was made possible through an "Interagency Toll Collection Agreement" with Florida's Turnpike Enterprise (FTE). The agreement facilitated the transfer of toll collections from the SR 528 Airport Plaza to FTE's Beachline West Main Plaza. The plaza's removal and consolidated collection of tolls on SR 528 now provides visitors and daily commuters with enhanced convenience, safety and a better, more efficient travel experience.



# WEKIVA PARKWAY

Completing Central Florida's Beltway



## COMPLETING CENTRAL FLORIDA'S BELTWAY



In June 2016, CFX awarded the contract to build the agency's fifth and final section of the Wekiva Parkway. This marked a major milestone toward the completion of Central Florida's long-awaited beltway. Nearly 30 years in the making, the \$1.6 billion Wekiva Parkway is a cooperative effort between CFX, the Florida Department of Transportation and Florida's Turnpike Enterprise. The five CFX Wekiva Parkway sections, located in Orange County and a small portion of Lake County, total 10 miles and more than \$270 million in construction costs.

The Wekiva Parkway is anticipated to have a significant economic impact on the region. On any given day, as many as 500 individuals are working on this project. It's estimated that the entire 25-mile parkway will generate nearly 36,000 jobs – both directly and indirectly – from design through the end of construction.



The parkway is expected to relieve traffic congestion resulting from intensifying growth and travel between Orange, Lake and Seminole Counties. The parkway will also feature all-electronic tolling, allowing customers pay their tolls at highway speeds, without having to slow down or stop. Customers will be able to pay their tolls using E-PASS or via CFX's Pay-by-Plate.

CFX's first section of the Wekiva Parkway, from SR 429 at US 441 to the future Kelly Park Road Interchange, is scheduled to open in spring 2017. All of CFX's Wekiva Parkway sections are scheduled to be open to traffic in early 2018.

**It's estimated  
that the entire  
25-mile  
parkway will  
generate  
nearly  
36,000 jobs**



# SERVICE EXCELLENCE

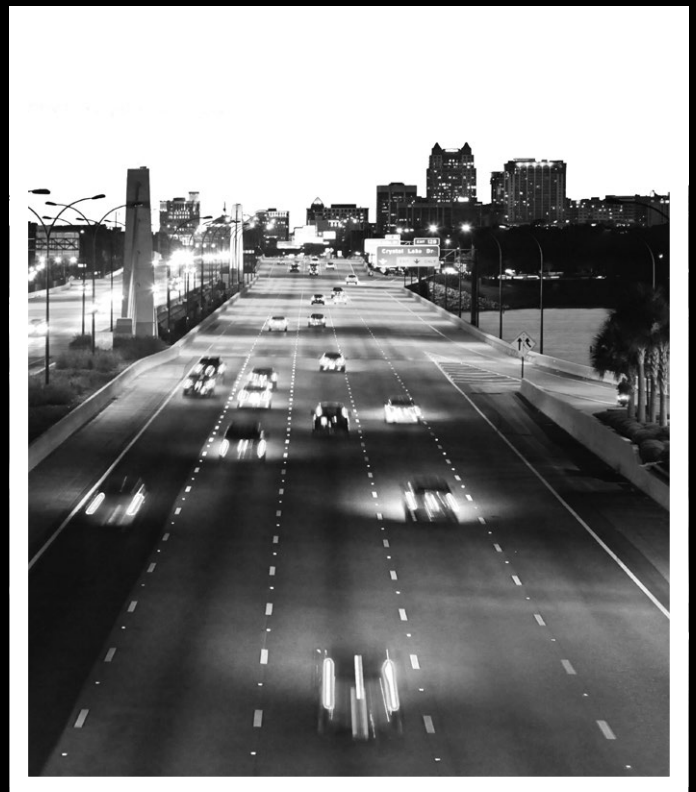
## COMMUNITY AND CUSTOMER FOCUSED INITIATIVES

**With a new vision and dedication to world-class customer service, CFX introduced, in FY 2016, two toll-discount programs that were a huge success.**

The programs helped to increase the number of E-PASS customers from 284,800 accounts in FY 2015 to 302,077 in FY 2016, an increase of 6%.

In Spring 2015, work began on the Florida Department of Transportation's 21-mile, \$2.3 billion I-4 Ultimate reconstruction and widening project. Running through downtown Orlando and extending from Kirkman Road in Orange County to State Road 434 in Seminole County, this section of I-4 handles more than 1.5 million trips daily. As an incentive to motorists seeking to avoid I-4 Ultimate construction, CFX introduced a Commuter Relief program in July 2015. With the program, electronic customers who travel on CFX's portions of the Central Florida Beltway (SR 414, SR 417 and SR 429) who pay 20 or more tolls in a month receive a 5% discount. The discounts are contingent on actual CFX revenues trending 2% above March 2015 projections for the six-year I-4 Ultimate construction period. The discount pays for approximately one day of tolls for a typical customer who pays 20 tolls per week.

In May 2016, CFX replaced our Volume Discount program with a new toll-discount program exclusive to E-PASS customers. The E-PASS Customer Loyalty discount program is a tiered program that provides toll discounts based on the number of transactions per transponder each month. For added convenience, E-PASS customers are automatically eligible to participate in the discount programs.



Being a great agency also means being a great community partner, and with that thought in mind CFX, in February 2016, launched a toll rebate program that offered a 99% rebate for public school buses on official school business transporting students traveling on our expressways from the seven-county Central Florida region. Since then, CFX has outfitted more than 2,000 public school buses in participating counties with free E-PASS sticker transponders. The program is contingent on CFX exceeding its revenue projections by 2% in any given month.

**Being a great  
agency also means  
being a great  
community partner.**



# ENHANCING SAFETY + CUSTOMER SERVICE THROUGH INNOVATION

## WRONG-WAY DRIVING PREVENTION AND DETECTION PILOT PROGRAM

Customer safety is a major priority with CFX. In 2012, CFX began the Wrong-Way Driving (WWD) Prevention and Detection Pilot Program in partnership with the University of Central Florida. The program's main objective is to evaluate the use of "Wrong Way" signs equipped with flashing beacons to prevent wrong-way drivers from entering CFX's expressway system. The devices also send out alerts to the Regional Traffic Management Center where operators can post wrong-way driving alerts on overhead Dynamic Message Signs.

In January 2016, CFX installed its first wrong-way driving detection system at the State Road 528 (Martin B. Andersen Beachline Expressway)/ SR 520 Interchange. Since then, we have continued to install WWD devices throughout our expressway system, with a total of 34 planned installations by the end of 2016. Preliminary results show the WWD system has been successful in detecting wrong-way drivers. In each reported case, the driver turned around when the flashing wrong way beacons activated.



## CFX INTRODUCES IN-LANE E-PASS SERVICE CENTERS

In May 2016, CFX introduced drive-through lanes at the Conway Toll Plaza on State Road 408 (Spessard L. Holland East-West Expressway) where motorists could sign up for E-PASS or replenish their accounts using cash, check or credit card. CFX's Reload Lane pilot program is the first of its kind in the continental United States. Located on the east- and westbound lanes at the Conway Toll Plaza, Reload Lanes were an immediate success.

In the first month and a half of operation, nearly 2,500 new E-PASS accounts were opened at the service lanes, and thousands more motorists added funds to their existing E-PASS accounts. Follow-up surveys showed that 93% of Reload Lane customers were satisfied with the service they received. The Reload Lanes, staffed by customer service representatives, are open seven days a week from 6 a.m. to 8 p.m.

**From the bustling center of downtown Orlando to the vibrant theme parks to the suburban communities and all the localities in between, CFX offers our customers convenient payment options to make traveling easy.**



# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

# GOVERNING BOARD



**Welton Cadwell**  
Chairman,  
Lake County Commissioner



**Scott Boyd**  
Vice-Chairman,  
Orange County Commissioner



**Brenda Carey**  
Secretary/Treasurer,  
Seminole County Commissioner



**Buddy Dyer**  
Board Member,  
Orlando Mayor



**Fred Hawkins, Jr.**  
Board Member,  
Osceola County Commissioner



**Teresa Jacobs**  
Board Member,  
Orange County Mayor



**Andria Herr**  
Board Member



**Jay Madara**  
Board Member



**S. Michael Scheeringa**  
Board Member

**Diane Gutierrez-Scaccetti**  
Non-Voting Advisor



**Laura Kelley**  
Executive Director



**Joseph Passiatore**  
General Counsel



**Joseph Berenis, P.E.**  
Chief of Infrastructure



**Lisa Lumbard**  
Chief Financial Officer

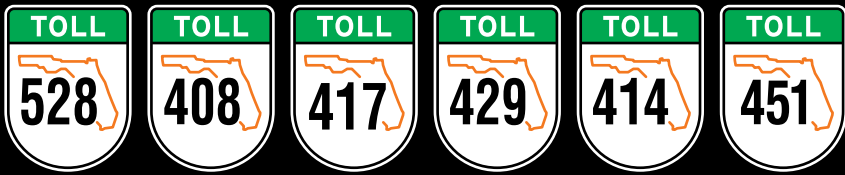


**Michelle Maikisch**  
Chief of Staff/Public Affairs Officer

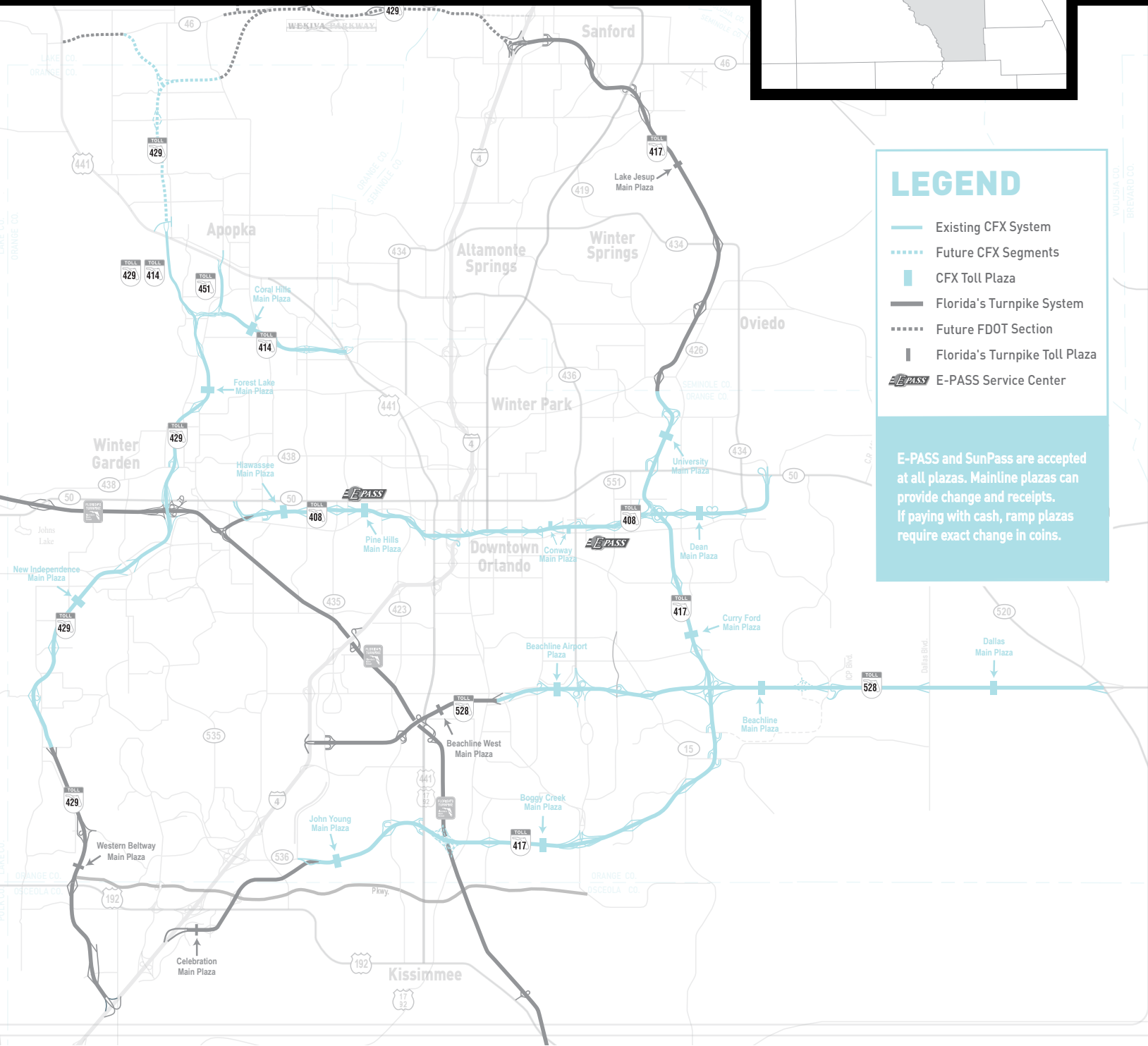


**Corey Quinn, P. E.**  
Chief of Technology/Operations





# SYSTEM MAP



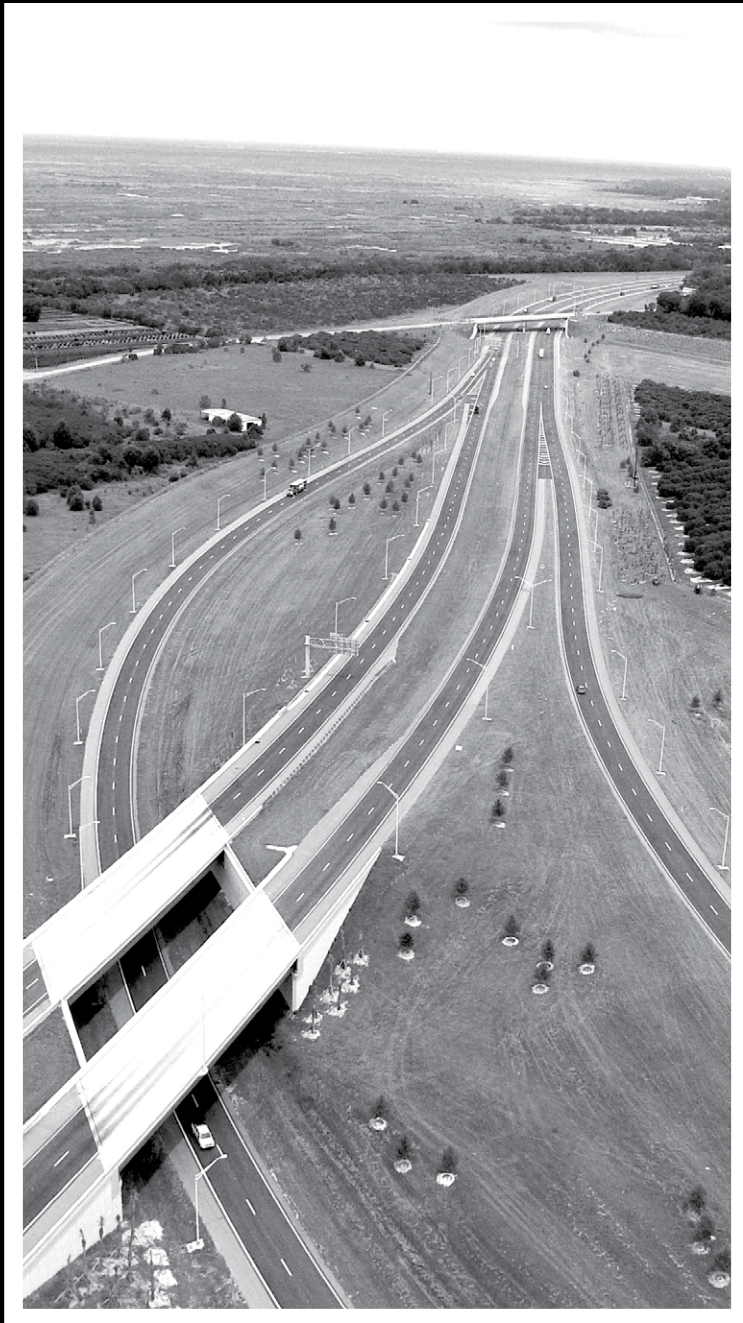
### LEGEND

- Existing CFX System
- - - Future CFX Segments
- CFX Toll Plaza
- Florida's Turnpike System
- - - Future FDOT Section
- | Florida's Turnpike Toll Plaza
- E-PASS Service Center

E-PASS and SunPass are accepted at all plazas. Mainline plazas can provide change and receipts. If paying with cash, ramp plazas require exact change in coins.

# STRIVING FOR EXCELLENCE

## CFX RECEIVES HONORS & AWARDS



- ▶ **Certificate of Achievement for Excellence in Financial Reporting** – Government Finance Officers Association of the United States and Canada
  
- ▶ **Procurement Award** – National Procurement Institute of Excellence
  
- ▶ **Communications Awards** – Florida Public Relations Association:
  - **Commuter Relief Social Media Promotions**
    - Award of Distinction
    - Judges' Award
  
  - **Improving Internal Communications**
    - Image Award
    - Judges' Award
  
  - **E-PASS Holiday Giveaway Campaign**
    - Award of Distinction



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Central Florida  
Expressway Authority**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2015**

Executive Director/CEO



# FINANCIAL SECTION

# INDEPENDENT AUDITOR'S REPORT



To the Members of the Central Florida Expressway Authority  
Orlando, Florida

## **Report on the Financial Statements**

We have audited the accompanying financial statements of the Central Florida Expressway Authority (CFX) as of and for the years ended June 30, 2016 and 2015, and the related notes to the financial statements, which collectively comprise CFX's basic financial statements, as listed in the table of contents.

## **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of CFX as of June 30, 2016 and 2015, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Change in Accounting Principle**

As discussed in Note 11 to the financial statements, in the year ended June 30, 2015, CFX adopted the provisions of Government Accounting Standards Board Statement (GASBS) No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27*. As a result of the implementation of GASBS 68, CFX reported a restatement for the change in accounting principle as of July 1, 2014. Our opinions are not modified with respect to this matter.

# INDEPENDENT AUDITOR'S REPORT



## **Other Matters**

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages B-3 through B-8, Trend Data on Infrastructure Condition information on page B-44, and Pension schedules on page B-45, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise CFX's basic financial statements. The introductory section, calculation of composite debt service ratio on page B-46, statistical section, and the continuing disclosure supplement, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The calculation of the composite debt service ratio is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The introductory section, statistical section, and continuing disclosure supplement have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2016, on our consideration of CFX's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering CFX's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Moore Stephens Lovelace, P.A."

**MOORE STEPHENS LOVELACE, P.A.**  
**Certified Public Accountants**

**Orlando, Florida**  
**November 22, 2016**

# MANAGEMENT'S DISCUSSION & ANALYSIS

As financial management of the Central Florida Expressway Authority (CFX), we offer readers of these financial statements this narrative overview and analysis of the financial activities of CFX for the fiscal years ended June 30, 2016 and 2015. This discussion and analysis is designed to assist the reader in focusing on the significant financial issues and activities and to identify any significant changes in financial position. We encourage readers to consider the information presented here in conjunction with the financial statements as a whole.



## FINANCIAL HIGHLIGHTS

Operating income for CFX was \$307,557,000 (an increase of 11%) and \$278,218,000 (an increase of 12%) for fiscal years 2016 and 2015, respectively. The increase in operating income in fiscal year 2016 is primarily due to higher toll revenues caused by higher toll traffic. The increase in operating income in fiscal year 2015 is also due to higher toll revenues caused by higher toll traffic.

Net income produced an increase in net position of \$203,615,000 and \$181,013,000 for fiscal years 2016 and 2015, respectively.

The term “net position” refers to the difference of assets and deferred outflows less liabilities and deferred inflows. At the close of fiscal year 2016, CFX had a net position of \$1,761,376,000, an increase of 13% over fiscal year 2015. At the close of fiscal year 2015, CFX had a net position of \$1,557,761,000, an increase of 13% over fiscal year 2014. CFX’s overall financial position has improved, as shown by the increase in net position.

## OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to CFX’s financial statements, which is comprised of the basic financial statements and the notes to the financial statements, and supplementary information presented. Since CFX is comprised of a single enterprise fund, fund level financial statements are not shown.

**Basic financial statements** - The basic financial statements are designed to provide readers with a broad overview of CFX’s finances, in a manner similar to a private-sector business.

The balance sheets present information on all of CFX’s assets and deferred outflows and liabilities and deferred inflows, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial condition of CFX is improving or deteriorating. Net position increases when revenues exceed expenses. Increases to assets without a corresponding increase to liabilities results in increased net position, which indicates an improved financial condition.

The statements of revenues, expenses and changes in net position present information showing how a government’s net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event occurs, regardless of timing of related cash flows. Thus revenues and expenses are reported in these statements for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

**Notes to the financial statements** - The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

**Other information** - In addition to the basic financial statements and accompanying notes, this report also presents certain *supplementary information* concerning CFX’s composite debt service ratio, as defined by the bond resolutions, as well as trend data on infrastructure condition and pension schedules.

# MANAGEMENT'S DISCUSSION & ANALYSIS

CONTINUED ...

## FINANCIAL ANALYSIS

Net position may serve, over time, as a useful indicator of a government's financial position. In the case of CFX, assets and deferred outflows exceeded liabilities and deferred inflows by \$1,761,376,000 at the close of the most recent fiscal year. This represents an increase of \$203,615,000 (13%) over the previous year, which is attributable to operations. Unrestricted net position increased from its restated amount of \$313,585,000 at June 30, 2015 to \$401,701,000 at June 30, 2016, an increase of \$88,116,000 (28%). This increase was also due to operating results.

By far, the largest portion of CFX's net position reflects its investment in capital assets (e.g., right-of-way, roads, bridges, buildings, toll equipment, etc.), less any related debt used to acquire those assets that is still outstanding. CFX uses these capital assets to provide service and, consequently, these assets are not available for liquidating liabilities or for other spending.

Of the \$3,945,600,000 in capital assets, net of accumulated depreciation, \$40,347,000 represents the roadway, toll plaza and equipment on the Goldenrod Road Extension. This project, which

opened to traffic in March 2003, was jointly funded by CFX, the Greater Orlando Aviation Authority, the City of Orlando, Orange County, Florida, and private developers, with CFX serving as the lead agency on the project. The Goldenrod Road Extension extends from the previous terminus of Goldenrod Road at Narcoossee Road south to Cargo Road. This facility intersects SR 528 (Martin B. Andersen Beachline Expressway), east of the Orlando International Airport, at a system interchange. Each partner contributing to this project will be repaid through toll revenues generated by this road. After all operational expenses are met and the partners are reimbursed for their contributions, the toll plaza will be demolished and the roadway will be transferred to the City of Orlando. CFX will retain ownership of the interchange to SR 528 and certain portions of the right-of-way. Since this project is a non-system project, it is accounted for on a single line in the statements of revenues, expenses and changes in net position, in the non-operating revenues (expenses) section. The toll revenues on this project are not pledged to CFX's bond indebtedness.

## CENTRAL FLORIDA EXPRESSWAY AUTHORITY'S NET POSITION

	June 30,		
	2016	2015	2014
	(in thousands)		
Current and other assets	\$ 632,260	\$ 539,615	\$ 552,529
Non-current restricted assets	207,795	102,671	105,010
Capital assets	3,945,600	3,754,751	3,587,730
<b>Total assets</b>	<b>4,785,655</b>	<b>4,397,037</b>	<b>4,245,269</b>
Deferred outflow of resources	358,712	302,386	288,646
<b>Total assets and deferred outflows</b>	<b>5,144,367</b>	<b>4,699,423</b>	<b>4,533,915</b>
<b>Current liabilities:</b>			
Payable from unrestricted assets	245,321	76,779	68,124
Payable from restricted assets	84,815	69,198	71,582
Revenue bonds outstanding (net of current portion)	2,800,991	2,629,928	2,657,730
Other long-term liabilities	245,256	357,847	350,755
<b>Total liabilities</b>	<b>3,376,383</b>	<b>3,133,752</b>	<b>3,148,191</b>
Deferred inflow of resources	6,608	7,910	6,463
<b>Total liabilities and deferred inflows</b>	<b>3,382,991</b>	<b>3,141,662</b>	<b>3,154,654</b>
<b>Net position:</b>			
Net investment in capital assets	1,318,726	1,206,541	1,023,491
Restricted	40,949	37,635	33,421
Unrestricted	401,701	313,585	322,349
<b>Total net position</b>	<b>\$ 1,761,376</b>	<b>\$ 1,557,761</b>	<b>\$ 1,379,261</b>



# MANAGEMENT'S DISCUSSION & ANALYSIS

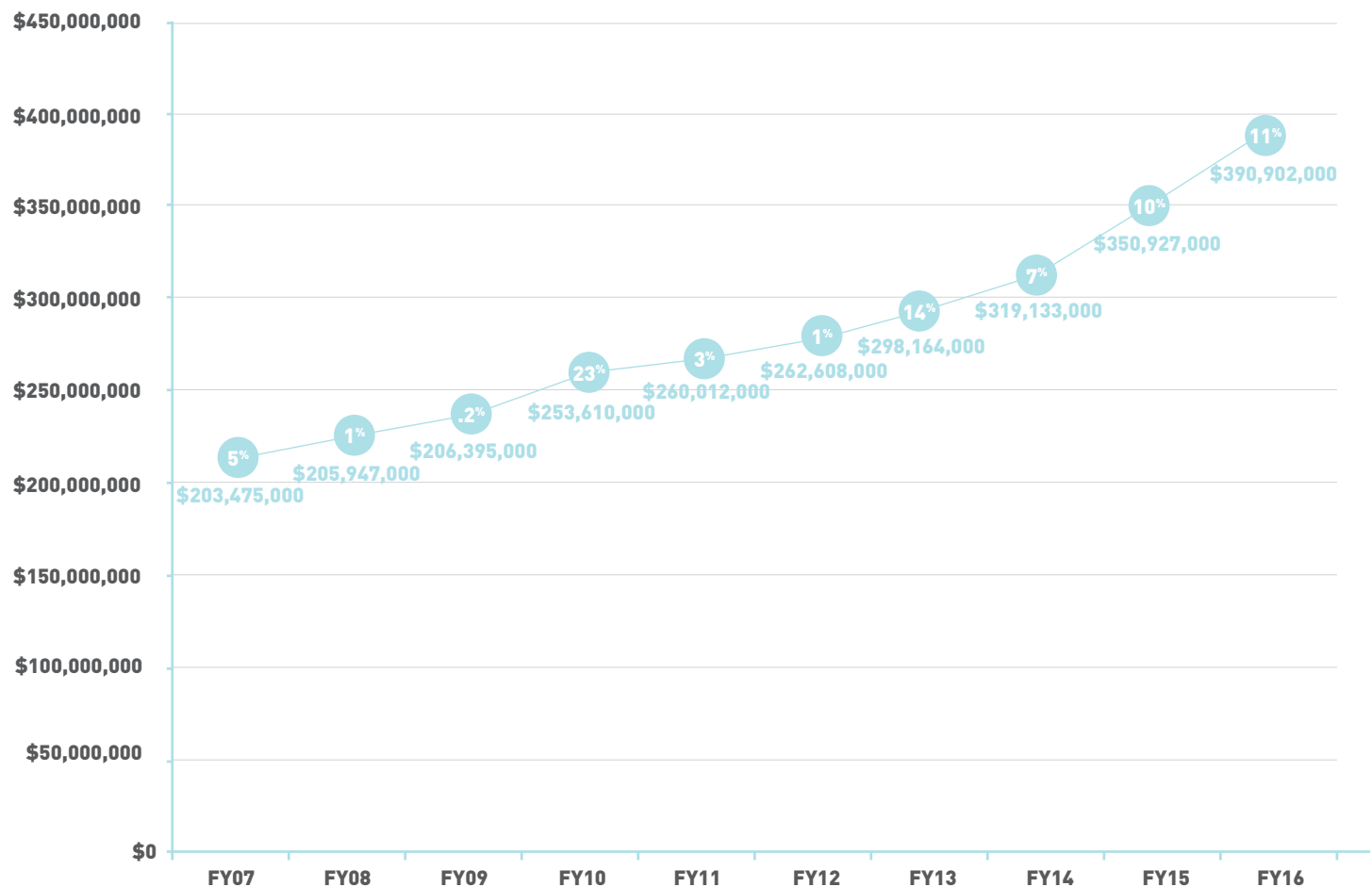
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CFX's toll revenues increased 11% and 10% during the fiscal years ended June 30, 2016 and 2015, respectively.

Toll revenue represents approximately 98% of all operating revenues. CFX's toll revenue annual growth rate has averaged 7% over the last 10 years. The higher increases in fiscal years 2010 and 2013 are the result of toll rate increases.



## TOLL REVENUE GROWTH TRENDS



# MANAGEMENT'S DISCUSSION & ANALYSIS

CONTINUED ...

## CENTRAL FLORIDA EXPRESSWAY AUTHORITY'S CHANGES IN NET POSITION

	Years Ended June 30,		
	2016	2015	2014
	(in thousands)		
<b>Revenues:</b>			
Toll revenues	\$ 390,902	\$ 350,927	\$ 319,133
Transponder sales	167	63	76
Other operating revenue	9,791	8,196	6,395
Investment income	5,977	2,516	2,632
Goldenrod Road Extension - net	1,400	(2,751)	823
Other non-operating revenue	403	92	239
Gain on capital assets	-	-	755
Capital Contribution	13,036	154	784
<b>Total revenues</b>	<b>421,676</b>	<b>359,197</b>	<b>330,837</b>
<b>Expenses:</b>			
Operations	40,716	37,430	35,522
Maintenance	13,602	14,419	14,302
Administrative	6,429	5,616	5,081
Depreciation	14,263	15,604	16,800
Preservation	15,964	3,975	468
Other	2,329	3,924	4,502
Interest expense	124,064	95,368	101,779
Loss on capital assets	694	1,848	-
<b>Total expenses</b>	<b>218,061</b>	<b>178,184</b>	<b>178,454</b>
<b>Change in net position</b>	<b>203,615</b>	<b>181,013</b>	<b>152,383</b>
<b>Net position, beginning of year</b>	<b>1,557,761</b>	<b>1,379,261</b>	<b>1,226,878</b>
<b>Restatement of net position</b>	<b>-</b>	<b>(2,513)</b>	<b>-</b>
<b>Net position, end of year</b>	<b>\$ 1,761,376</b>	<b>\$ 1,557,761</b>	<b>\$ 1,379,261</b>

CFX's Operations, Maintenance and Administration ("OM&A") expenses for fiscal year 2016 increased 5.7% from fiscal year 2015 and ended the year 11.6% under budget. CFX came in under budget due primarily to the following reasons: 1) There was a program budgeted for in operations that was delayed, and a plaza was closed; 2) Maintenance expenses were less than anticipated; and 3) multiple departments had positions that were budgeted for but not filled.

Transponder sales increased by 165% between fiscal years 2015 and 2016 largely because of a new campaign aimed at increasing E-PASS market share.

Investment income increased by 138% between fiscal years 2015 and 2016 due to more available cash and higher interest rates in our investment portfolio.

Other operating revenue consists of various fees that are collected, such as statement fees, pay by plate fees and fees received for collecting revenue on behalf of other entities. Other operating revenue increased by 28% between fiscal years 2014 and 2015 and by another 20% between fiscal years 2015 and 2016. CFX replaced its unpaid toll notice program, with a pay by plate initiative, assessing a new fee schedule on every transaction not paid in the lane.

Other non-operating revenue consists of grant revenue and miscellaneous revenue. There was a decrease by 61% between fiscal years 2014 and 2015 due to a one-time miscellaneous payment we received in 2014. There was an increase of 338% between fiscal years 2015 and 2016 due to revenue received from leasing some easement along SR 528 that CFX will be recognizing over the life of the agreement, which is through 2066.

# MANAGEMENT'S DISCUSSION & ANALYSIS

CONTINUED ...

## CENTRAL FLORIDA EXPRESSWAY AUTHORITY'S CHANGES IN NET POSITION *continued...*

Capital Contributions increased from \$154,000 in fiscal year 2015 to \$13,036,000 in fiscal year 2016, which is an increase of 8,365%. This increase is due to funds that were received in conjunction with right of way acquired along the 528 for a future widening project.

Preservation expense includes such items as resurfacing and restriping. The budgeted amounts are based on projected requirements to keep the roadway in good condition and, therefore, the expenses related to preservation can vary significantly from year to year. Preservation expense increased 749% in fiscal year 2015 and then increased an additional 302% in fiscal year 2016. Preservation expenses were driven lower than anticipated in fiscal year 2014 because projects started later than expected, but then made a notable rebound in fiscal years 2015 and 2016 due to large resurfacing projects getting underway.

Other expenses are expenses that were not part of our OM&A budget, but also were not capitalized. These expenses are expected to fluctuate from year to year depending upon the amount spent on

non-capitalized projects. Other expenses decreased 13% between fiscal years 2014 and 2015 and decreased by another 41% between fiscal year 2015 and 2016.

There were losses in capital assets in fiscal year 2015 and 2016 as anticipated. There have been various bridges and toll plaza lanes removed and/or demolished to make way for road widening, extension and interchange projects over the past few fiscal years. Also contributing to the loss in capital assets were losses on the sale of various surplus property. Also, the Airport Mainline Toll Plaza was demolished in fiscal year 2016.

In fiscal year 2015 there was a restatement of net position due to GASB 68 which called for government employers to start recording their proportionate share of the net pension liability related to cost-sharing multiple-employer defined benefit pension plans. CFX participates in the Florida Retirement System pension plan so these pension-related items were recorded in fiscal years 2015 and 2016 and as an adjustment to net position as of July 1, 2014.

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## CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital Assets** - CFX's investment in capital assets amounts to \$3,945,600,000 net of accumulated depreciation as of June 30, 2016, an increase of \$190,849,000 (5%) over that of June 30, 2015. CFX's investment in capital assets amounted to \$3,754,751,000 net of accumulated depreciation as of June 30, 2015, an increase of \$167,021,000 (5%) over that of June 30, 2014. Capital assets include right-of-way, roads, bridges, buildings, equipment and furniture. A schedule of the change in CFX's capital assets is in Note 4 of the financial statements.

Major capital asset events during fiscal year 2016 included the following:

- The construction of the SR 429 Wekiva Parkway interchange, including bridges over Ondich Road and Plymouth Sorrento Road began
- The design build of SR 528 Innovation Way began
- The construction of SR 429 Wekiva Parkway from the Lake county line began.
- The SR 417/Boggy Creek interchange was completed.
- Airport mainline toll plaza on SR 528 was demolished.

**Modified Approach for Infrastructure Assets** - CFX has elected to use the modified approach for infrastructure reporting. This means that, in lieu of reporting depreciation on infrastructure, CFX reports as preservation expense the costs associated with maintaining

the existing roadway in good condition. CFX's policy is to maintain the roadway condition at a Maintenance Rating Program rating of 80 or better. The Florida Department of Transportation ("FDOT") annually inspects CFX's roadways and has determined in fiscal year 2016 that all of its roadways exceed this standard. Pursuant to its bond covenants, CFX maintains a renewal and replacement fund for these preservation expenditures. For fiscal year 2016, projected expenses for preservation were \$42,406,000 and \$15,964,000 was actually spent. The expenses were lower than projected due to slower than anticipated project start dates, and project costs coming in lower than expected. We anticipate a portion of these unspent funds will be spent in upcoming fiscal years.

**Long-Term Debt** - CFX has outstanding bonds payable of \$2,821,351,000 (net of unamortized bond premiums and discounts) as of June 30, 2016.

During fiscal year 2016 CFX issued \$151,695,000 of fixed rate revenue refunding bonds (Series 2016A) for the purpose of refunding the 2007A Bonds and \$193,695,000 of fixed rate revenue bonds (Series 2015 BAN) to provide funds to finance certain capital costs for the Wekiva Parkway Project.

# MANAGEMENT'S DISCUSSION & ANALYSIS

CONTINUED ...

## CAPITAL ASSET AND DEBT ADMINISTRATION *continued...*

The annual requirements to amortize all revenue bonds and revenue refunding bonds outstanding as of June 30, 2016, along with more detailed information on long-term debt activity, can be found in Note 5, Long-Term Debt, which begins on page B-27 of the financial statements. Of the approximately \$2.8 billion in outstanding bonds, \$497,940,000 are variable rate bonds, which have corresponding interest rate exchange agreements designed to effectively swap the variable rates to fixed rates. The synthetic interest rate applicable to the variable rate bonds are 4.7753% for the 2008B Bonds.

To determine the fair market value of its interest rate exchange agreements, CFX's financial advisor has performed a calculation based upon expected forward LIBOR swap rates and discounted cash flows. On a current market-to-market basis, in the event of a termination, using a termination date of June 30, 2016, CFX would have to make an estimated termination payment of approximately \$234,688,561 on the swaps related to the Series 2008B Bonds.

	<b>June 30, 2016</b>	<b>June 30, 2015</b>
Series 2008B	\$ 234,688,561	\$ 168,782,310

CFX's debt service ratio before pledged gas taxes changed to 2.42 for fiscal year 2016 from 2.20 for fiscal year 2015 and 1.99 in fiscal year 2014. The debt service ratio, including pledged gas taxes, changed to 2.49 for fiscal year 2016 from 2.27 for fiscal year 2015 and 2.05 in fiscal year 2014. The increases in the debt service ratios for fiscal years 2015 and 2016 is due to an increase in toll revenues. As of July 1, 2003, the County's gas tax pledge only applies to the 1990 Series Bonds.

CFX has a Lease-Purchase Agreement (LPA) with the FDOT whereby the FDOT is required to reimburse CFX for the maintenance and operation costs associated with certain portions of the roadways and toll plazas on CFX's System. During fiscal years 2012 and 2013, FDOT did not reimburse CFX for the operations portion of their obligation because the Governor of Florida exercised his line-item veto authority to remove that line from the state's budget. During fiscal year 2013, CFX and FDOT amended the LPA under which the FDOT agreed to uphold its obligation for operations and maintenance costs provided CFX

agrees to repay those funds to the FDOT within 60 days. CFX plans to repay those funds in accordance with its Master Bond Resolution, which permits such payments provided CFX is able to fund its OM&A budget, debt service requirements, required reserve deposits, and renewal and replacement fund requirements. The FDOT reimbursement is taken into consideration when calculating CFX's debt service ratio.

CFX's current bond ratings are as follows:

	<b>Ratings</b>
Standard & Poor's	A
Moody's	A2
Fitch	A

## REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of CFX's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, Central Florida Expressway Authority, 4974 ORL Tower Road, Orlando, FL 32807.



# BALANCE SHEETS

	June 30,	
	2016	2015
(in thousands)		
<b>Assets and Deferred Outflows of Resources</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 220,050	\$ 274,836
Investments	306,200	179,508
Restricted cash and cash equivalents to meet current restricted liabilities	84,815	69,198
Accrued interest and accounts receivable	5,381	3,112
Due from governmental agencies	7,857	5,964
Inventory	2,923	349
<b>Total current assets</b>	<b>627,226</b>	<b>532,967</b>
<b>Noncurrent assets:</b>		
Restricted assets:		
Cash and cash equivalents	83,802	35,022
Investments	123,350	66,992
Accrued interest receivable and prepaid expenses	643	657
<b>Total restricted assets</b>	<b>207,795</b>	<b>102,671</b>
Due from governmental agencies	-	767
Prepaid bond insurance	5,034	5,881
<b>Total noncurrent assets before capital assets</b>	<b>5,034</b>	<b>6,648</b>
Capital assets not being depreciated:		
Infrastructure	3,364,744	3,268,286
Construction in progress	435,123	329,002
Capital assets - net of accumulated depreciation:		
Property and equipment	145,733	157,463
<b>Total capital assets - net of accumulated depreciation</b>	<b>3,945,600</b>	<b>3,754,751</b>
<b>Total noncurrent assets</b>	<b>4,158,429</b>	<b>3,864,070</b>
<b>Total assets</b>	<b>4,785,655</b>	<b>4,397,037</b>
Deferred outflows of resources	358,712	302,386
<b>Total assets and deferred outflows of resources</b>	<b>\$ 5,144,367</b>	<b>\$ 4,699,423</b>

See notes to financial statements.

# BALANCE SHEETS CONTINUED ...

	June 30,	
	2016	2015
<b>Liabilities, Deferred Inflows of Resources, and Net Position</b>	<b>(in thousands)</b>	
<b>Current liabilities payable from unrestricted assets:</b>		
Accounts payable and accrued liabilities	\$ 19,530	\$ 19,420
Unearned toll revenue	16,906	12,400
Unearned other revenue	32,104	17,974
Current portion of due to governmental agencies	176,781	26,985
<b>Total current liabilities payable from unrestricted assets</b>	<b>245,321</b>	<b>76,779</b>
<b>Current liabilities payable from restricted assets:</b>		
Accounts payable and accrued liabilities	15,824	49
Interest payable	48,631	50,174
Current portion of revenue bonds payable	20,360	18,975
<b>Total current liabilities payable from restricted assets</b>	<b>84,815</b>	<b>69,198</b>
<b>Total current liabilities</b>	<b>330,136</b>	<b>145,977</b>
<b>Noncurrent liabilities:</b>		
Derivative financial instrument	234,689	168,782
Revenue bonds payable - less current portion	2,800,991	2,629,928
Due to governmental agencies - less current portion	6,715	186,688
Net pension liability	3,852	2,377
<b>Total noncurrent liabilities</b>	<b>3,046,247</b>	<b>2,987,775</b>
<b>Total liabilities</b>	<b>3,376,383</b>	<b>3,133,752</b>
Deferred inflows of resources	6,608	7,910
<b>Total liabilities and deferred inflows of resources</b>	<b>3,382,991</b>	<b>3,141,662</b>
<b>Net position:</b>		
Net investment in capital assets	1,318,726	1,206,541
Restricted for:		
Operation, maintenance and administrative reserve	8,901	7,929
Renewal and replacement reserve	32,048	29,706
<b>Total restricted net position</b>	<b>40,949</b>	<b>37,635</b>
Unrestricted	401,701	313,585
<b>Total net position</b>	<b>1,761,376</b>	<b>1,557,761</b>
<b>Total liabilities, deferred inflows of resources, and net position</b>	<b>\$ 5,144,367</b>	<b>\$ 4,699,423</b>

See notes to financial statements.

# STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	Years Ended June 30,	
	2016	2015
	(in thousands)	
<b>Operating revenues:</b>		
Toll revenues	\$ 390,902	\$ 350,927
Transponder sales	167	63
Fees and other	9,791	8,196
<b>Total operating revenues</b>	<b>400,860</b>	<b>359,186</b>
<b>Operating expenses:</b>		
Operations	40,716	37,430
Maintenance	13,602	14,419
Administrative	6,429	5,616
Depreciation	14,263	15,604
Preservation	15,964	3,975
Other expenses	2,329	3,924
<b>Total operating expenses</b>	<b>93,303</b>	<b>80,968</b>
<b>Operating income</b>	<b>307,557</b>	<b>278,218</b>
<b>Nonoperating revenues (expenses):</b>		
Investment income	5,977	2,516
Gain (Loss) on capital assets	(694)	(1,848)
Other nonoperating	403	92
Goldenrod Road Extension - net	1,400	(2,751)
Interest expense	(124,064)	(95,368)
<b>Total nonoperating revenues (expenses)</b>	<b>(116,978)</b>	<b>(97,359)</b>
<b>Income before contributions</b>	<b>190,579</b>	<b>180,859</b>
Capital contribution	13,036	154
<b>Change in net position</b>	<b>203,615</b>	<b>181,013</b>
<b>Net position at beginning of year</b>	<b>1,557,761</b>	<b>1,379,261</b>
<b>Restatement for GASB 68 implementation</b>	<b>-</b>	<b>(2,513)</b>
<b>Net position at end of year</b>	<b>\$ 1,761,376</b>	<b>\$ 1,557,761</b>

See notes to financial statements.

# STATEMENTS OF CASH FLOWS

	Years Ended June 30,	
	2016	2015
	(in thousands)	
<b>Operating activities:</b>		
Receipts from customers and users	\$ 421,390	\$ 370,513
Payments to suppliers	(83,867)	(55,928)
Payments to employees	(4,765)	(4,338)
<b>Net cash provided by operating activities</b>	<b>332,758</b>	<b>310,247</b>
<b>Capital and related financing activities:</b>		
Acquisition and construction of capital assets	(179,262)	(153,059)
Proceeds from capital contributions	13,036	154
Proceeds from issuance of debt	345,390	-
Interest paid on revenue bonds	(125,288)	(129,147)
Payment of principal on revenue bonds	(174,995)	(16,875)
Payment of principal and interest on State Infrastructure Bank Loan	(2,513)	(10,188)
Payment of principal on government advances	(20,187)	(20,177)
<b>Net cash used in capital and related financing activities</b>	<b>(143,819)</b>	<b>(329,292)</b>
<b>Investing activities:</b>		
Purchase of investments	(636,969)	(332,002)
Proceeds from sales and maturities of investments	453,919	342,620
Interest received	3,722	1,677
<b>Net cash provided by investing activities</b>	<b>(179,328)</b>	<b>12,295</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>9,611</b>	<b>(6,750)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>379,056</b>	<b>385,806</b>
<b>Cash and cash equivalents at end of year</b>	<b>\$ 388,667</b>	<b>\$ 379,056</b>
Cash and cash equivalents - unrestricted	\$ 220,050	\$ 274,836
Restricted cash and cash equivalents - current	84,815	69,198
Restricted cash and cash equivalents - noncurrent	83,802	35,022
	<b>\$ 388,667</b>	<b>\$ 379,056</b>

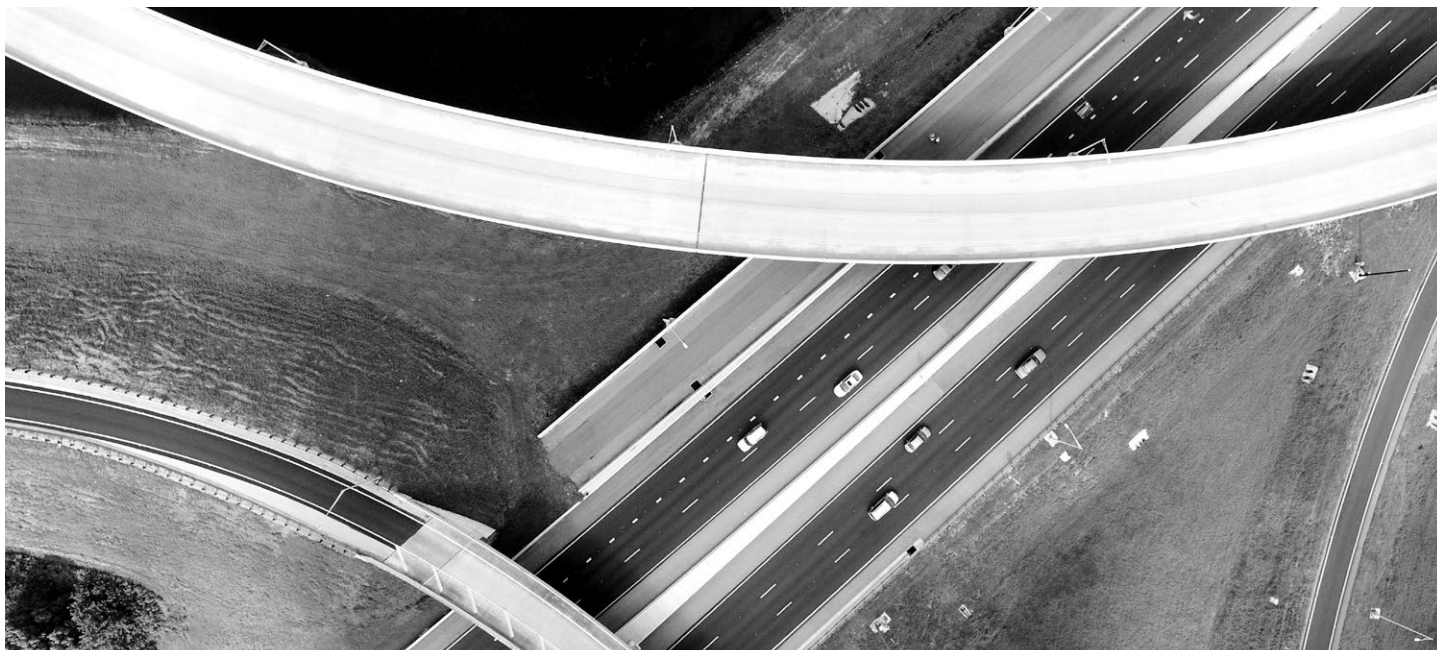
See notes to financial statements.



# STATEMENTS OF CASH FLOWS *CONTINUED...*

	Years Ended June 30,	
	2016	2015
(in thousands)		
<b>Reconciliation of operating income to net cash provided by operating activities:</b>		
Income from operations	\$ 307,557	\$ 278,218
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	14,263	15,604
Goldenrod Road Extension and other miscellaneous	1,894	(682)
Changes in assets and liabilities:		
Due from governmental agencies	(1,126)	(1,363)
Inventory	(2,574)	(269)
Accounts payable and accrued liabilities	110	3,684
Unearned rent	14,150	11,610
Due to governmental agencies	(7,477)	684
Unearned toll revenue	4,486	399
Arbitrage rebate payable	-	(15)
Net pension liability	1,475	2,377
<b>Net cash provided by operating activities</b>	<b>\$ 332,758</b>	<b>\$ 310,247</b>
<b>Noncash investing and financing activities:</b>		
Increase in fair value of investments	\$ 1,803	\$ 511
Decrease in fair value of derivative instrument	\$ (65,907)	\$ (27,373)

See notes to financial statements.



# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Reporting Entity** - The Central Florida Expressway Authority (CFX) is an agency of the state, created by the Florida Legislature. On June 20, 2014, the Governor of Florida signed the bill to create CFX, which assumed the governance and control of the former Orlando-Orange County Expressway Authority, including its assets, personnel, contracts, obligations, liabilities, facilities and tangible and intangible property. CFX is an independent, locally controlled transportation authority responsible for the construction, maintenance and operation of toll roads in Seminole, Lake, Osceola and Orange Counties, and may also acquire, construct and equip rapid transit, trams and fixed guideways within the rights-of-way of the expressway system. The governing board of CFX is made up of nine members, consisting of: (a) one member each appointed by the respective chairs of the county commissions of Lake, Orange, Osceola and Seminole Counties; (b) three citizens appointed by the Governor; (c) the Mayor of Orange County; and (d) the Mayor of the City of Orlando. The Florida Turnpike Enterprise Executive Director serves as a non-voting advisor. CFX is authorized to issue revenue bonds to finance portions of the System and to execute the refunding of existing revenue bonds.

For financial reporting purposes, CFX is a stand-alone entity; there are no component units included in the accompanying financial statements, and CFX is not considered a component unit of another entity.

**Basis of Accounting** - CFX prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America for proprietary funds, which are similar to those for private business enterprises. Accordingly, revenues are recorded when earned and expenses are recorded when incurred.

The assets, deferred outflows, liabilities, deferred inflows, and net position of CFX are reported in a self-balancing set of accounts, which include restricted and unrestricted resources, representing funds available for support of CFX's operations.

**Operating Revenues and Expenses** - CFX's operating revenues and expenses consist of revenues earned and expenses incurred relating to the operation and maintenance of its System. The Goldenrod Road Extension, which is a project outside the normal course of operations, and all other revenues and expenses are reported as nonoperating revenues and expenses.

**Lease-Purchase Agreement** - Under the requirements of the Lease-Purchase Agreement between CFX and the FDOT, dated December 23, 1985, as amended and supplemented, CFX is reimbursed by the FDOT for the maintenance costs of SR 528, portions of SR 408, improvements to the Airport Interchange at SR 528 and State Road 436 (Semoran Boulevard), and the cost of operations of the Conway and Pine Hills Plazas. However, the



# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *continued...*

reimbursements received are recorded as advances from the FDOT and are included in due to governmental agencies, since they are to be repaid to the FDOT from future toll revenues after the requirements for retirement of bonds and all other obligations have been met.

While CFX's position has been that the FDOT's obligations under the Lease-Purchase Agreement were not subject to appropriation, the Governor vetoed the operations component of the reimbursement for fiscal year 2013. CFX entered into a Memorandum of Agreement with FDOT on February 14, 2013 where it was agreed that commencing in fiscal year 2014 the operations and maintenance payments made by the FDOT will be refunded to the FDOT within sixty days of payment.

**Cash and Cash Equivalents** - For purposes of the statements of cash flows, demand deposit accounts with commercial banks, and cash invested in commercial money market funds (including restricted assets) are considered cash equivalents. For investments that are held separately from the pools, those which are highly liquid (including restricted assets), with an original maturity of 90 days or less when purchased or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates, are considered to be cash equivalents.

**Investments** - Investments consist of unrestricted and restricted investments, and are carried at fair value, as determined in an active market.

**Accounts Receivable** - The accrued interest and accounts receivable primarily consists of amounts billed to individuals via one or more Pay by Plate invoices for tolls not paid at the point of System use. This item also includes interest earned but not paid by the end of the fiscal year, or amounts due from individuals or other entities for prepaid items or for services provided. This amount is recorded at the net realizable value; therefore, a provision for doubtful accounts has been made for the estimated amount of uncollectible Pay by Plate invoices based on historical information.

**Inventory** - Inventory, which consists of E-PASS system transponders that will be sold to customers, is carried at the lower-of-cost or market and is valued using the specific-identification method.

**Restricted Assets** - Restricted assets of CFX represent bond proceeds designated for construction, and other monies required to be restricted for debt service, operations, maintenance, administration, renewal and replacement.

**Deferred Outflows/Inflows of Resources** - In addition to assets, CFX reports a separate section for deferred outflows of resources on its balance sheets. Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense) until then. CFX has three items that qualify for reporting as deferred outflows of resources.

**Accumulated Decrease in Fair Value of Hedging Derivatives** -

As described in Note 5, CFX has entered into interest rate swap agreements that qualify as effective cash flow hedges in connection with variable rate bonds. The fair value of the swaps is presented on the balance sheets as a deferred outflow of resources and a derivative financial instrument liability in the amount of \$234,689,000 and \$168,782,000 at June 30, 2016 and 2015, respectively, with changes in valuation applied to these balance sheet accounts. Should the swaps be terminated prior to their expected conclusion, or if the hedges cease to significantly reduce risk, accumulated gains or losses will be reported on the operating statement.

**Deferred Outflow on Refunding of Revenue Bonds** -

The difference between the reacquisition price and the net carrying amount of refunded bonds is presented on the balance sheets at June 30, 2016 and 2015 as a deferred outflow of resources in the amount of \$121,914,000 and \$131,944,000, respectively, and is amortized as an adjustment to interest expense on a straight-line basis over the life of the refunded bonds or the life of the refunding bonds, whichever is shorter.

**Deferred Outflows Related to Pensions** -

These deferred outflows of resources are an aggregate of items related to pensions as calculated in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The deferred outflows related to pensions totaled \$2,109,000 and \$1,660,000 at June 30, 2016 and 2015, respectively, and will be recognized as either pension expense or a reduction in the net pension liability in future reporting years. Details on the composition of the deferred outflows of resources related to pensions are further discussed in Note 8.

In addition to liabilities, CFX reports a separate section for deferred inflows of resources on its balance sheets. Deferred inflows of resources represent an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources until then. CFX has two items that qualify for reporting as deferred inflows of resources.

# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *continued...*

**Deferred Inflow on Interest Rate Exchange** - During the fiscal year ended June 30, 2007, CFX entered into six mandatory, cash-settled interest rate exchange agreements, the purpose of which was to lock in the interest rate associated with the Series 2007A Bonds. The result of these agreements was an \$8,078,000 net payment to CFX on June 28, 2007, which is presented on the balance sheets at June 30, 2016 and 2015 as a deferred inflow of resources in the amount of \$6,001,000 and \$6,232,000, respectively, and is amortized as an adjustment to interest expense over the life of the bonds.

**Deferred Inflows Related to Pensions** - These deferred inflows of resources are an aggregate of items related to pensions as calculated in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions. The deferred inflows related to pensions at June 30, 2016 and 2015 totaled \$607,000 and \$1,678,000, respectively, and will be recognized as a reduction to pension expense in future reporting years. Details on the composition of the deferred outflows of resources related to pensions are further discussed in Note 8.

#### Capital Assets -

**Cost Basis** - All capital assets are recorded at historical cost. The cost of property and equipment includes costs for infrastructure assets (right-of-way, highways and bridges substructure, and highways and bridges), toll equipment, buildings, toll facilities, other related costs (including software) and furniture and equipment. Highways and bridges substructure includes road sub-base, grading, land clearing, embankments and other related costs. Costs for infrastructure assets include construction costs, design and engineering fees, administrative and general expenses paid from construction monies, and bond interest expense incurred during the period of construction.

**Capitalization Policy** - Costs to acquire additional capital assets, and to replace existing assets or otherwise prolong their useful lives, are capitalized for toll equipment, buildings, toll facilities, other related costs, and furniture and equipment. Under CFX's policy of accounting for infrastructure assets pursuant to the "modified approach," property costs represent a historical accumulation of costs expended to acquire rights-of-way and to construct, improve and place in operation the various projects and related facilities. It is CFX's policy to capitalize amounts equal to or in excess of \$5,000.

**Depreciation Policy** - Depreciation of toll equipment, buildings, toll facilities, other related costs, signs, software, and furniture and equipment is computed using the straight-line method over the estimated useful lives of the assets as follows:

Toll equipment	8 years
Buildings, toll facilities and other	30 years
Signs	20 years
Software	3 years
Furniture and equipment	7 years

Under the modified approach, infrastructure assets are considered to be "indefinite lived" assets; that is, the assets themselves will last indefinitely and are, therefore, not depreciated. Costs related to maintenance, renewal and replacement for these assets are not capitalized, but instead are considered to be period costs and are included in preservation expense.

**Construction in Progress** - Construction in progress represents costs incurred by CFX for in-process activities designed to expand, replace or extend useful lives of existing property and equipment.

**Capitalized Interest** - Interest costs on funds used to finance the construction of capital assets are capitalized based upon the blended cost of debt and depreciated over the life of the related assets in accordance with the above policies.

**Retainage Payable** - Retainage payable represents amounts billed to CFX by contractors for which payment is not due pursuant to retained percentage provisions in construction contracts until substantial completion of performance by contractor and acceptance by CFX.

**Compensated Absences** - Accumulated vacation pay, vested sick pay, and other compensation payable to employees is recorded and included in accounts payable and accrued liabilities. The balance of



# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *continued...*

compensated absences had a net increase of \$107,000 from June 30, 2015 to June 30, 2016.

#### **Bond Premium, Discount, and Prepaid Bond Insurance Costs -**

Bond premium, discount and prepaid bond insurance costs associated with the issuance of bonds are amortized on a straight-line basis over the life of the bonds, which approximates the effective interest method. Bond premiums and discounts are presented as an addition and a reduction, respectively, of the face amount of revenue bonds payable whereas prepaid bond insurance costs are recorded as assets.

**Restricted Net Position -** Restricted net position is comprised of amounts reserved for operations, maintenance, administrative expenses and renewals and replacements in accordance with bond covenants.

**Pensions -** In the balance sheets, net pension liability represents CFX's proportionate share of the net pension liability of the cost-sharing pension plans in which it participates. This proportionate amount represents a share of the present value of projected benefit payments to be provided through the cost-sharing pension plan to current active and inactive employees that is attributed to those employees' past periods of service (total pension liability), less the amount of the cost-sharing pension plan's fiduciary net position.

CFX participates in both the Florida Retirement System (FRS) defined benefit pension plan and the Retiree Health Insurance Subsidy Program (HIS) defined benefit pension plan administered by the Florida Division of Retirement (collectively, FRS/HIS).

For purposes of measuring CFX's net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of FRS/HIS and additions to/deductions from FRS/HIS's fiduciary net position have been determined on the same basis as they are reported by FRS/HIS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Budgets and Budgetary Accounting -** CFX abides by the following procedures in establishing budgetary data:

On or before February 1 of each year, CFX completes a review of its financial condition for the purpose of estimating whether the gross revenues, together with series payments, system payments and supplemental payments, if any, for the ensuing

fiscal year will be sufficient to provide at least 120% of the annual debt service requirements of the bonds and that gross revenues will be sufficient to pay all other amounts required by the Master Bond Resolution, as amended and restated.

In the event that CFX determines that revenues will not be sufficient to satisfy the above payments, CFX will conduct a study to determine the toll revenue rate increase required to restore the revenue deficiency.

All schedules of toll revenues and revisions thereof are filed with the FDOT.

On or before April 1 of each year, a preliminary budget is prepared for maintenance, operations and administrative expenses for the ensuing fiscal year. The preliminary budget is reviewed by the FDOT and modified, if necessary.

On or before July 1 of each year, a final budget of maintenance, operations and administrative expenses is adopted subject to approval by the FDOT.

CFX may adopt an amended or supplemental annual budget for the remainder of a fiscal year subject to approval by the FDOT.

**Reclassifications -** Certain amounts in the 2015 financial statements have been reclassified to conform to the 2016 classifications.

**New Pronouncements -** Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application* ("GASB 72") became effective for the fiscal year ended June 30, 2016, and provides guidance for determining fair value measurement for financial reporting purposes, as well as applying fair value to certain investments and disclosures related to all fair value measurements. GASB 72 did not impact CFX's financial statements but did impact CFX's note disclosures which are included in Note 2.

GASB Statement No. 79, *Certain External Investment Pools and Pool Participants* (GASB 79) became effective for the fiscal year ended June 30, 2016 and establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. GASB 79 had no impact on CFX's financial statements.

# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 2 - DEPOSITS AND INVESTMENTS

#### Cash and Cash Equivalents, and Investment Portfolio

Pursuant to Section 218.415, Florida Statutes, CFX has formally adopted a comprehensive investment policy most recently updated on May 14, 2015, which establishes permitted investments, asset allocation limits and issuer limits, credit rating requirements and maturity limits to protect CFX's cash and investment assets. CFX maintains a common cash and investment pool for the use of all funds. In addition, cash and investments are separately held by CFX's bond proceeds/construction, debt service, capitalized interest, and debt service reserve funds.

The following chart outlines the types of permitted investments, credit quality risk rating requirements by security type, the maximum concentration of credit risk by percentage of the total portfolio that may be invested in a single issuer and in total by security type and maturity limits prescribed to mitigate interest rate risk exposure:

#### Permitted Investments

Sector	Sector Maximum (%)	Per Issuer Maximum (%)	Minimum Ratings Requirement <sup>1</sup>	Maximum Maturity	Master Bond Resolution Permitted Investments
U.S. Treasury	100%	100%	N/A	5.50 Years	X
GNMA	100%	40%	N/A	5.50 Years Avg. life <sup>4</sup>	X
Other U.S. Government Guaranteed (e.g. AID, GTC)	100%	10%	N/A	5.50 Years	X
Federal Agency/GSE: FNMA, FHLMC, FHLB, FFCB*	75%	40% <sup>3</sup>	N/A	5.50 Years	X
Federal Agency/GSE other than those above	75%	10%	N/A	5.50 Years	X
Supranationals where U.S. is a shareholder and voting member	25%	10%	Highest ST or Two Highest LT Rating Categories (A-1/P-1, AAA/Aaa, or equivalent)	5.50 Years	
Corporates	50% <sup>2</sup>	5%	Highest ST or Three Highest LT Rating Categories (A-1/P-1, A-/A3 or equivalent)	5.50 Years	
Municipals	25%	5%	Highest ST or Three Highest LT Rating Categories (SP-1/MIG 1, A-/A3, or equivalent)	5.50 Years	X
Agency Mortgage-Backed Securities (MBS)	25%	40% <sup>3</sup>	N/A	5.50 Years Avg. Life <sup>4</sup>	
Asset-Backed Securities (ABS)	25%	5%	Highest ST or LT Rating (A-1+/P-1, AAA/Aaa, or equivalent)	5.50 Years Avg. Life <sup>4</sup>	
Depository Accounts with Qualified Public Depositories	75%	50%	N/A	N/A	X
Non-Negotiable Collateralized Bank Deposits or Savings Accounts	50%	None, if fully collateralized	None, if fully collateralized.	2 Years	X

## Permitted Investments *continued...*

Sector	Sector Maximum (%)	Per Issuer Maximum (%)	Minimum Ratings Requirement <sup>1</sup>	Maximum Maturity	Master Bond Resolution Permitted Investments
Commercial Paper (CP)	50% <sup>2</sup>	5%	Highest ST Rating Category (A-1/P-1, or equivalent)	270 Days	X
Bankers' Acceptances (BAs)	10% <sup>2</sup>	5%	Highest ST Rating Category (A-1/P-1, or equivalent)	180 Days	X
Repurchase Agreements (Repo or RP)	40%	20%	Counterparty (or if the counterparty is not rated by an NRSRO, then the counterparty's parent) must be rated in the Highest ST Rating Category (A-1/P-1, or equivalent) If the counterparty is a Federal Reserve Bank, no rating is required	1 Year	X
Money Market Funds (MMFs)	50%	25%	Highest Fund Rating by all NRSROs who rate the fund (AAAm/Aaa-mf, or equivalent)	N/A	X
Fixed-Income Mutual Funds	25%	10%	N/A	3 Years	
Intergovernmental Pools (LGIPs)	50%	25%	Highest Fund Quality and Volatility Rating Categories by all NRSROs who rate the LGIP, (AAAm/AAAf, S1, or equivalent)	N/A	
Florida Local Government Surplus Funds Trust Funds ("Florida Prime")	25%	N/A	Highest Fund Rating by all NRSROs who rate the fund (AAAm/Aaa-mf, or equivalent)	N/A	X

### Notes:

- Rating by at least one SEC-registered Nationally Recognized Statistical Rating Organization ("NRSRO"), unless otherwise noted. ST=Short-term; LT=Long-term.
  - Maximum allocation to all corporate and bank credit instruments is 50% combined.
  - Maximum exposure to any one Federal agency, including the combined holdings of Agency debt and Agency MBS, is 40%.
  - The maturity limit for MBS and ABS is based on the expected average life at time of settlement, measured using Bloomberg or other industry standard methods.
- \* Federal National Mortgage Association (FNMA); Federal Home Loan Mortgage Corporation (FHLMC); Federal Home Loan Bank or its District banks (FHLB); Federal Farm Credit Bank (FFCB).

Additionally, investments in any derivative products or the use of reverse repurchase agreements are specifically prohibited, unless permitted in Section XV of CFX's Investment Policy.

### Deposits

On June 30, 2016, the carrying amount of CFX's various deposits accounts was \$388,667,000. CFX's cash deposits are held by banks that qualify as public depositories under the Florida Security for Public Deposits Act, as required by Chapter 280, Florida Statutes.

# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 2 - DEPOSITS AND INVESTMENTS *continued...*

#### Investments

**Concentration of Credit Risk** - The following is the percent of any issuer with whom CFX had invested more than 5% of the total portfolio as of June 30, 2016 and 2015:

Issuer	2016	2015
Federal Home Loan Bank	N/A	7.72%
Federal National Mortgage Association	5.21%	N/A
Federal Home Loan Mortgage Corporation	N/A	7.03%
U.S. Treasury Notes	35.35%	44.66%

**Interest Rate Risk** - CFX's Investment Policy states that portfolios shall be managed in such a manner that funds are available to meet reasonably anticipated cash flow requirements in an orderly manner. To the extent possible, an attempt will be made to match investment maturities with known cash needs. Investments of current operating funds shall have maturities

of no longer than 24 months. Investments of debt obligation reserves, construction funds and other non-operating funds shall have a term appropriate to the need for funds and in accordance with debt covenants. The purchase of investments for core funds with maturities longer than five and a half (5.5) years requires CFX's approval prior to purchase. However, final maximum maturity for any investment is limited to ten (10) years.

CFX uses the distribution of maturities to manage interest rate risk. As of June 30, 2016, 40% of CFX's investments had a maturity of less than 6 months, 16% had a maturity of 6 to 12 months, 22% had a maturity of 1 to 2 years, 16% had a maturity of 2 to 3 years, 3% had a maturity of 3 to 4 years, and 3% had a maturity of over 4 years. As of June 30, 2015, 6% of CFX's investments had a maturity of less than 6 months, 13% had a maturity of 6 to 12 months, 43% had a maturity of 1 to 2 years, 34% had a maturity of 2 to 3 years, and 4% had a maturity of over 4 years.

Total distributions of maturities are as follows:

#### As of June 30, 2016 (in thousands)

	Less than 6 months	6 - 12 months	1 - 2 years	2 - 3 years	3+ years	Total
U.S. Treasury Securities	\$ 45,331	\$ 1,555	\$ 63,956	\$ 36,466	\$ 4,523	\$ 151,831
Federal Instruments	9,987	11,035	10,890	10,682	8,180	50,774
Corporate Note	9,393	47,040	18,103	20,783	1,091	96,410
Commercial Paper	106,870	6,952	2,000	-	-	115,822
Municipal Bond Note	-	-	1,655	-	3,346	5,001
Corp. Asset Backed Sec.	-	-	-	1,587	8,125	9,712
<b>Total</b>	<b>\$ 171,581</b>	<b>\$ 66,582</b>	<b>\$ 96,604</b>	<b>\$ 69,518</b>	<b>\$ 25,265</b>	<b>\$ 429,550</b>

#### As of June 30, 2015 (in thousands)

	Less than 6 months	6 - 12 months	1 - 2 years	2 - 3 years	3+ years	Total
U.S. Treasury Securities	\$ -	\$ 4,604	\$ 45,418	\$ 60,075	\$ -	\$ 110,097
Federal Instruments	-	8,011	26,051	4,986	9,368	48,416
Corporate Note	-	2,912	32,863	17,234	-	53,009
Commercial Paper	11,188	15,842	-	2,001	-	29,031
Municipal Bond Note	3,001	1,003	1,943	-	-	5,947
<b>Total</b>	<b>\$ 14,189</b>	<b>\$ 32,372</b>	<b>\$ 106,275</b>	<b>\$ 84,296</b>	<b>\$ 9,368</b>	<b>\$ 246,500</b>



# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 2 - DEPOSITS AND INVESTMENTS *continued...*

**Credit Risk and Fair Value Measurement** - Total CFX deposits and investments are as follows:

	June 30, 2016	Fair Value Measurements Using (in thousands)	
		Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1)	Quoted Prices in Active Markets for Similar Assets or Liabilities (Level 2)
United States Treasury Securities	\$ 151,831	\$ 151,831	
Commercial Paper	115,822	115,822	
Federal Instrumentalities	50,774	50,774	
Money Market Mutual Funds	125,359	125,359	
Municipal Bond Note	5,001	5,001	
Corporate Note	96,410	96,410	
Corporate Asset Backed Securities	9,712	-	\$ 9,712
<b>Total investments by fair value measure</b>	<b>554,909</b>	<b>\$ 545,197</b>	<b>\$ 9,712</b>
<b>Total deposits</b>	<b>263,308</b>		
<b>Total deposits and investments</b>	<b>818,217</b>		
<b>Restricted</b>	<b>291,967</b>		
<b>Unrestricted</b>	<b>\$ 526,250</b>		

	June 30, 2015	Fair Value Measurements Using (in thousands)	
		Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1)	
United States Treasury Securities	\$ 110,097	\$ 110,097	
Commercial Paper	29,031	29,031	
Federal Instrumentalities	48,416	48,416	
Money Market Mutual Funds	75,916	75,916	
Municipal Bond Note	5,947	5,947	
Corporate Note	53,009	53,009	
<b>Total investments by fair value level</b>	<b>322,416</b>	<b>\$ 322,416</b>	
<b>Total deposits</b>	<b>303,140</b>		
<b>Total deposits and investments</b>	<b>625,556</b>		
<b>Restricted</b>	<b>171,212</b>		
<b>Unrestricted</b>	<b>\$ 454,344</b>		

Securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for identical assets or liabilities. Securities classified in Level 2 of the fair value hierarchy are valued using prices quoted in active markets for similar assets or liabilities.

Federal Instrumentalities, and U.S. Government Supported Corporate Debt Notes/Bonds are rated "AA+" by Standard &

Poor's. The investments in Municipal Obligations are rated "AA" by Standard & Poor's. The Corporate Notes Standard & Poor's credit ratings are "AAA", "AA+", "AA", "AA-", "A+", and "A". The Commercial Paper is rated "A-1+" and "A-1" by Standard & Poor's. The Florida PRIME and Money Market Mutual Funds are rated "AAA" by Standard & Poor's. The Florida State Board of Administration Fund B ("Fund B") is not rated for credit quality.

# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 2 - DEPOSITS AND INVESTMENTS *continued...*

**Custodial Credit Risk** - All CFX depositories are members of the State of Florida collateral pool. The State of Florida collateral pool is a multiple, financial institution collateral pool with the ability to make additional assessments to satisfy the claims of governmental entities if any member institution fails. This ability provides protection, which is similar to depository insurance.

CFX's Investment Policy requires execution of a third-party custodial safekeeping agreement for all purchased securities and requires that securities be designated as an asset of CFX. One required exception to this policy is the amount of posted collateral required under the interest rate exchange agreement with Morgan Stanley, as described in Note 5. Under this agreement, the counterparty is holding as collateral securities

valued at an amount in excess of the termination value above \$15,000,000. As of June 30, 2016 and 2015, no collateral posting was requested by Morgan Stanley.

As of June 30, 2016 and 2015, all of CFX's securities were held in a bank's trust/custodial department in CFX's name.

**Restricted Cash and Investments** - Cash, cash equivalents and investments restricted in accordance with bond provisions and other agreements are as follows:

	June 30,	
	2016	2015
	(in thousands)	
<b>Reserve funds:</b>		
Operations, maintenance and administrative reserve	\$ 8,901	\$ 7,929
Renewal and replacement reserve	32,048	29,706
<b>Total reserve funds</b>	<b>40,949</b>	<b>37,635</b>
<b>Bond funds:</b>		
Principal and interest accounts	83,536	74,963
Reserve accounts	59,357	58,614
<b>Total bond funds</b>	<b>142,893</b>	<b>133,577</b>
<b>Construction funds:</b>		
2015 BAN construction funds	108,125	-
<b>Total construction funds</b>	<b>108,125</b>	<b>-</b>
<b>Total restricted cash, cash equivalents and investments</b>	<b>291,967</b>	<b>171,212</b>
<b>Portion related to cash and cash equivalents</b>	<b>168,617</b>	<b>104,220</b>
<b>Portion related to investments</b>	<b>\$ 123,350</b>	<b>\$ 66,992</b>

# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 3 - DUE FROM GOVERNMENTAL AGENCIES

Due from governmental agencies consists of the following:

	June 30,	
	2016	2015
	(in thousands)	
City of Orlando - Crystal Lake Project	\$ 757	\$ 1,555
City of Orlando - Utility Reimbursement	-	5
City of Orlando - Toll Suspension Reimbursement	8	-
Florida Department of Transportation - Operations and Maintenance Reimbursement	1,337	2,408
Florida Department of Transportation - SunPass Customers' Use of E-PASS Roads	5,036	2,512
Florida Department of Transportation - Lighting Improvements	135	-
Florida Department of Transportation - LiDAR Reimbursement	100	-
Florida's Turnpike Enterprise - Road Ranger Joint Contract	126	94
Lee County - LeeWay Customers' Use of E-PASS	5	3
Orange County - Fines/Fees	353	154
	<u>\$ 7,857</u>	<u>\$ 6,731</u>
Less Current Portion	(7,857)	(5,964)
	<u>\$ -</u>	<u>\$ 767</u>



# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 4 - CAPITAL ASSETS

Capital assets are summarized as follows (in thousands):

	June 30, 2015	Additions	Reductions	Transfers	June 30, 2016
<b>Infrastructure (non-depreciable):</b>					
Right-of-way	\$ 657,301	\$ 229	\$ (153)	\$ 2	\$ 657,379
Highways and bridges	2,610,985	628	(264)	96,014	2,707,363
<b>Total infrastructure (non-depreciable)</b>	<b>3,268,286</b>	<b>857</b>	<b>(417)</b>	<b>96,016</b>	<b>3,364,742</b>
<b>Construction in progress (non-depreciable):</b>					
Right-of-way	154,173	47,525	-	(2)	201,696
Highways and bridges	170,519	138,292	-	(96,014)	212,797
Buildings and toll facilities	-	1,638	-	(642)	996
Toll equipment	3,580	13,797	-	(210)	17,167
Furniture, equipment and other	730	3,026	-	(1,289)	2,467
<b>Total construction in progress (non-depreciable)</b>	<b>329,002</b>	<b>204,278</b>	<b>-</b>	<b>(98,157)</b>	<b>435,123</b>
<b>Property and equipment (depreciable):</b>					
Toll equipment	99,392	442	(75)	210	99,969
Buildings and toll facilities	163,235	-	(4,930)	642	158,947
Furniture, equipment and other	59,993	322	(361)	1,289	61,243
<b>Total property and equipment (depreciable)</b>	<b>322,620</b>	<b>764</b>	<b>(5,366)</b>	<b>2,141</b>	<b>320,159</b>
<b>Less accumulated depreciation for:</b>					
Toll equipment	(73,335)	(6,626)	61	-	(79,900)
Buildings and toll facilities	(55,112)	(5,386)	4,638	-	(55,860)
Furniture, equipment and other	(36,710)	(2,251)	297	-	(38,664)
<b>Total accumulated depreciation</b>	<b>(165,157)</b>	<b>(14,263)</b>	<b>4,996</b>	<b>-</b>	<b>(174,424)</b>
<b>Total property and equipment being depreciated, net</b>	<b>157,463</b>	<b>(13,499)</b>	<b>(370)</b>	<b>2,141</b>	<b>145,735</b>
<b>Total capital assets</b>	<b>\$ 3,754,751</b>	<b>\$ 191,636</b>	<b>\$ (787)</b>	<b>\$ -</b>	<b>\$ 3,945,600</b>

# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 4 - CAPITAL ASSETS *continued...*

	June 30, 2014	Additions	Reductions	Transfers	June 30, 2015
<b>Infrastructure (non-depreciable):</b>					
Right-of-way	\$ 658,362	\$ 371	\$ (3,383)	\$ 1,951	\$ 657,301
Highways and bridges	2,535,425	258	-	75,302	2,610,985
<b>Total infrastructure (non-depreciable)</b>	<b>3,193,787</b>	<b>629</b>	<b>(3,383)</b>	<b>77,253</b>	<b>3,268,286</b>
<b>Construction in progress (non-depreciable):</b>					
Right-of-way	92,605	63,519	-	(1,951)	154,173
Highways and bridges	133,575	110,671	-	(73,727)	170,519
Buildings and toll facilities	-	-	-	-	-
Toll equipment	2,085	7,048	-	(5,553)	3,580
Furniture, equipment and other	1,893	4,175	-	(5,338)	730
<b>Total construction in progress (non-depreciable)</b>	<b>230,158</b>	<b>185,413</b>	<b>-</b>	<b>(86,569)</b>	<b>329,002</b>
<b>Property and equipment (depreciable):</b>					
Toll equipment	93,917	44	(122)	5,553	99,392
Buildings and toll facilities	163,235	-	-	-	163,235
Furniture, equipment and other	57,305	365	(1,440)	3,763	59,993
<b>Total property and equipment (depreciable)</b>	<b>314,457</b>	<b>409</b>	<b>(1,562)</b>	<b>9,316</b>	<b>322,620</b>
<b>Less accumulated depreciation for:</b>					
Toll equipment	(65,363)	(8,054)	82	-	(73,335)
Buildings and toll facilities	(49,736)	(5,376)	-	-	(55,112)
Furniture, equipment and other	(35,573)	(2,175)	1,038	-	(36,710)
<b>Total accumulated depreciation</b>	<b>(150,672)</b>	<b>(15,605)</b>	<b>1,120</b>	<b>-</b>	<b>(165,157)</b>
<b>Total property and equipment being depreciated, net</b>	<b>163,785</b>	<b>(15,196)</b>	<b>(442)</b>	<b>9,316</b>	<b>157,463</b>
<b>Total capital assets</b>	<b>\$ 3,587,730</b>	<b>\$ 170,846</b>	<b>\$ (3,825)</b>	<b>\$ -</b>	<b>\$ 3,754,751</b>

# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 4 - CAPITAL ASSETS *continued...*

Total bond interest cost incurred amounted to approximately \$138,825,000 and \$131,548,000 during the years ended June 30, 2016 and 2015, respectively, of which \$10,861,000 and \$36,180,000 were capitalized as construction in progress.

**Goldenrod Project** - On March 24, 1999, CFX signed the Goldenrod Road Extension Development Agreement (the "Agreement") for the extension of Goldenrod Road to SR 528 (the "Extension"). The Agreement is between CFX and other local agencies and govern-ments, including the City of Orlando (the "City"), Greater Orlando Aviation Authority ("GOAA") and Orange County (the "County"). Under the Agreement, each of the parties agreed to contribute a set amount toward construction of the Extension. The contributions made by each party for construction are as follows:

City of Orlando	\$	2,000,000
GOAA	\$	4,500,000
Orange County	\$	1,000,000
CFX	\$	36,961,675

CFX's responsibilities under the Agreement were to acquire, design and construct the right-of-way for the Extension. Construction of the Extension began in January 2001 and opened to traffic in March 2004. Under the terms of the Agreement, toll revenues generated from the Extension will be distributed, first to operating cost, then to repay the contributions to each contributing party.

The construction costs of the roadway, toll plaza and toll equipment are included in CFX's capital assets. These assets will remain the property of CFX until the final payments of all contributions are made. Upon the final repayment of all contributions, ownership of the roadway will revert to the City and the City will be responsible for all future maintenance costs. CFX will retain ownership of the interchange to SR 528 and certain portions of the right-of-way. Since this project is a non-System project, it is reported net in the non-operating section of the statements of revenues, expenses and changes in net position. The toll revenues generated from the Extension are not pledged to CFX's bond indebtedness.



# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 5 - LONG TERM DEBT

**Revenue Bonds Payable** - A summary of changes in revenue bonds payable is as follows (in thousands):

	June 30, 2015	Additions	Deletions	June 30, 2016
Series 1990	\$ 23,655	\$ -	\$ (11,360)	\$ 12,295
Series 2007A	425,000	-	(156,020)	268,980
Series 2008B1	130,870	-	(165)	130,705
Series 2008B2	118,335	-	(155)	118,180
Series 2008B3	149,655	-	(215)	149,440
Series 2008B4	99,715	-	(100)	99,615
Series 2010A	334,565	-	-	334,565
Series 2010B	180,895	-	(5,505)	175,390
Series 2010C	283,610	-	-	283,610
Series 2012	201,925	-	-	201,925
Series 2012A	59,060	-	-	59,060
Series 2013A	242,320	-	-	242,320
Series 2013B	173,775	-	(675)	173,100
Series 2013C	107,125	-	(800)	106,325
Series 2015 Senior Lien BANs	-	193,695	-	193,695
Series 2016A	-	151,695	-	151,695
	2,530,505	345,390	(174,995)	2,700,900
Add unamortized bond premium	118,508	14,192	(12,249)	120,451
Less unamortized bond discount	(110)	-	110	-
Less current portion of revenue bonds payable	(18,975)	(20,360)	18,975	(20,360)
<b>Revenue bonds payable - net of current portion</b>	<b>\$ 2,629,928</b>	<b>\$ 339,222</b>	<b>\$ (168,159)</b>	<b>\$ 2,800,991</b>

# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 5 - LONG TERM DEBT *continued...*

	June 30, 2014	Additions	Deletions	June 30, 2015
Series 1990	\$ 34,155	\$ -	\$ (10,500)	\$ 23,655
Series 2007A	425,000	-	-	425,000
Series 2008B1	131,025	-	(155)	130,870
Series 2008B2	118,500	-	(165)	118,335
Series 2008B3	149,760	-	(105)	149,655
Series 2008B4	99,820	-	(105)	99,715
Series 2010A	334,565	-	-	334,565
Series 2010B	186,200	-	(5,305)	180,895
Series 2010C	283,610	-	-	283,610
Series 2012	201,925	-	-	201,925
Series 2012A	59,060	-	-	59,060
Series 2013A	242,320	-	-	242,320
Series 2013B	174,315	-	(540)	173,775
Series 2013C	107,125	-	-	107,125
	2,547,380	-	(16,875)	2,530,505
Add unamortized bond premium	127,445	-	(8,937)	118,508
Less unamortized bond discount	(220)	-	110	(110)
Less current portion of revenue bonds payable	(16,875)	(18,975)	16,875	(18,975)
<b>Revenue bonds payable - net of current portion</b>	<b>\$ 2,657,730</b>	<b>\$ (18,975)</b>	<b>\$ (8,827)</b>	<b>\$ 2,629,928</b>



# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 5 - LONG TERM DEBT *continued...*

In the 2002 legislative session, the Florida Legislature amended Chapter 348, Part V (now Part III of the "Expressway Act") to, among other things, revise and expand the powers of CFX to finance or refinance its projects, including the power to refund bonds previously issued on behalf of CFX by the State of Florida Division of Bond Finance of the State Board of Administration (Division of Bond Finance), through the issuance of its own bonds or other obligations. Consistent with the authority granted in the Expressway Act, CFX adopted an Authority Bond Resolution on July 2, 2002, authorizing the issuance of up to \$2,000,000,000 of additional bonds or other indebtedness to finance projects of CFX. Although not required, the first issuance of bonds by CFX under the Authority Bond Resolution was validated by the Circuit Court of the Ninth Judicial Circuit of Florida, in Orange County, Florida, on September 20, 2002.

On January 28, 2003, the Division of Bond Finance adopted a resolution formally recognizing CFX as the issuer of bonds under that certain Master Junior Lien Bond Resolution pursuant to which the Division of the Bond Finance had previously issued bonds on behalf of CFX. CFX further adopted, on February 3, 2003, an Amended and Restated Master Bond Resolution pursuant to which CFX amended and restated the Authority Bond Resolution and the Master Junior Lien Resolution into a single, consolidated, single-lien resolution to govern the existing outstanding bonds and future bond indebtedness of CFX. All bonds or other obligations issued under the Amended and Restated Master Bond Resolution are payable from, and secured by, a pledge of net revenues from the operation of the System.

As notated in Note 1, on June 20, 2014, the Governor of Florida signed a bill to create CFX, which assumed the governance and control of the former Orlando-Orange County Expressway Authority, including its assets, personnel, contracts, obligations, liabilities, facilities and tangible and intangible property. The Central Florida Expressway Authority assumed all of the debt of the former Orlando-Orange County Expressway Authority pursuant to Chapter 2014-171, Public Laws of Florida.

#### **Fixed Rate Debt**

The Central Florida Expressway Authority Refunding Revenue Bonds, Series 2016A, were originally issued on April 26, 2016 and were outstanding in the aggregate principal amount of \$151,695,000 on June 30, 2016, all of which were serial bonds. The outstanding serial bonds are due in annual installments beginning on July 1, 2017 through July 1, 2032 and July 1, 2036 through July 1, 2037 in amounts ranging from \$710,000 to \$28,000,000, plus interest. The 2016A Bonds are payable from, and secured by, a pledge of net revenues from the operation of

the expressway System. Interest on the 2016A Bonds is due and paid semiannually. The purpose of the Series 2016A Bonds was to refund a portion of the Series 2007A Bonds for net present value savings of \$27,251,546, which represents \$40,378,823 of lower debt service payments over the life of the debt. The deferred outflow on the refunding for accounting purposes was \$5,296,435.

The Central Florida Expressway Authority Revenue Bond Anticipation Notes (BANs), Series 2015, were originally issued on July 21, 2015 and were outstanding in the aggregate principal amount of \$193,695,000 on June 30, 2016. The outstanding principal is due at maturity on January 1, 2019. The 2015 BANs are payable from, and secured by, a pledge of net revenues from the operation of the expressway System. CFX entered into a Transportation Infrastructure Finance and Innovation (TIFIA) loan agreement with the U.S. Department of Transportation, acting by and through the Federal Highway Administrator on March 25, 2015. The proceeds from the Junior TIFIA loan are expected to be available to pay the Series 2015 BANs on their maturity date. Interest on the 2015 BANs is due and paid semiannually. The purpose of the 2015 BANs was to provide funds to finance certain capital costs for the Wekiva Parkway Project.

The Central Florida Expressway Authority Refunding Revenue Bond, Series 2013C, was originally issued on September 12, 2013 and was outstanding in the aggregate principal amount of \$106,325,000 and \$107,125,000 on June 30, 2016 and 2015, respectively. The bond was issued in the form of a bank loan directly with the bondholder, STI Institutional & Government, Inc. The outstanding amount of the bond is due in annual installments beginning on July 1, 2016 through July 1, 2032 in amounts ranging from \$840,000 to \$15,740,000, plus interest. The 2013C Bond is payable from, and secured by, a pledge of net revenues from the operation of the expressway System. Interest on the 2013C Bond is due and paid semiannually. The Series 2013C Bond was issued for the purpose of refunding the Series 2003D and to fund the termination payment related to the associated swap. The refunding resulted in a deferred outflow of \$15,599,396, most of which was related to the swap termination payment. The difference between the cash flow of the old debt and the cash flow of the new debt was \$3,440,975 lower post-refunding, which represents \$2,500,470 on a net present value basis. The purpose of this refunding was to lower the risk profile of CFX's debt at an attractive rate.

The Central Florida Expressway Authority Refunding Revenue Bonds, Series 2013B, were originally issued on January 2, 2013 and were outstanding in the aggregate principal amount of \$173,100,000 and \$173,775,000 on June 30, 2016 and 2015,

# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 5 - LONG TERM DEBT *continued...*

respectively, all of which were serial bonds. The outstanding serial bonds are due in annual installments on July 1, 2016 through July 1, 2025 in amounts ranging from \$740,000 to \$24,710,000, plus interest. The 2013B Bonds are payable from, and secured by, a pledge of net revenues from the operation of the expressway System. Interest on the 2013B Bonds is due and paid semiannually. The Series 2013B Bonds were issued for the purpose of refunding the Series 2003C2 and 2003C4 Bonds and to fund the termination payments related to the associated swaps. The refunding resulted in a deferred outflow of \$42,223,850, most of which was related to the swap termination payments. The difference between the cash flow of the old debt and the cash flow of the new debt was \$5,959,376 higher post-refunding, which represents \$4,868,985 on a net present value basis. The purpose of this refunding was to lower the risk profile of CFX's debt at an attractive rate.

The Central Florida Expressway Authority Refunding Revenue Bonds, Series 2013A, were originally issued on April 3, 2013 and were outstanding in the aggregate principal amount of \$242,320,000 on June 30, 2016 and 2015, including \$110,545,000 of serial bonds and \$131,775,000 of term bonds. The serial bonds are due in annual installments beginning on July 1, 2026 through July 1, 2032 in amounts ranging from \$7,065,000 to \$24,875,000, plus interest. The term bond is due on July 1, 2035. The 2013A Bonds are payable from, and secured by, a pledge of net revenues from the operation of the expressway System. Interest on the 2013A Bonds is due and paid semiannually. The purpose of the Series 2013A Bonds was to refund the Series 2003B Bonds for net present value savings of \$35,842,015, which represents \$60,831,999 of lower debt service payments over the life of the debt. The deferred outflow on the refunding for accounting purposes was \$2,750,505.

The Central Florida Expressway Authority Refunding Revenue Bonds, Series 2012, were originally issued on November 29, 2012 and were outstanding in the aggregate principal amount of \$201,925,000 on June 30, 2016 and 2015, all of which were serial bonds. The serial bonds are due in annual installments beginning on July 1, 2017 through July 1, 2025 in amounts ranging from \$12,500,000 to \$28,005,000, plus interest. The 2012 Bonds are payable from, and secured by, a pledge of net revenues from the operation of the expressway System. Interest on the 2012 Bonds is due and paid semiannually. See below for the purpose, economic and accounting impacts of the refunding.

The Central Florida Expressway Authority General Reserve Fund Obligation Bond, Series 2012A, was originally issued on November 29, 2012 and was outstanding in the aggregate principal amount of \$59,060,000 on June 30, 2016 and 2015. The

bond was issued in the form of a subordinate bank loan directly with the bondholder, SunTrust Bank. The bond is due in annual installments beginning on July 1, 2017 through July 1, 2025 in amounts ranging from \$5,245,000 to \$8,485,000, plus interest. The 2012A Bond is payable from, and secured by, a pledge of the general fund, which is junior and subordinate to the net revenues from the operation of the expressway System pledged to senior lien parity bonds. Interest on the 2012A Bond is due and paid semiannually.

Collectively, the purpose of the Series 2012 and 2012A Bonds was to refund the Series 2003C1 and 2003C3 Bonds and to fund the termination payments on the associated swaps. The refunding resulted in a deferred outflow of \$60,159,863, most of which was related to the swap termination payments. The difference between the cash flow of the old debt and the cash flow of the new debt was \$7,202,160 higher post-refunding, which represents \$4,712,369.37 on a net present value basis. The purpose of this refunding was to lower the risk profile of CFX's debt at an attractive rate.

The Central Florida Expressway Authority Revenue Bonds, Series 2010C, were originally issued on November 10, 2010 and were outstanding in the aggregate principal amount of \$283,610,000 on June 30, 2016 and 2015, including \$27,420,000 of serial bonds and \$256,190,000 of term bonds. The serial bonds are due in annual installments beginning on July 1, 2025 through July 1, 2030 in amounts ranging from \$2,375,000 to \$16,660,000, plus interest. The three term bonds are outstanding in the following principal amounts and maturing on the following dates: \$4,750,000, due on July 1, 2035; \$89,120,000, due on July 1, 2035 and \$162,320,000, due on July 1, 2040. The 2010C Bonds are payable from, and secured by, a pledge of net revenues from the operation of the expressway System. Interest on the 2010C Bonds is due and paid semiannually.

The Central Florida Expressway Authority Refunding Revenue Bonds, Series 2010B, were originally issued on June 30, 2010 and were outstanding in the aggregate principal amount of \$175,390,000 and \$180,895,000 on June 30, 2016 and 2015, respectively. The bonds were issued as serial bonds and the outstanding bonds are due in annual installments on July 1, 2016 through July 1, 2029 in amounts ranging from \$5,775,000 to \$53,880,000, plus interest. Interest on the 2010B Bonds is due and paid semiannually.

The Central Florida Expressway Authority Revenue Bonds, Series 2010A, were originally issued on March 25, 2010 in the aggregate principal amount of \$334,565,000, all of which was outstanding on June 30, 2016 and 2015, including \$91,355,000

# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 5 - LONG TERM DEBT *continued...*

of serial bonds and \$243,210,000 of term bonds. The serial bonds are due in annual installments beginning on July 1, 2025 through July 1, 2030 in amounts ranging from \$12,855,000 to \$18,415,000, plus interest. The two term bonds are outstanding in the following principal amounts and maturing on the following dates: \$106,850,000, due on July 1, 2035 and \$136,360,000, due on July 1, 2040. Interest on the 2010A Bonds is due and paid semiannually.

The Central Florida Expressway Authority Revenue Bonds, Series 2007A, were originally issued on June 28, 2007 and were outstanding in the aggregate principal amount of \$268,980,000 and \$425,000,000 on June 30, 2016 and 2015, including term bonds in the following principal amounts and maturing on the following dates: \$83,095,000, due on July 1, 2035 and \$185,885,000 due on July 1, 2042. A portion of the Series 2007A Bonds was refunded by the Series 2016A Bonds as stated above. Interest on the 2007A Bonds is due and paid semiannually.



The State of Florida, Central Florida Expressway Authority Junior Lien Revenue Bonds, Series 1990, were originally issued as \$98,940,000 serial bonds and \$286,060,000 term bonds, of which \$12,295,000 and \$23,655,000 were outstanding on June 30, 2016 and 2015, respectively. A portion of the Series 1990 Bonds was refunded with the previously outstanding bonds issued by CFX in 1993. The bonds are payable solely from, and secured by, a pledge of net revenues from the operation of the expressway System and from monies received from the County pursuant to the Interlocal Agreement. The outstanding serial bond plus interest is due on July 1, 2016. Because all of the then senior lien bonds were redeemed in 2003, the Series 1998 Bonds, as well as the Series 1990 Bonds, ascended to the senior level and were then on parity with the remaining outstanding Central Florida Expressway Authority Bonds.

#### **Variable Rate Debt**

On May 1, 2008, CFX issued Central Florida Expressway Authority Variable Rate Refunding Revenue Bonds, Series 2008B1, 2008B2, 2008B3 and 2008B4 (collectively, "2008B Bonds"), for the purpose of refunding the Series 2005A, 2005B, 2005C, 2005D, and 2005E Bonds (collectively, "2005 Bonds"), of which \$130,705,000, \$118,180,000, \$149,440,000, \$99,615,000 and \$130,870,000, \$118,335,000, \$149,655,000, \$99,715,000 was outstanding on June 30, 2016 and 2015, respectively. The 2008B Bonds were issued in four sub-series in the initial aggregate principal amount of \$499,105,000, including Series 2008B1 in the initial principal amount of \$131,025,000; Series 2008B2 in the initial principal amount of \$118,500,000; Series 2008B3 in the initial principal amount of \$149,760,000; and 2008B4 in the initial principal amount of \$99,820,000. The Series 2008B Bonds are dated the date of their original issuance and delivery and mature on July 1, 2040. The Series 2008B Bonds were initially issued and currently outstanding in a variable rate mode, with the interest rate on the Series 2008B Bonds resetting on a weekly basis and interest payable on a monthly basis.

In fiscal year 2012, the Series 2008B3 and 2008B4 Bonds were converted to a bank rate mode and directly placed with the bondholder. In fiscal year 2015, the Series 2008B1 Bonds were converted to a bank rate mode and directly placed with the bondholder. In fiscal year 2016, the Series 2008B2 Bonds were converted to a bank rate mode and directly placed with the bondholder. The bank rate also resets on a weekly basis and is tied to the SIFMA index plus a spread. The 2008B Bonds are subject to optional and mandatory redemption and optional and mandatory tender for purchase prior to maturity. Amortization installments for the mandatory redemption of the 2008B Bonds began on July 1, 2014.

# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 5 - LONG TERM DEBT *continued...*

The annual requirements to amortize all revenue bonds and revenue refunding bonds outstanding as of June 30, 2016, are summarized as follows (all amounts in thousands). The totals below are net of capitalized interest funds available for debt service. For purposes of this note, the interest rate applicable to

variable rate bonds is the synthetic fixed rate of 4.7753% for the 2008 Bonds. None of the fees associated with liquidity, letters of credit, or remarketing arrangements are included in the chart below, nor are the incremental rates paid on any floating rate note arrangements.

	Principal	Interest	Total P&I Due	Capitalized Interest	Net Due
2017	\$ 20,360	\$ 118,865	\$ 139,225	\$ 3,148	\$ 136,077
2018	53,025	118,920	171,945	3,148	168,797
2019	249,495	116,398	365,893	3,148	362,745
2020	58,545	110,642	169,187	-	169,187
2021	61,495	107,773	169,268	-	169,268
2022-2026	368,390	493,607	861,997	-	861,997
2027-2031	529,880	385,363	915,243	-	915,243
2032-2036	661,490	249,247	910,737	-	910,737
2037-2041	618,385	96,070	714,455	-	714,455
2042-2043	79,835	4,040	83,875	-	83,875
<b>Total</b>	<b>\$ 2,700,900</b>	<b>\$ 1,800,925</b>	<b>\$ 4,501,825</b>	<b>\$ 9,444</b>	<b>\$ 4,492,381</b>

#### Hedging Derivative Instruments – Cash Flow Hedges

**Variable-to-Fixed Rate Interest Rate Swaps** - On July 13, 2004, CFX entered into five forward-starting, synthetic fixed rate swap agreements totaling \$499,105,000 (“2004 Swaps”), attributable to the \$199,645,000 Series 2005A Bonds, the \$149,760,000 Series 2005B Bonds, the \$99,820,000 Series 2005C Bonds, the \$24,940,000 Series 2005D Bonds, and the \$24,940,000 Series 2005E Bonds. On May 1, 2008, all Series 2005 Bonds were redeemed and the 2004 Swaps are now associated with the Series 2008B Refunding Bonds described above.

**Objective of Swaps and Nature of Hedged Risk:** CFX entered into the 2004 Swaps in order to ensure its ability to fund its Five-Year Work Plan, then valued at \$1,240,300,000 and in order to manage the interest rate exposure that CFX was subject to as a result of issuing its variable rate bonds.

**Strategy to Accomplish Hedge Objective:** In order to achieve the stated objectives, CFX issued variable rate bonds with a weekly reset and entered into swap agreements to obtain the synthetic fixed rate. In 2004, CFX entered into five separate forward-starting, interest rate swap agreements with five separate counterparties. The 2004 Swaps remained in place at the time of issuance of the 2005 Bonds.

# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 5 - LONG TERM DEBT *continued...*

**Summary Derivative Hedging Instruments:** On July 13, 2004, CFX entered into five separate forward-starting, interest rate swap agreements with an effective date of March 1, 2005, all of which were associated with the Series 2005 Bonds. There was no cash exchanged at the time these forward agreements were entered into.

The interest rate swap transactions were executed in order to accomplish the synthetic fixed rates, as noted below. CFX has a cancellation option in the swap with UBS AG. A summary of these transactions and the significant terms, as well as the credit ratings on the counterparties as of June 30, 2016 and 2015, are as follows:

	Series 2005A	Series 2005B	Series 2005C	Series 2005D	Series 2005E
Notional Value (as of 6/30/2016)	\$199,176,000	\$149,406,000	\$99,588,000	\$24,885,000	\$24,885,000
Fixed Rate	4.7753%	4.7753%	4.7753%	4.7753%	4.7753%
Fixed Payer	CFX	CFX	CFX	CFX	CFX
Floating Rate	SIFMA Weekly Index	SIFMA Weekly Index	SIFMA Weekly Index	SIFMA Weekly Index	SIFMA Weekly Index
Maturity Date	1-Jul-40	1-Jul-40	1-Jul-40	1-Jul-40	1-Jul-40
Settlement	Monthly	Monthly	Monthly	Monthly	Monthly
Premium Paid	None	None	None	None	None
Counterparty	UBS AG	Citibank	Morgan Stanley Capital Services Inc.	RBC Dain	JP Morgan*
Ratings 6/30/2015 (S&P/Moody's/Fitch)	A/A2/A	A/A1/A	A-/A3/A	AA-/Aa3/AA	A+/Aa3/AA-
Ratings 6/30/2016 (S&P/Moody's/Fitch)	A/A1/A	A/A1/A+	BBB+/A3/A	AA-/Aa3/AA	A+/Aa3/AA-

\*Originally with Bear Stearns Financial Products, Inc.  
By novation agreement dated April 22, 2009, this swap was transferred to JP Morgan Chase Bank, N.A.

# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 5 - LONG TERM DEBT *continued...*

**Type of Hedge:** Discrete Cash Flow

**Fair Value:** All of CFX's derivative instruments are considered effective cash flow hedges because they meet the consistent critical terms method criteria. Therefore, the fair value is reported as a deferred outflow on the balance sheets.

CFX has obtained independent market value evaluations of its swap transactions. These fair value estimates are based on expected forward LIBOR swap rates and discounted expected cash flows (Level 3 inputs). The appropriate LIBOR percentages that relate to the tax-exempt SIFMA swap rates are applied to the LIBOR swap curve to derive the expected forward SIFMA swap rates. On a current mark-to-market basis, the net present value of the swaps would require CFX to make an estimated combined termination payment, in the event that all of the outstanding swaps were terminated on June 30, 2016 or June 30, 2015, of \$234,688,561 and \$168,782,310, respectively. The change in fair value at FYE 2016 was \$65,906,251 higher than at FYE 2015 and the change in fair value at FYE 2015 was \$27,373,173 higher than at the prior year end.

The table below provides the fair value of the Swaps:

#### Estimated Termination Payments Based on Net Present Value

	June 30, 2016	June 30, 2015
<b>Series 2008B</b>	<b>\$ 234,688,561</b>	<b>\$ 168,782,310</b>

**Risks:** CFX monitors the various risks associated with the Swap Agreements. Based upon the assessment, CFX reviewed the following risks:

**Credit Risk:** CFX has adopted an Interest Rate Risk Management Policy whereby, prior to entering into an interest rate exchange agreement, CFX will require the counterparty to (i) have an initial rating of at least AA-/Aa3/AA- by at least one of the three nationally recognized credit rating agencies and not be rated lower than A/A2/A by any of the three nationally recognized credit rating agencies or (ii) alternatively, post suitable and adequate collateral, given the undertaking involved with the particular transaction. For all executed agreements, the counterparties met the criteria in (i) above at the time of execution.

Similar to the experience of many financial product providers in recent years, four of the five counterparties have dropped below the initial required rating levels. A summary of the

credit ratings of the counterparties as of June 30, 2015 and 2016, is shown previously under *Summary of Derivative Hedging Instruments*. CFX's Interest Rate Risk Management Policy does not contain a specific requirement for collateral posting in the event of a counterparty downgrade below the minimum requirements; however, the agreements require that the counterparties post suitable and adequate collateral if the termination values were such that a payment would be due to CFX. As of June 30, 2016 and 2015, that is not the case; therefore, there is no reportable risk of loss to CFX due to credit risk. The following terms of the Swaps and all Series 2008B Bond obligations are identical:

1. The total notional amount of the Swaps equals the total issued principal amount of CFX's revenue bonds that are subject to the Swaps.
2. The re-pricing dates of the Swaps match those of the related bonds, specifically, all Series 2008B Bonds.
3. The amortization of the Swaps matches the amortization of the bonds.

CFX does not have a specific policy regarding entering into master netting arrangements, nor has it entered into any such master arrangements.

**Interest Rate Risk:** CFX implemented a strategy on the Swaps associated with the Series 2008B Bonds, which was designed to provide a synthetic fixed rate.

**Basis Risk:** Basis risk for CFX's derivatives would be the risk that the weekly rates on its variable rate bonds would not match the index referenced in the interest rate exchange agreements. The Series 2005 variable rate bonds were issued to bear interest at the seven-day market rate, whereas the underlying swap agreements pay CFX interest at the weekly TBMA (now known as SIFMA) index rate. Since the variable rate paid by the counterparties on the interest rate swaps is the SIFMA index, CFX reasonably assumed that the hedging relationship would be highly effective in providing counterparty payments to CFX in amounts necessary to pay the synthetic fixed rate on the Series 2005 Bonds. However, during fiscal year 2008, CFX experienced some basis spread on the Series 2005 Bonds subsequent to Fitch's downgrade of Ambac, the bonds' insurer. In order to mitigate this spread, CFX took action to redeem the bonds and issued the Series 2008B Refunding Bonds, backed by letters of credit. In fiscal year 2012, the Series 2008B3 and 2008B4 Bonds were converted to a bank rate mode and directly placed with the bondholder. In fiscal year 2015, the Series 2008B1 Bonds were converted to a bank rate mode and directly placed with

# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 5 - LONG TERM DEBT *continued...*

the bondholder. In fiscal year 2016, the Series 2008B2 Bonds were converted to a bank rate mode and directly placed with the bondholder. The bank rates for all of the Series are reset on a weekly basis and are tied to the SIFMA index plus a spread. Therefore, basis risk for these bonds has been eliminated during the bank rate period.

*Termination Risk:* CFX is subject to termination risk, but determined at the time to mitigate that risk by acquiring swap insurance policies for the swaps associated with the Series 2008B Bonds. Each of CFX's outstanding interest rate exchange agreements contains an Additional Termination Event provision, which is triggered by certain downgrades in the credit ratings of the respective parties, but each such provision is subject to the Insurer Provisions contained therein.

Under certain conditions set forth in the swap agreements, neither CFX nor the counterparty may designate an early termination date without the consent of the Insurer, unless an "Insurer Event" has occurred whereby the Swap Insurer (i) fails to meet its payment obligations under the swap, (ii) fails to maintain a minimum claims-paying ability rating or financial-strength rating from either S&P or Moody's described in the respective swap agreements or (iii) has its rating from either S&P or Moody's withdrawn or suspended and such rating is not reinstated within 30 days of such withdrawal or suspension.

Additionally, for the 2004 Swaps, a Credit Support Annex was negotiated with the counterparties. During fiscal year 2009, the insurer on the swaps now associated with the Series 2008B Bonds (the "2004 Swaps"), was downgraded below the A-/A3 (S&P/Moody's) level. As such, an Insurer Event did take place. Three of the five agreements required that CFX demonstrate that it had maintained its own rating above the A-/A3 levels to prevent a termination. CFX has maintained its ratings at A/A2; therefore, it has complied with the requirements and no termination event has occurred.

One agreement did not consider an Insurer Event grounds for early termination, unless some additional event of default had taken place, such as failure to meet the payment obligations, none of which have taken place. One agreement required that CFX either replace the insurer with another credit support facility or post collateral in the amount of the termination value in excess of \$15,000,000, based on CFX's credit rating. CFX received the notice of an Insurer Event from this counterparty on June 25, 2009, and posted collateral in July 2009. All investment income on the security posted as collateral, and the security itself, is income to, and an asset of, CFX. Per the



agreement, the counterparty could request a maximum amount of \$33,182,020 as of June 30, 2016. However, the agreement only requires CFX to post collateral at the request of the counterparty. In compliance with the agreement and the most recent request, there was not a collateral posting as of June 30, 2016 or June 30, 2015.

As a result of CFX's compliance with the terms of the swap agreements and each applicable Credit Support Annex, as explained above, as of June 30, 2016 and 2015, no termination events have occurred.

Notwithstanding the Insurer Provisions under the swap agreements, CFX has the option to terminate all but one of the swaps at any time upon at least two business days' written notice to the counterparty. One agreement requires 30 days' written notice, a requirement which can be waived. Absent the Insurer Provisions, the counterparties may terminate the swap in the event of a default, such as: nonpayment, credit downgrade or failure to provide collateral.

# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 5 - LONG TERM DEBT *continued...*

*Credit and Liquidity Access and Repricing Risk:* CFX has reduced its basis and credit provider risks by placing the 2008B1, 2008B2, 2008B3 and 2008B4 Bonds in the bank rate mode directly with the bondholder at SIFMA plus a spread.

As of June 30, 2016, the expirations of the respective contracts were as follows:

Bond Series	Type/Provider	Expiration Date
Series 2008B1	FRN/Barclays Bank PLC	May-2020
Series 2008B2	FRN/RBC Municipal Products	Jul-2018
Series 2008B3	FRN/Wells Fargo	Sep-2019
Series 2008B4	FRN/Wells Fargo	Sep-2019

**Associated Debt:** The net cash flow of the underlying swap agreements compared to the variable rate bonds resulted in the following net cash inflows (outflows):

	2003 Series	2005 Series	2008 Series	Total
FY 2003	\$ 18,664	\$ -	\$ -	\$ 18,664
FY 2004	74,400	-	-	74,400
FY 2005	67,609	1,827	-	69,436
FY 2006	69,018	97,163	-	166,181
FY 2007	101,643	82,950	-	184,593
FY 2008	161,325	(2,434,950)	61,270	(2,212,355)
FY 2009	(8,421,180)	-	(487,400)	(8,908,580)
FY 2010	(506,773)	-	(165,018)	(671,791)
FY 2011	(1,115,769)	-	(263,904)	(1,379,673)
FY 2012	(1,742,406)	-	(242,174)	(1,984,580)
FY 2013	(6,639)	-	(35,814)	(42,453)
FY 2014	-	176	26,148	26,324
FY 2015	-	-	11,919	11,919
FY 2016	-	-	939	939
<b>Total</b>	<b>\$ (11,300,108)</b>	<b>\$ (2,252,834)</b>	<b>\$ (1,094,034)</b>	<b>\$ (14,646,976)</b>

**Debt Service Reserve Requirements** – CFX has purchased surety policies from bond insurers for all outstanding bonds, except for the 2008B, 2010A, 2010C, and 2012A Bonds. Bond covenants do not require minimum ratings for providers of surety policies.

For the Series 2010A and 2010C Bonds, the debt service reserve is cash funded with proceeds from the bond issuance. For the Series 2016A Bonds, the debt service reserve is funded with a surety policy.



# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 5 - LONG TERM DEBT *continued...*

**Defeased Bonds** – During 1998, CFX defeased the Series 1988 Bonds by placing the proceeds of the unused portion of the 1998 Bonds and a portion of the 1998 Bonds in an irrevocable escrow account to provide for all future debt service payments. Additionally, on October 31, 2012, CFX cash defeased all of the outstanding Series 2003A Bonds by placing cash from operations in an irrevocable escrow account to provide for the payment and redemption of the bonds as of the call date of July 1, 2013. CFX also issued the Series 2013A Bonds for the purpose of redeeming all of the outstanding 2003B Bonds on the call date of July 1, 2013. Proceeds from the bond issuance were placed in an irrevocable escrow account. As of July 1, 2013, the 2003A and 2003B Bonds were redeemed and are no longer outstanding.

The purpose of these defeasances was to provide additional financing flexibility, while maintaining CFX's targeted debt service ratio. As a result, the trust account assets and the liability for the defeased bonds are not included in CFX's balance sheets. The balance of defeased bonds outstanding was \$48,505,000 and \$52,100,000 on June 30, 2016 and 2015, respectively, representing the outstanding balance on the 1988 Bonds.

CFX maintained that it had retained the call rights on the 1988 Series Bonds. In 2004, CFX filed a declaratory action in the Ninth Judicial Circuit Court to determine CFX's rights with respect to the

call rights on the 1988 Series Bonds. The business court entered an order granting summary judgment in favor of Emmet & Co., Inc., finding that CFX had not reserved its optional redemption rights with respect to the 1988 Series Bonds. This decision was upheld by the appellate Court in October 2007.

On April 26, 2016 CFX utilized proceeds from the issuance of the Series 2016A Refunding Bonds to fund an escrow to provide for the payment of principal and interest on the refunded portion of the Series 2007A Bonds as of the call date of July 1, 2017.

Principal maturities on those defeased bonds, based on July 1 payments each year, are as follows (in thousands):

Year Ending June 30,	1988 Bonds	2007A Bonds	Total
2017	\$ 3,865	\$ -	\$ 3,865
2018	21,500	156,020	177,520
2019	23,140	-	23,140
	<b>\$ 48,505</b>	<b>\$ 156,020</b>	<b>\$ 204,525</b>

**Due to Governmental Agencies** – Due to governmental agencies consists of the following (in thousands):

	June 30, 2015	Additions	Deletions	June 30, 2016
Advances from FDOT for construction, operations and maintenance of certain plazas and roadways	\$ 193,274	\$ 2,023	\$ (22,407)	\$ 172,890
Loans and advances for specific projects	18,506	34	(10,560)	7,980
Toll revenue due to other state agencies	1,893	76,517	(75,784)	2,626
	213,673	78,574	(108,751)	183,496
Less current portion	(26,985)	(176,781)	26,985	(176,781)
<b>Due to other governments, net of current portion</b>	<b>\$ 186,688</b>	<b>\$ (98,207)</b>	<b>\$ (81,766)</b>	<b>\$ 6,715</b>

# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 5 - LONG TERM DEBT *continued...*

The following is a schedule by years of the minimum future payments on the amounts due to governmental agencies (all amounts in thousands):

Year Ending June 30,	Amount
2017	176,781
2018	1,061
2019	-
2020	-
2021	-
Thereafter	5,654
	\$183,496

Amounts included in "thereafter" are payable based on future events, as described below:

Included in the Loans and Advances for specific projects is \$5,654,000 for advances from the Greater Orlando Aviation Authority, the City of Orlando and Orange County for the extension of Goldenrod Road. The extension is a non-System project, and revenues from this project are utilized solely to pay expenses for the extension and to reimburse the funding partners, including CFX, for their original contribution to the project.



### NOTE 6 - LEASES

**Operating Leases** - CFX leases excess capacity of the Fiber Optic Network (FON) to Sprint Communications Company L.P. The original historic cost of this FON of \$19,172,000 is not depreciated because its expected life exceeds 100 years. This is a ten-year lease with three five-year renewal options. The annual rate of \$464,640, adjusted annually by the local Consumer Price Index, is presented as miscellaneous nonoperating revenues. If CFX terminates this agreement because of licensee's (Sprint's) default, the licensee shall pay CFX, as liquidated damages, an amount equal to the minimum total fees and charges for the remaining agreement term. There is no termination clause for the licensee except by default of CFX. The second five-year renewal was executed at the end of fiscal year 2016. The minimum future rentals for the next five years are \$464,640 per year for four years and \$425,920 for the fifth year, for a total of \$2,284,480.

CFX leases a building located at 525 South Magnolia Ave., Orlando, FL to Women's Care Florida LLC. The assessed value of the building is \$3,100,000. This is a ten-year seven-month lease that terminates at midnight on June 15, 2021. The lease requires a 360-day notice by the tenant for termination. The minimum CFX would receive on this lease would be \$303,058 for fiscal year 2017. If CFX decides to terminate the lease in fiscal year 2017, it will be obligated to pay the tenant \$209,299 for improvements and fixtures that were installed by the tenant at the commencement of the lease.

### NOTE 7 - COMMITMENTS AND CONTINGENCIES

**Commitments** - Outstanding construction and other significant commitments for improvements, maintenance and operation of the System totaled approximately \$618,514,000 at June 30, 2016.

**Pending Litigation** - Various lawsuits and claims arising in the ordinary course of CFX's operations are pending against CFX. Currently, CFX is party to a pending litigation claim for parcel 236 on SR 429. The owner estimated the property to be valued much higher than what CFX offered and subsequent negotiations resulted in a settlement of \$2,999,995 plus attorney's fees, experts' fees and costs. The agreement was put on hold due to the owner filing for Chapter 11 bankruptcy. The new owner of the property has tentatively agreed to accept this settlement, however, details of the settlement have not been finalized.

# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 8 - RETIREMENT PLANS

#### PLAN DESCRIPTIONS

*Florida Retirement System (FRS) Pension Plan* - Most employees of CFX participate in the State of Florida Retirement System (the "FRS"), a multiple-employer, cost-sharing, defined-benefit retirement plan, or defined-contribution retirement plan, administered by the Florida Department of Administration, Division of Retirement. As a general rule, membership in the FRS is compulsory for all employees working in a regular, established position for a state agency, county government, district school board, state university, community college or a participating city or special district within the state of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Employees are classified in either the regular service class or the senior management service class ("SMSC"). The SMSC is for members who fill senior-level management positions. Employees classified as SMSC may opt out of participation in the FRS. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida Legislature.

*Retiree Health Insurance Subsidy (HIS) Program* - Employees of CFX also participate in the Retiree Health Insurance Subsidy (HIS) Program, which is a cost-sharing, multiple-employer defined-benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

*Public Employee Optional Retirement Program* - Employees may participate in the Public Employee Optional Retirement Program (the "Investment Plan"), a defined-contribution retirement program, in lieu of participation in the defined-benefit retirement plan ("Pension Plan"). If the Investment Plan is elected, active membership in the defined-benefit retirement plan is terminated. Eligible members of the Investment Plan are vested at one year of service and receive a contribution for self-direction in an investment product with a third-party administrator selected by the State Board of Administration. The contribution rates for both fiscal 2016 and 2015 were 6.3% for regular class and 7.67% for senior management class.

**Benefits Provided** - For employees in FRS, benefits are computed on the basis of age, average final compensation and service credit. Regular class and senior management class employees who were enrolled in the FRS prior to July 1, 2011 and retire at or after age 62 with at least six years of credited service, or 30 years of service, regardless of age, are entitled to a retirement benefit payable monthly for life, based on their final average compensation of their five highest fiscal years of pay for each year of credited service. Employees enrolled on or after July 1, 2011 and who retire at or after age 65 with at least eight years of credited service, or 33 years of service, regardless of age, are entitled to a retirement benefit payable monthly for life, as explained above based on their eight highest fiscal years of pay. Using their date of enrollment as a basis, vested employees with less than the minimum years of service may retire before the minimum age and receive reduced retirement benefits. A post-retirement health insurance subsidy is also provided to eligible retired employees through the FRS defined benefit, in accordance with Florida Statutes.

In addition to the above benefits, the FRS administers a Deferred Retirement Option Program ("DROP"). This program allows eligible employees to defer receipt of monthly retirement benefit payments, while continuing employment with an FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

**Contributions** - Starting on July 1, 2011, Chapter 2011-68 of the Laws of Florida required members of the FRS not enrolled in DROP to contribute 3% of their salary to their retirement. Governmental employers are required to make contributions to the FRS based on statewide contribution rates. The fiscal year 2016 contribution rate applied to regular employee salaries was 7.26%, including 1.66% for a post-retirement health insurance subsidy ("HIS"). The fiscal year 2015 contribution rate was 7.37%, which included 1.26% for HIS. The fiscal year 2016 contribution rate applied to senior management salaries was 21.43%, including 1.66% HIS. The fiscal year 2015 contribution rate was 21.14%, which included 1.26% for HIS. The fiscal year 2016 contribution rate applied to the salaries of the employees in DROP was 12.88%, including 1.66% for HIS. The fiscal year 2015 contribution rate was 12.28%, which included 1.26% for HIS.

CFX's actual contributions to the FRS for the fiscal years ended June 30, 2016 and 2015 were \$623,000 and \$546,000, respectively. Employee contributions were \$159,000 and \$142,000 for the fiscal years ended June 30, 2016 and 2015, respectively.

# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 8 - RETIREMENT PLANS *continued...*

#### Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

CFX reported a liability of \$3,852,000 and \$2,377,000, at June 30, 2016 and 2015, respectively, for its proportionate share of the net pension liability of FRS and HIS. The net pension liability as of June 30, 2016 and 2015 was measured as of June 30, 2015 and 2014, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of those dates. CFX's proportion of the net pension liability was based on CFX's historical employer contributions to the pension plans for fiscal year 2014 and 2015 relative to the historical contributions of all participating employers. At June 30, 2015, CFX's proportion was 0.0174% and 0.0157% for FRS and HIS, respectively, which was an

increase of 0.0017% and an increase of 0.0006% from its respective proportion measured as of June 30, 2014.

At June 30, 2014, CFX's proportion was 0.0157% and 0.0151% for FRS and HIS, respectively, which was an increase of 0.0066% and a decrease of 0.0002% from its respective proportion measured as of June 30, 2013.

For the years ended June 30, 2016 and June 30, 2015, CFX recognized pension expense of \$576,000 and \$429,000, respectively.

At June 30, 2016 and June 30, 2015, CFX reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	<b>As of June 30, 2016</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 237	\$ 53
Changes of assumptions	275	-
Differences between projected and actual earnings on pension plan investments	1	537
Changes in proportion	1,042	16
CFX contributions subsequent to the measurement date	554	-
<b>Total</b>	<b>\$ 2,109</b>	<b>\$ 606</b>

	<b>As of June 30, 2015</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 59
Changes of assumptions	217	-
Differences between projected and actual earnings on pension plan investments	1	1,599
Changes in proportion	958	20
CFX contributions subsequent to the measurement date	484	-
<b>Total</b>	<b>\$ 1,660</b>	<b>\$ 1,678</b>

# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 8 - RETIREMENT PLANS *continued...*

\$554,000 and \$484,000 reported as deferred outflows of resources related to pensions resulting from CFX contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2017 and June 30, 2016 respectively.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (in thousands):

Year Ending June 30,	Amount
2017	\$ 190
2018	190
2019	190
2020	190
2021	63
Thereafter	128

**Actuarial Assumptions** – The actuarial assumptions that determined the total pension liability as of June 30, 2016 and June 30, 2015, were based on the results of an actuarial experience study for the period July 1, 2008 – June 30, 2013.

Valuation date	July 1, 2014	July 1, 2015
Measurement date	June 30, 2014	June 30, 2015
Inflation	2.60%	2.60%
Salary increases, including inflation	3.25%	3.25%
Mortality	Generational RP-2000 with Projection Scale BB	Generational RP-2000 with Projection Scale BB
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

The long-term expected rate of return, net of investment expense on pension plan investments was 7.65% as of June 30, 2015 and June 30, 2014. This rate was determined using a forward-looking capital market economic model. The table below shows the assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. The expected real rate of return is presented in arithmetic means.

Asset Class	Target Allocation	Annual Arithmetic Return
Cash	1%	3.2%
Fixed Income	18%	4.8%
Global equity	53%	8.5%
Real Estate (property)	10%	6.8%
Private equity	6%	11.9%
Strategic investments	12%	6.7%
Total	100.00%	

# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 8 - RETIREMENT PLANS *continued...*

**Discount Rate** – The discount rate used to measure the total pension liability was 7.65% for FRS for June 30, 2015 and June 30, 2014. The discount rate used to measure the total pension liability was 3.80% and 4.29% for HIS as of June 30, 2015 and June 30, 2014 respectively. For FRS, the plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor.

### Sensitivity of CFX’s Proportionate Share of the Net Pension

**Liability to Changes in the Discount Rate** – The following presents CFX’s proportionate share of the net pension liability calculated using the discount rate of 7.65% for FRS for June 30, 2015 and June 30, 2014. The discount rate of 3.80% and 4.29% was used for HIS for June 30, 2015 and June 30, 2014 respectively. The following also presents what CFX’s proportionate share of the net pension liability would be at June 30, 2016 and 2015 if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the respective current rate:

	As of June 30, 2016		
	FRS		
	1% Decrease 6.65%	Current Discount Rate 7.65%	1% Increase 8.65%
CFX’s proportionate share of the net pension liability (asset)	\$ 5,826,098	\$ 2,248,394	\$ (728,843)
	HIS		
	1% Decrease 2.8%	Current Discount Rate 3.8%	1% Increase 4.8%
CFX’s proportionate share of the net pension liability (asset)	\$ 1,826,666	\$ 1,603,107	\$ 1,416,693
	As of June 30, 2015		
	FRS		
	1% Decrease 6.65%	Current Discount Rate 7.65%	1% Increase 8.65%
CFX’s proportionate share of the net pension liability (asset)	\$ 4,100,515	\$ 958,706	\$ (1,654,679)
	HIS		
	1% Decrease 3.29%	Current Discount Rate 4.29%	1% Increase 5.29%
CFX’s proportionate share of the net pension liability (asset)	\$ 1,613,416	\$ 1,418,488	\$ 1,255,780

**Change in Net Pension Liability** - The following is a summary of changes in net pension liability (in thousands):

	June 30, 2015	Additions	Deletions	June 30, 2016	Due Within One year
Net pension liability	\$ 2,377	\$ 1,959	\$ 484	\$ 3,852	\$ -
	June 30, 2014	Additions	Deletions	June 30, 2015	Due Within One year
Net pension liability	\$ 2,909	\$ 1,523	\$ 2,055	\$ 2,377	\$ -

# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2016 & 2015

### NOTE 8 - RETIREMENT PLANS *continued...*

**Pension Plan Fiduciary Net Position** – Detailed information about FRS and HIS fiduciary net position is available in the separately issued FRS financial report.

The latest available report may be obtained by writing to the Department of Management Services, Office of the Secretary, 4050 Esplanade Way, Tallahassee, FL 32399-0950

or from the website:

[http://www.dms.myflorida.com/workforce\\_operations/retirement/publications/annual\\_reports](http://www.dms.myflorida.com/workforce_operations/retirement/publications/annual_reports).

### NOTE 9 - RISK MANAGEMENT

CFX is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which CFX purchases commercial insurance.

No settlements have exceeded coverage levels in place during 2014, 2015 and 2016.

CFX is covered by the State of Florida's State Group Insurance program, a risk management pool to which risk is transferred in exchange for annual premium payments.

### NOTE 10 - SUBSEQUENT EVENTS

#### A) Lease Purchase Agreement

On October 12, 2016, CFX made the final payment satisfying the long term obligation of the advances from FDOT for construction, operations and maintenance of certain plazas and roadways in the amount of \$150,870,000. This repayment was made ahead of schedule. Details of the balance of advances from FDOT for construction, operations and maintenance of certain plazas and roadways as of June 30, 2016 are shown in Note 5.

#### B) Bonds

On September 22, 2016, CFX priced its Senior Lien Refunding Revenue Series 2016B Bonds at a par value of \$631,330,000 and an average coupon rate of 4.29%. The delivery date is scheduled for November 2, 2016 with a final maturity date of July 1, 2040. The 2016B series has been priced with the intent to issue a refunding on the following series:

Series	Par Amount
2007A	\$ 83,095,000
2010A	213,805,000
2010B	59,870,000
2010C	270,705,000

The net present value of savings for the refunding is approximately \$65 million.

#### C) Other

On October 5, 2016 Governor Rick Scott suspended tolls on all CFX roadways due to the threat of Hurricane Matthew. This toll suspension was lifted in the early hours of October 10, 2016. It is projected that approximately \$3,500,000 was lost in toll revenue due to both the direct suspension of tolls, and the change in driving habits on CFX's system.

### NOTE 11 - CHANGE IN ACCOUNTING PRINCIPLES

CFX participates in the FRS defined benefit pension plan and the HIS defined benefit pension plan administered by the Florida Division of Retirement. As a participating employer, CFX implemented Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions, which required employers participating in cost-sharing, multiple-employer, defined-benefit pension plans to report the employers' proportionate share of the net pension liabilities of the defined-benefit pension plans. The requirements of GASB No. 68 are being implemented prospectively, with CFX reporting its proportionate share of the actuarially determined liabilities of \$2,909,000 at July 1, 2014. In addition, CFX reported beginning deferred outflows for contributions subsequent to the measurement date of \$396,000 as of July 1, 2014. The net effect of these items was a restatement of beginning net position in the amount of \$2,513,000.

Financial information for the year ended June 30, 2014 was not restated because a measurement of net pension liability and deferred outflows of resources related to pensions as of July 1, 2013 was not available.



# REQUIRED SUPPLEMENTARY INFORMATION

## TREND DATA ON INFRASTRUCTURE CONDITION

CFX elected to use the modified approach to account for maintenance of its infrastructure assets starting in fiscal year 1997. The FDOT annually inspects CFX's roadways. The FDOT utilizes the Maintenance Rating Program (the "MRP") to assess the condition of the System. Copies of the MRP manual may be obtained from the State Maintenance Office, 605 Suwannee Street, Mail Station 52, Tallahassee, FL 32399-0450. The MRP manual provides a uniform evaluation system for maintenance features of the State Highway System. The roadways are rated on a 100-point scale, with 100

meaning that every aspect of the roadway is in new and perfect condition. CFX's System, as a whole, is given an overall rating, indicating the average condition of all roadways operated by CFX. The assessment of condition is made by visual and mechanical tests designed to reveal any condition that would reduce highway-user benefits below the maximum level of service. CFX's policy is to maintain the roadway condition at a MRP rating of 80 or better.

**The results of the last three completed inspections are as follows:**

Evaluation Period Fiscal Year	Rating
2016	89%
2015	90%
2014	92%

**The budget-to-actual expenditures for preservation for the past five years are as follows:**

Fiscal Year	Budget (in thousands)	Actual
2016	\$ 42,406	\$ 15,964
2015	\$ 26,085	\$ 3,975
2014	\$ 2,998	\$ 468
2013	\$ 7,094	\$ 880
2012	\$ 13,833	\$ 13,679





# REQUIRED SUPPLEMENTARY INFORMATION

## SCHEDULE OF CFX'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

### Florida Retirement System (FRS) Defined Benefit Pension Plan (in thousands)

CFX Fiscal Year Ending June 30,	Plan Sponsor Measurement Date June 30,	CFX's Proportion of the FRS Net Pension Liability	CFX's Proportionate Share of the FRS Net Pension Liability	CFX's Covered Employee Payroll	CFX's Proportionate Share of the FRS Net Pension Liability as a Percentage of Covered Payroll	FRS Plan Fiduciary Net Position as a Percentage of Total Pension Liability
2016	2015	0.0174%	\$ 2,249	\$ 3,746	60.04%	92.00%
2015	2014	0.0157%	\$ 959	\$ 3,212	29.86%	96.09%
2014	2013	0.0091%	\$ 1,566	\$ 2,987	52.43%	88.54%

### Retiree Health Insurance Subsidy (HIS) Program Defined Benefit Pension Plan (in thousands)

CFX Fiscal Year Ending June 30,	Plan Sponsor Measurement Date June 30,	CFX's Proportion of the HIS Net Pension Liability	CFX's Proportionate Share of the HIS Net Pension Liability	CFX's Covered Employee Payroll	CFX's Proportionate Share of the HIS Net Pension Liability as a Percentage of Covered Payroll	HIS Plan Fiduciary Net Position as a Percentage of Total Pension Liability
2016	2015	0.0157%	\$ 1,603	\$ 5,345	29.99%	0.50%
2015	2014	0.0152%	\$ 1,418	\$ 4,769	29.73%	0.99%
2014	2013	0.0154%	\$ 1,343	\$ 4,507	29.80%	1.78%

## SCHEDULE OF CFX CONTRIBUTIONS

### Florida Retirement System (FRS) Defined Benefit Pension Plan (in thousands)

Fiscal Year Ending June 30,	FRS Contractually Required Contribution	FRS Contributions in Relation to the Contractually Required Contribution	FRS Contribution Deficiency (Excess)	CFX's Covered Employee Payroll	FRS Contributions as a Percentage of Covered Payroll
2016	\$ 465	\$ 465	\$ -	\$ 3,746	12.41%
2015	\$ 424	\$ 424	\$ -	\$ 3,212	13.20%
2014	\$ 344	\$ 344	\$ -	\$ 2,987	11.52%

### Florida Retirement System (HIS) Defined Benefit Pension Plan (in thousands)

Fiscal Year Ending June 30,	HIS Contractually Required Contribution	HIS Contributions in Relation to the Contractually Required Contribution	HIS Contribution Deficiency (Excess)	CFX's Covered Employee Payroll	HIS Contributions as a Percentage of Covered Payroll
2016	\$ 89	\$ 89	\$ -	\$ 5,345	1.67%
2015	\$ 60	\$ 60	\$ -	\$ 4,769	1.26%
2014	\$ 52	\$ 52	\$ -	\$ 4,507	1.15%

Notes: 1) CFX implemented GASB Statement No. 68 for the fiscal year ended June 30, 2015, including a restatement as of June 30, 2014. Information for prior years is not available.

# CALCULATION OF THE COMPOSITE DEBT SERVICE RATIO, AS DEFINED BY THE BOND RESOLUTIONS AND RELATED DOCUMENTS

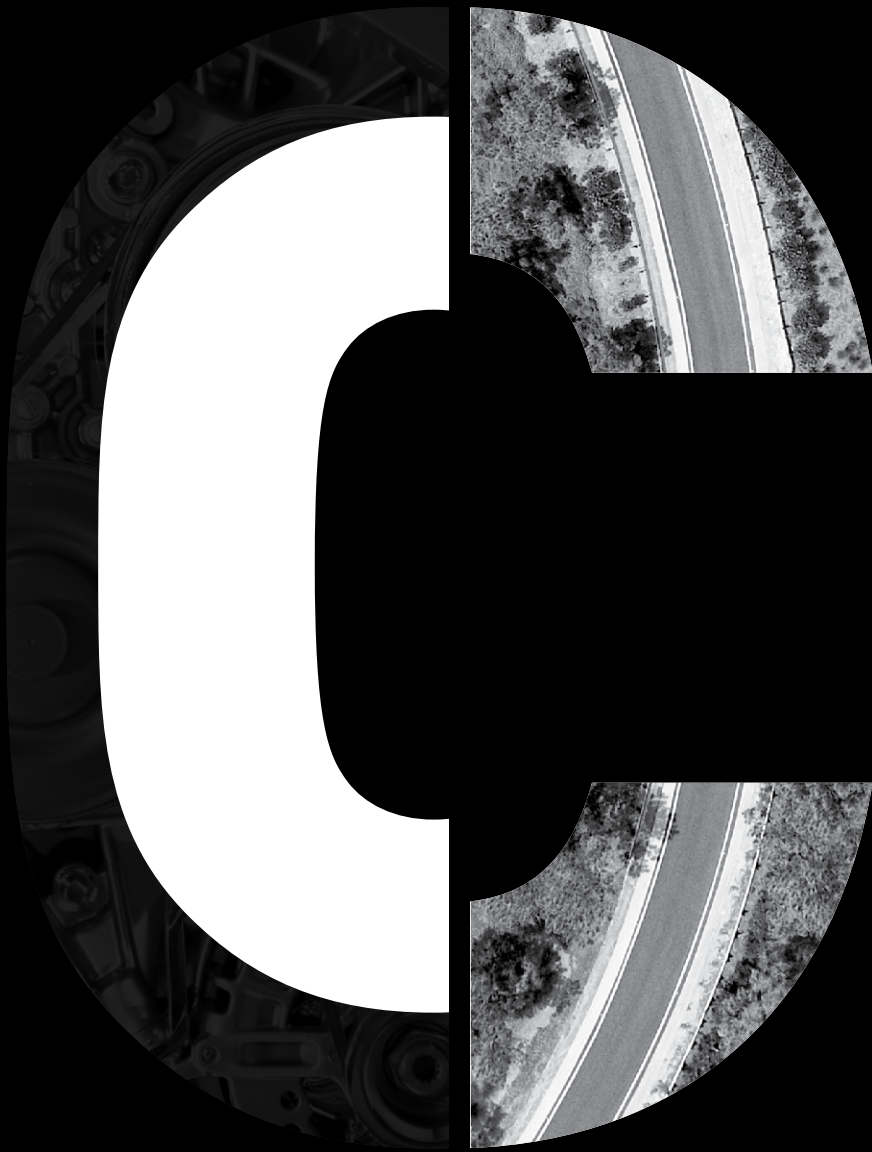
	Years Ended June 30,	
	2016	2015
	(in thousands)	
<b>Schedule 1</b>		
<b>Revenues:</b>		
Tolls	\$ 390,902	\$ 350,927
Fees collected via PBPs and UTCs	7,574	5,840
Transponder sales	167	63
Other operating	1,256	1,438
Interest	3,677	1,970
Miscellaneous	961	918
<b>Total revenues</b>	<b>404,537</b>	<b>361,156</b>
<b>Expenses:</b>		
Operations	40,716	37,430
Maintenance	13,602	14,419
Administration	6,429	5,616
Other operating	1,806	2,827
<b>Total expenses</b>	<b>62,553</b>	<b>60,292</b>
Add deposits into OMA reserve	972	1,295
Less advances allowable for operations and maintenance expenses received from the FDOT	(7,699)	(8,663)
<b>Net expenses</b>	<b>52,826</b>	<b>52,924</b>
<b>Net revenues, as defined, inclusive of advances received from the FDOT</b>	<b>\$ 348,711</b>	<b>\$ 308,232</b>
<b>Senior lien debt service payments</b>	<b>\$ 143,882</b>	<b>\$ 140,047</b>
<b>Senior lien debt service ratio of net revenues to debt service payments</b>	<b>2.42</b>	<b>2.20</b>
Supplemental payments - County gas tax pledge	\$ 9,397	\$ 9,088
<b>Senior lien debt service ratio of net revenues and supplemental payments to debt service payments*</b>	<b>2.49</b>	<b>2.27</b>
<b>Subordinate Payments</b>		
SIB Loan Payment	\$ 2,513	\$ 10,188
FDOT Lease Purchase Agreement Payment	20,000	20,000
SunTrust Bank Loan Payment	1,400	1,400
<b>Total Subordinate Payments</b>	<b>\$ 23,913</b>	<b>\$ 31,588</b>
<b>Subordinate Debt Service Ratio**</b>	<b>2.08</b>	<b>1.80</b>

\*These calculations apply to the 1990 Series Bonds, which are covered by the County's gas tax pledge.

\*\*These calculations are done according to the Master Subordinate Lien Resolution.

Note: Revenues and expenses are presented on this schedule on the accrual basis in accordance with accounting principles generally accepted in the United States of America. Certain amounts included on the Statement of Revenues, Expenses, and Changes in Net Position are not part of net revenues, as defined, and are, therefore, excluded from this schedule.





# STATISTICAL SECTION

# CONTENTS

## STATISTICAL SECTION

This section of the Central Florida Expressway Authority's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about CFX's overall financial health. The tables presented in this section are unaudited.

### **FINANCIAL TRENDS**

**C2 – C3**

These schedules contain trend information to help the reader understand how CFX's financial performance and well-being have changed over time.

### **REVENUE CAPACITY**

**C4 – C9**

These schedules contain information to help the reader assess CFX's most significant local revenue source, toll revenue.

### **DEBT CAPACITY**

**C10 – C11**

These schedules present information to help the reader assess the affordability of CFX's current levels of outstanding debt and CFX's ability to issue additional debt in the future.

### **DEMOGRAPHIC AND ECONOMIC INFORMATION**

**C12 – C14**

These schedules offer demographic and economic indicators to help the reader understand the environment within which CFX's financial activities take place.

### **OPERATING INFORMATION**

**C15 – C19**

These schedules contain service and infrastructure data to help the reader understand how the information in CFX's financial report relates to the services CFX provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.



# FINANCIAL TRENDS

Revenues, Expenses and Changes in Net Position | July 1, 2006 through June 30, 2016  
Shown in Thousands (\$'000's)

Prepared on Basis of GAAP

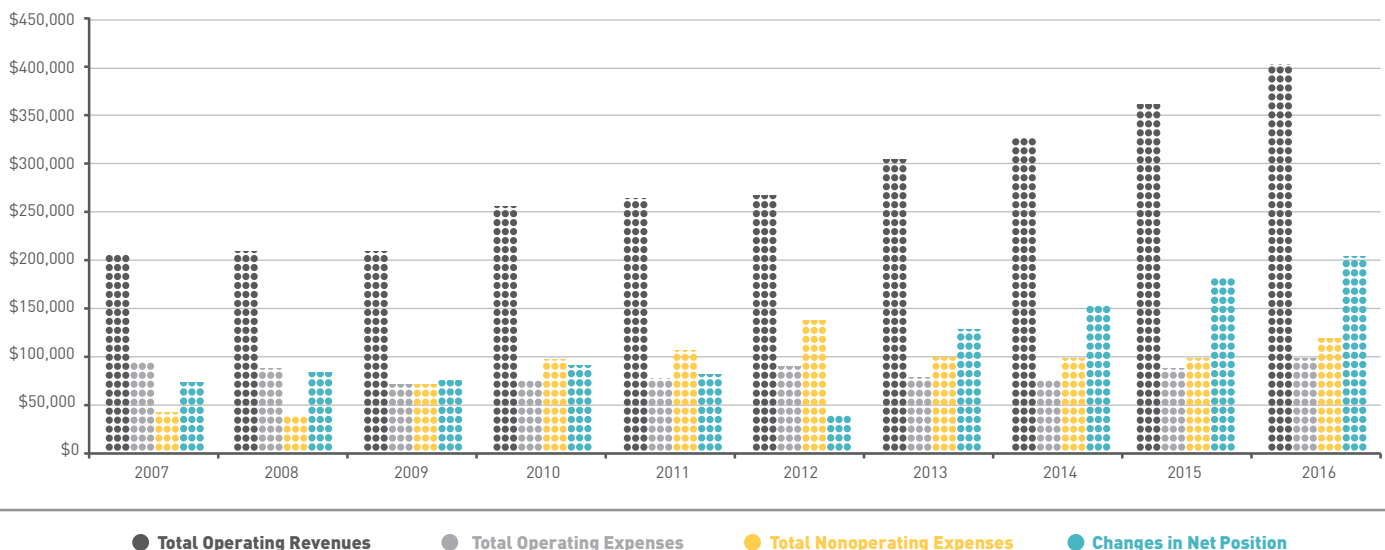
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Operating Revenues</b>										
Toll Revenues	\$ 203,475	\$ 205,947	\$ 206,395	\$ 253,610	\$ 260,012	\$ 262,608	\$ 298,164	\$ 319,133	\$ 350,927	\$ 390,902
Transponder Sales	1,166	946	673	474	299	270	274	76	63	167
Other (A)	995	912	1,068	1,272	2,687	4,012	5,209	6,395	8,196	9,791
<b>Total Operating Revenues</b>	<b>205,636</b>	<b>207,805</b>	<b>208,136</b>	<b>255,356</b>	<b>262,998</b>	<b>266,890</b>	<b>303,647</b>	<b>325,604</b>	<b>359,186</b>	<b>400,860</b>
<b>Operating Expenses</b>										
Operations, Maintenance and Administration	52,206	55,636	51,180	51,281	52,524	50,920	53,209	54,905	57,465	60,747
Depreciation	10,105	12,331	14,812	17,242	16,842	15,717	16,272	16,800	15,604	14,263
Preservation	24,734	10,532	1,307	522	1,694	13,679	880	468	3,975	15,964
Other	4,916	9,157	3,081	4,950	5,866	9,217	7,309	4,502	3,924	2,329
<b>Total Operating Expenses</b>	<b>91,961</b>	<b>87,656</b>	<b>70,380</b>	<b>73,995</b>	<b>76,926</b>	<b>89,533</b>	<b>77,670</b>	<b>76,675</b>	<b>80,968</b>	<b>93,303</b>
<b>Nonoperating Revenues (Expenses)</b>										
Investment Income	26,143	30,214	12,953	6,526	6,500	3,405	1,571	2,632	2,516	5,977
Gain/(Loss) on Capital Assets	1,044	(790)	(7,995)	680	(312)	(25,271)	(455)	755	(1,848)	(694)
Intergovernmental Grant Revenue	978	8,343								
Other Nonoperating (B)					441	66	8,556	239	92	403
Goldenrod Road	694	897	757	866	794	798	810	823	(2,751)	1,400
Interest Expense (C)	(69,705)	(76,928)	(76,138)	(105,163)	(112,790)	(116,250)	(108,870)	(101,779)	(95,368)	(124,064)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(40,846)</b>	<b>(38,264)</b>	<b>(70,423)</b>	<b>(97,091)</b>	<b>(105,367)</b>	<b>(137,252)</b>	<b>(98,388)</b>	<b>(97,330)</b>	<b>(97,359)</b>	<b>(116,978)</b>
Capital Contribution			6,709	4,996	1,987			784	154	13,036
<b>Changes in Net Position</b>	<b>\$ 72,829</b>	<b>\$ 81,885</b>	<b>\$ 74,042</b>	<b>\$ 89,266</b>	<b>\$ 82,692</b>	<b>\$ 40,105</b>	<b>\$ 127,589</b>	<b>\$ 152,383</b>	<b>\$ 181,013</b>	<b>\$ 203,615</b>

(A): In fiscal year 2011, CFX re-classified the Fiber Optic Network lease revenues from the line Gain/(Loss) on Capital Assets to the line Other in Operating Revenues.

(B): In fiscal year 2011, CFX created a new line called Other nonoperating which was re-classified from the line Gain/Loss on Capital Assets.

(C): In fiscal year 2013, CFX implemented GASB No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB No. 65, *Items Previously Reported as Assets and Liabilities*. As a result, Interest Expense was re-classified in fiscal year 2012.

## CENTRAL FLORIDA EXPRESSWAY AUTHORITY Revenues, Expenses and Changes in Net Position (In Thousands of Dollars)



# FINANCIAL TRENDS

## Net Position by Component | July 1, 2006 through June 30, 2016

Shown in Thousands (\$'000's)

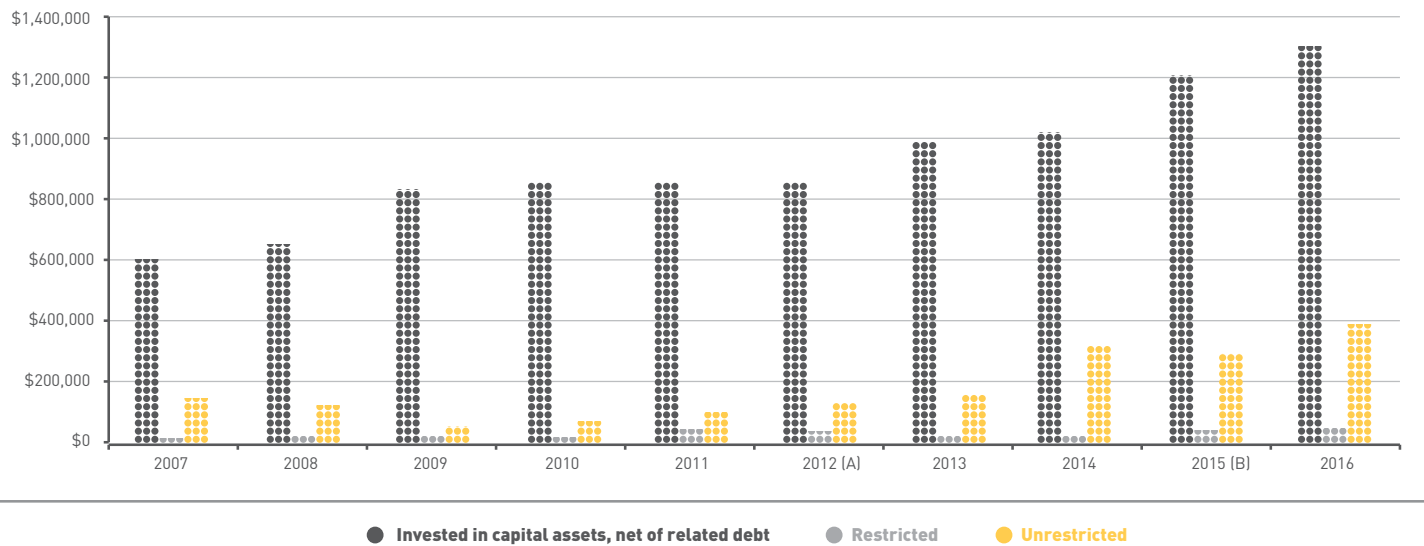
Prepared on Basis of GAAP

	2007	2008	2009	2010	2011	2012 (A)	2013	2014	2015 (B)	2016
<b>Primary government</b>										
Net investment in capital assets	\$ 612,138	\$ 684,251	\$ 844,459	\$ 893,157	\$ 901,239	\$ 900,743	\$ 1,009,113	\$ 1,023,491	\$ 1,206,541	\$ 1,318,726
Restricted	11,907	8,041	19,590	38,888	46,299	34,610	33,754	33,421	37,635	40,949
Unrestricted	123,827	137,465	39,750	61,020	128,219	163,936	184,011	322,349	313,585	401,701
<b>Total primary government net position</b>	<b>\$ 747,872</b>	<b>\$ 829,757</b>	<b>\$ 903,799</b>	<b>\$ 993,065</b>	<b>\$ 1,075,757</b>	<b>\$ 1,099,289</b>	<b>\$ 1,226,878</b>	<b>\$ 1,379,261</b>	<b>\$ 1,557,761</b>	<b>\$ 1,761,376</b>

(A): In fiscal year 2013, CFX implemented GASB No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position and GASB No. 65, Items Previously Reported as Assets and Liabilities. As a result, Net Position was re-classified in fiscal year 2012.

(B): In fiscal year 2015, CFX implemented GASB No. 68, Accounting and Financial Reporting for Pensions. As a result, beginning Net Position was re-classified in fiscal year 2015.

## CENTRAL FLORIDA EXPRESSWAY AUTHORITY Net Position By Component (In Thousands of Dollars)



# REVENUE CAPACITY

## Toll Revenue by Roadway | July 1, 2006 through June 30, 2016

Shown in Thousands (\$'000's)

### By Roadway

Fiscal Year	Spessard L. Holland East - West Expressway SR 408	Martin B. Andersen Beachline Expressway SR 528	Central Florida GreeneWay SR 417	Daniel Webster Western Beltway SR 429	John Land Apopka Expressway SR 414 (A)	Discounts (C)	Total Toll Revenue
2007	\$ 86,503	\$ 40,086	\$ 66,836	\$ 17,400	N/A	\$ (7,350)	\$ 203,475
2008	86,093	40,167	68,491	19,049	N/A	(7,853)	205,947
2009	88,304	38,521	66,859	18,972	\$ 554	(6,815)	206,395
2010 (B)	108,705	46,974	79,558	23,593	4,225	(9,445)	253,610
2011	110,020	48,824	80,892	24,562	5,180	(9,466)	260,012
2012	110,209	49,376	81,738	25,154	5,737	(9,606)	262,608
2013 (D)	122,806	55,494	92,993	29,830	7,860	(10,819)	298,164
2014	129,425	57,480	100,585	34,022	9,343	(11,722)	319,133
2015	138,261	61,977	113,411	39,733	10,715	(13,170)	350,927
2016	147,029	69,003	133,718	47,394	12,453	(18,695)	390,902

(A) SR 414 opened in February 2009 to electronic traffic and in May 2009 to cash traffic.

(B) A toll rate increase went into effect in April of 2009. Fiscal year 2010 was the first full year of the toll rate increase.

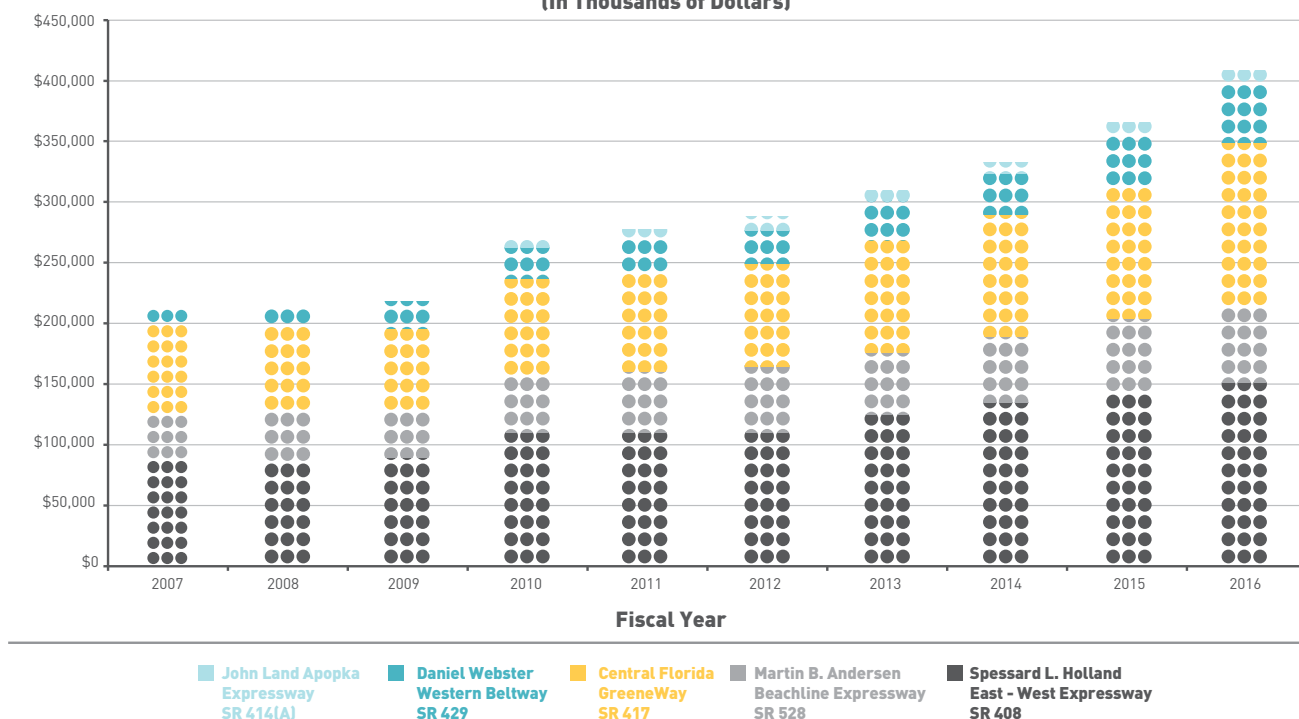
(C) Prior to May 2016, the E-PASS Discount was given to any electronic toll collection customer that uses their transponder on any CFX roadway more than 40 times in a calendar month. Beginning May 2016, the new CFX Customer Loyalty Discount program began giving E-PASS customers a discount based on the number of toll transactions per transponder on CFX expressways. The CFX Beltway Discount went into effect July 1, 2015 and is given to any electronic toll collection customer that uses their transponder on SR 414, SR 417, and SR 429 more than 20 times in a calendar month.

(D) A toll rate increase went into effect July 1, 2012.

Source: Central Florida Expressway Authority Statistical Report, Central Florida Expressway Authority general ledger

## CENTRAL FLORIDA EXPRESSWAY AUTHORITY Toll Revenue By Roadway

(In Thousands of Dollars)





# REVENUE CAPACITY

**Toll Transactions by Roadway | July 1, 2006 through June 30, 2016**  
Shown in Thousands (000's)

## By Roadway

Fiscal Year	Spessard L. Holland East - West Expressway SR 408	Martin B. Andersen Beachline Expressway SR 528 (B)	Central Florida GreeneWay SR 417	Daniel Webster Western Beltway SR 429	John Land Apopka Expressway SR 414 (A)	Total Toll Transactions
2007	138,327	44,450	102,504	24,411	N/A	309,692
2008	138,932	44,793	104,468	26,609	N/A	314,802
2009	131,280	40,733	94,789	25,090	632	292,524
2010	126,829	41,124	89,853	25,148	5,292	288,246
2011	128,035	42,943	91,859	26,153	6,608	295,598
2012	128,001	48,205	92,056	26,747	7,432	302,441
2013	125,648	58,622	91,838	27,723	8,402	312,233
2014	132,427	60,944	99,207	31,368	9,674	333,620
2015	141,595	65,828	112,034	36,072	10,895	366,424
2016	150,710	73,679	131,275	42,475	12,397	410,536

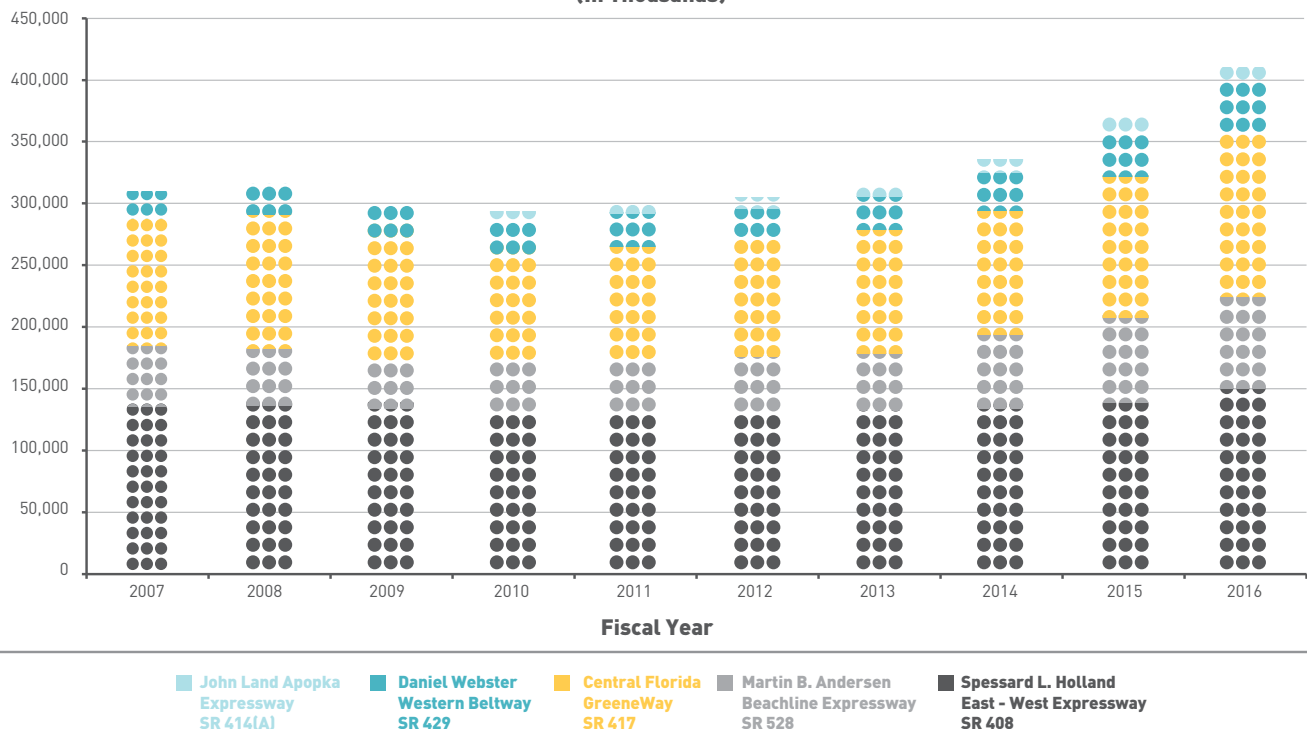
(A) SR 414 opened in February 2009 to electronic traffic and in May 2009 to cash traffic.

(B) Dallas Plaza opened on SR 528 in March 2012. Fiscal year 2013 was the first full year of toll transactions at this plaza. The Airport Plaza was demolished in fiscal year 2016. Starting January 31, 2016 on behalf of CFX, FDOT began collecting at their plaza the CFX portion of the toll - transactions are still being counted based on this revenue.

Source: Central Florida Expressway Authority Statistical Report, Central Florida Expressway Authority PBP Allowance Report

## CENTRAL FLORIDA EXPRESSWAY AUTHORITY Toll Transactions By Roadway

(In Thousands)



# REVENUE CAPACITY

Breakdown of Toll Revenue | July 1, 2006 through June 30, 2016

Shown in Thousands (\$'000's)

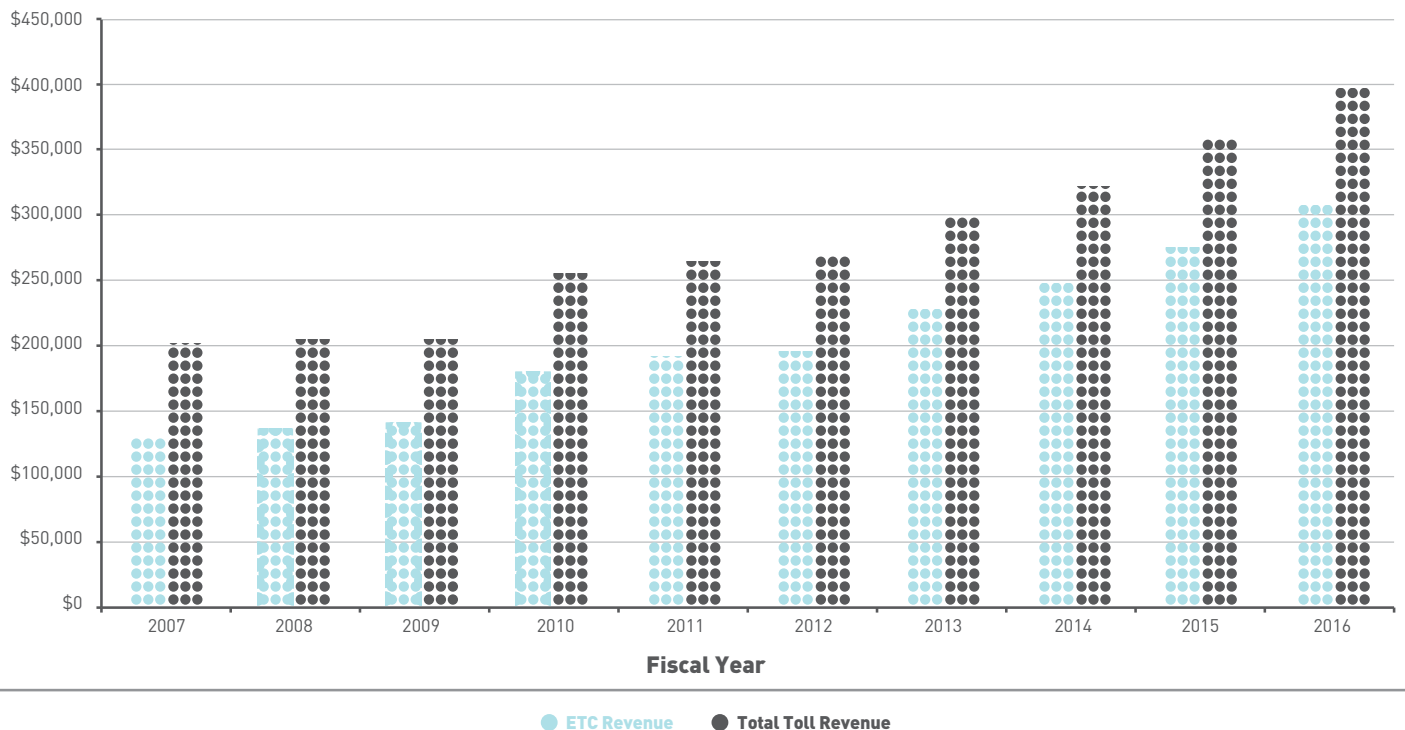
Fiscal Year	ETC Revenue	Total Toll Revenue	% ETC Revenue
2007	\$ 130,605	\$ 203,475	64.19%
2008	137,961	205,947	66.99%
2009	142,482	206,395	69.03%
2010	182,135	253,610	71.82%
2011	190,129	260,012	73.12%
2012	196,228	262,608	74.72%
2013	225,296	298,164	75.56%
2014	245,392	319,133	76.89%
2015	274,097	350,927	78.11%
2016	310,198	390,902	79.35%

Source for ETC Revenue: Central Florida Expressway Authority Statistical Report and PBP Allowance Report

## CENTRAL FLORIDA EXPRESSWAY AUTHORITY

### Toll Revenue

(In Thousands of Dollars)



# REVENUE CAPACITY

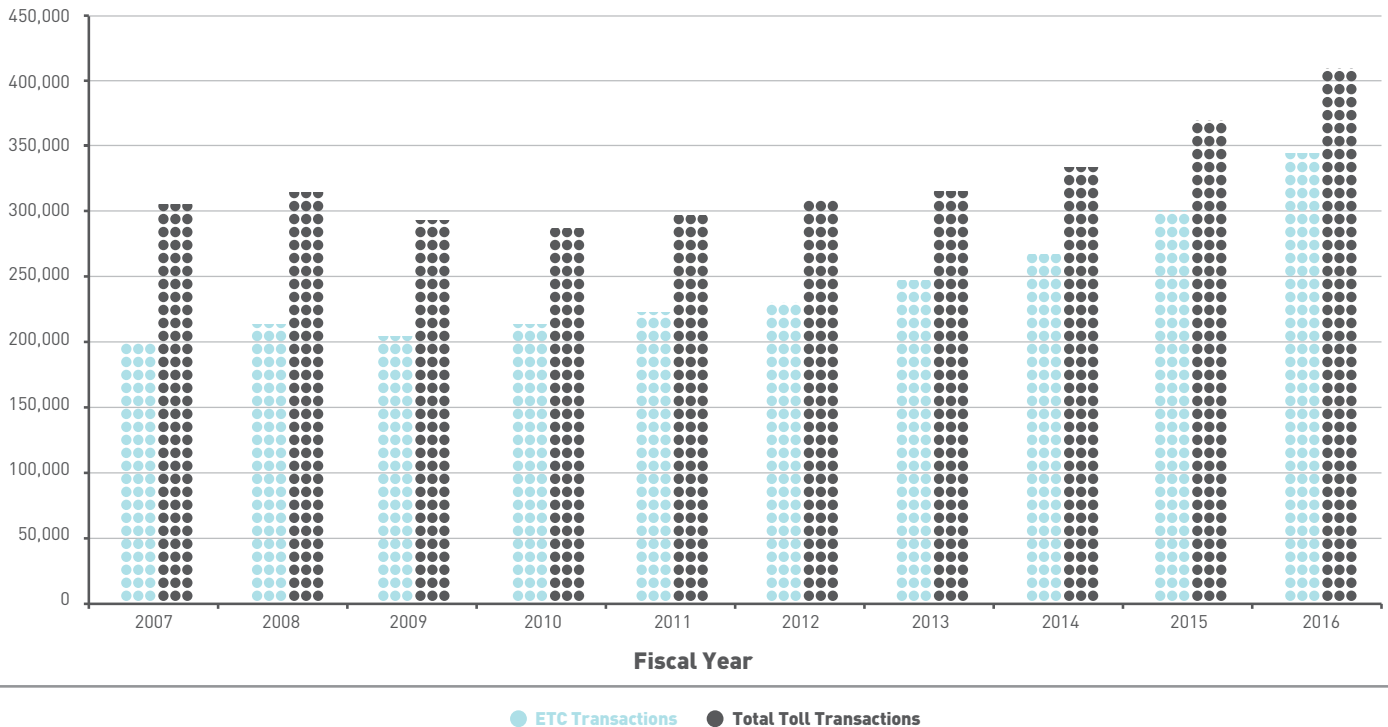
**Breakdown of Toll Transactions | July 1, 2006 through June 30, 2016**  
 Shown in Thousands (000's)

Fiscal Year	ETC Transactions	Total Toll Transactions	% ETC Transactions
2007	203,957	309,692	65.86%
2008	215,876	314,802	68.58%
2009	206,827	292,524	70.70%
2010	211,215	288,246	73.28%
2011	220,437	295,598	74.57%
2012	229,896	302,441	76.01%
2013	247,191	312,233	79.17%
2014	267,912	333,620	80.30%
2015	298,253	366,424	81.40%
2016	339,997	410,536	82.82%

Source for ETC Revenue: Central Florida Expressway Authority Statistical Report and PBP Allowance Report

## CENTRAL FLORIDA EXPRESSWAY AUTHORITY Toll Transactions

(In Thousands)



# REVENUE CAPACITY

## Schedule of Toll Rates (D) as of June 30, 2016

CFX EXPRESSWAY	MOTORCYCLE & 2 AXELS		3 AXELS		4 AXELS		5 AXELS	
	E-PASS	CASH	E-PASS	CASH	E-PASS	CASH	E-PASS	CASH
<b>SR 408 (East West Expressway)</b>								
Hiawassee Main Plaza	\$ 0.82	\$ 1.00	\$ 1.64	\$ 1.75	\$ 1.91	\$ 2.00	\$ 2.46	\$ 2.50
Good Homes Road	\$ 0.28	\$ 0.50	\$ 0.28	\$ 0.50	\$ 0.28	\$ 0.50	\$ 0.28	\$ 0.50
Hiawassee Road	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
Pine Hills Main Plaza	\$ 1.09	\$ 1.25	\$ 1.64	\$ 1.75	\$ 1.91	\$ 2.00	\$ 2.46	\$ 2.50
Old Winter Garden Road	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00
John Young Parkway (SR 423)	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00
Orange Blossom Trail	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
Mills Avenue	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
Conway Main Plaza	\$ 1.09	\$ 1.25	\$ 1.64	\$ 1.75	\$ 1.91	\$ 2.00	\$ 2.46	\$ 2.50
Bumby Avenue	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
Conway Road	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00
Andes/Semorán Blvd	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25
Semorán Boulevard (SR 436)	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00
Dean Main Plaza	\$ 0.82	\$ 1.00	\$ 1.64	\$ 1.75	\$ 1.91	\$ 2.00	\$ 2.46	\$ 2.50
Dean Road	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
Rouse Road	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
<b>SR 414 (Apopka Expressway)</b>								
Coral Hills Main Plaza	\$ 1.09	\$ 1.25	\$ 1.64	\$ 1.75	\$ 2.18	\$ 2.25	\$ 2.73	\$ 2.75
Keene Road	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
Hiawassee Road	\$ 0.28	\$ 0.50	\$ 0.28	\$ 0.50	\$ 0.28	\$ 0.50	\$ 0.28	\$ 0.50
<b>SR 417 (Central Florida GreeneWay)</b>								
John Young Main Plaza	\$ 1.37	\$ 1.50	\$ 1.91	\$ 2.00	\$ 2.46	\$ 2.50	\$ 3.00	\$ 3.00
John Young Parkway (SR 423)	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00
Orange Blossom Trail	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
Landstar Boulevard	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50
Boggy Creek Main Plaza	\$ 1.37	\$ 1.50	\$ 1.91	\$ 2.00	\$ 2.46	\$ 2.50	\$ 3.00	\$ 3.00
South Access Rd/Int'l Airport (A)	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25
Boggy Creek Road	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25
Lake Nona Boulevard	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00
Narcoossee Road	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00
Moss Park Road	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
Innovation Way	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
Curry Ford Main Plaza	\$ 0.82	\$ 1.00	\$ 1.64	\$ 1.75	\$ 1.91	\$ 2.00	\$ 2.46	\$ 2.50
Lee Vista Boulevard	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
Curry Ford Road (SR 552)	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
University Main Plaza	\$ 0.82	\$ 1.00	\$ 1.64	\$ 1.75	\$ 1.91	\$ 2.00	\$ 2.46	\$ 2.50
Colonial Drive (SR 50)	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
University Boulevard	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
<b>SR 429 (Western Beltway)</b>								
Forest Lake Main Plaza	\$ 1.37	\$ 1.50	\$ 1.91	\$ 2.00	\$ 2.46	\$ 2.50	\$ 3.00	\$ 3.00
CR 437A	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
West Road	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00
SR 438	\$ 0.28	\$ 0.50	\$ 0.28	\$ 0.50	\$ 0.28	\$ 0.50	\$ 0.28	\$ 0.50
Independence Mainline Plaza	\$ 1.37	\$ 1.50	\$ 1.91	\$ 2.00	\$ 2.46	\$ 2.50	\$ 3.00	\$ 3.00
CR 535	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
New Independence Parkway	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00
Schofield Road	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
<b>SR 528 (Beachline Expressway)</b>								
Boggy Creek Road/McCoy Road (B)	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25
Conway Road/Tradeport Drive (B)	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25
Beachline Main Plaza	\$ 0.87	\$ 1.00	\$ 1.71	\$ 1.75	\$ 2.00	\$ 2.00	\$ 2.55	\$ 2.75
International Corporate Park	\$ 0.59	\$ 0.75	\$ 0.59	\$ 0.75	\$ 0.59	\$ 0.75	\$ 0.59	\$ 0.75
Dallas Main Plaza (C)	\$ 0.50	\$ 0.50	\$ 0.75	\$ 0.75	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Dallas Boulevard	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50
<b>Goldenrod Extension - Non System</b>								
Goldenrod Mainline Plaza	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50

Notes: **(A)** South Access Rd/OIA was opened in FY 2016. **(B)** Airport plaza was demolished in FY 2016 and is now being collected at the FTE plaza and passed to CFX. Also in FY 2016 Boggy Creek Road/McCoy Road and Conway Road/Tradeport Drive ramps were opened to collect from traffic getting on and off at that location as well. **(C)** The toll listed in the table is what is collected by CFX. The customer at the toll plaza pays an additional \$0.26 more for E-PASS transactions and \$0.50 more for cash transactions regardless of the number of axles. **(D)** The CFX Board has the authority to set all toll rates.

# REVENUE CAPACITY

Average Toll Rate | July 1, 2006 through June 30, 2016

Fiscal Year	Revenue Before E-PASS Discount (\$000's)	Transactions (000's)	Average Toll Rate
2007	\$ 210,825	309,692	\$ 0.68
2008	213,800	314,802	0.68
2009(A)	213,210	292,524	0.73
2010	262,181	288,246	0.91
2011	269,478	295,598	0.91
2012(B)	272,214	302,441	0.90
2013(C)	308,983	312,233	0.99
2014	330,855	333,620	0.99
2015	364,097	366,424	0.99
2016(D)	409,597	410,536	1.00

(A) Toll rate increase effective April 5, 2009

(B) Dallas Plaza was opened in FY 2012 for toll equity reasons increasing transactions without increasing revenue

(C) Toll rate increase effective July 1, 2012

(D) Ramps were added with a toll greater than \$1 on SR 528 that now toll what was previously free movement on the system

# DEBT CAPACITY

## Revenue Bond Coverage | July 1, 2006 through June 30, 2016

Shown in Thousands (\$'000's) except for ratios

Fiscal Year	Gross Revenues	Interest Revenue	Operations, Maintenance & Administration Expense	Less Advances from the FDOT for Operations and Maintenance	Plus Deposits into Operations, Maintenance & Administration Reserve	Net Operations, Maintenance & Administration Expense	Net Revenues Available for Debt Service	Net Revenues Available for Debt Service Including County Gas Tax Pledge	Total Debt Service	Ratio of Net Revenues	Ratio of Pledged Revenues (A)
2007	\$ 206,680	\$ 23,022	\$ 52,206	\$ (9,871)	\$ 574	\$ 42,909	\$ 186,793	\$ 195,533	\$ 100,462	1.86	1.95 a
2008	209,046	25,191	57,803	(8,812)	-	48,991	185,246	193,986	121,664	1.52	1.59 b
2009	208,806	10,697	53,292	(8,340)	-	44,952	174,551	182,760	110,248	1.58	1.66 c
2010	256,047	4,101	52,988	(8,616)	-	44,372	215,776	224,051	119,935	1.80	1.87 d
2011	263,439	5,259	54,565	(7,372)	69	47,262	221,436	229,710	132,998	1.66	1.73 e
2012	266,642	4,311	53,373	(2,494)	118	50,997	219,956	228,179	145,679	1.51	1.57 e
2013	303,647	2,162	55,839	(2,771)	367	53,435	252,374	260,708	131,957	1.91	1.98 f
2014	325,604	1,594	57,642	(8,507)	303	49,438	277,760	286,094	139,498	1.99	2.05 g
2015	359,185	1,970	60,292	(8,663)	1,295	52,924	308,231	317,319	140,047	2.20	2.27 h
2016	400,860	3,677	62,553	(7,699)	972	55,826	348,711	358,108	143,882	2.42	2.49 i

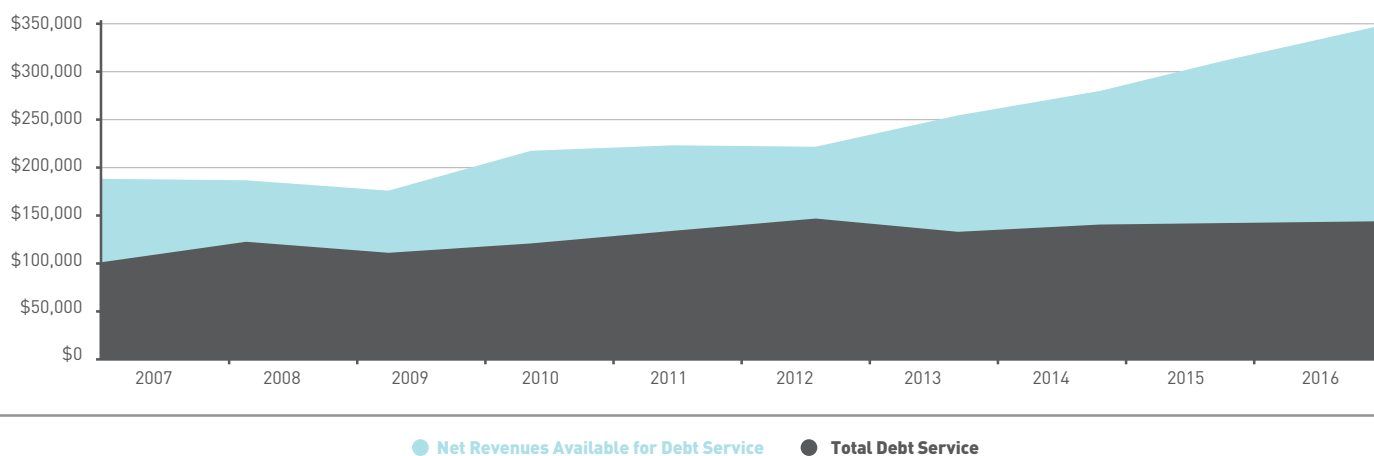
(A) These calculations apply to the 1990 and 1998 Series bonds, which are covered by revenues for Orange County's gas tax pledge.

Note A: Gross revenues does not include investment income or any costs of Goldenrod Road.

Note B: Revenues and expenses are presented on this schedule in accordance with accounting principles generally accepted in the United States of America. Certain amounts included on the Statement of Revenues, Expenses, and Changes in Net Position are not part of net revenues, as defined, and are therefore excluded from this schedule.

## CENTRAL FLORIDA EXPRESSWAY AUTHORITY Revenue Bond Coverage Net Revenue and Debt Service Cost

(In Thousands of Dollars)



Notes:

- a: Includes Series 1990, 1998, 2003A, 2003B, 2003C, 2003D, 2005A, 2005B, 2005C, 2005D, 2005E and 2007A
- b: Includes Series 1990, 1998, 2003A, 2003B, 2003C, 2003D, 2005A, 2005B, 2005C, 2005D, 2005E, 2007A and 2008B
- c: Includes Series 1990, 1998, 2003A, 2003B, 2003C, 2003D, 2007A and 2008B
- d: Includes Series 1990, 1998, 2003A, 2003B, 2003C, 2003D, 2007A, 2008B, 2010A and 2010B
- e: Includes Series 1990, 2003A, 2003B, 2003C, 2003D, 2007A, 2008B, 2010A, 2010B and 2010C
- f: Includes Series 1990, 2003A, 2003B, 2003C, 2003D, 2007A, 2008B, 2010A, 2010B, 2010C, 2012, 2013A and 2013B
- g: Includes Series 1990, 2003D, 2007A, 2008B, 2010A, 2010B, 2010C, 2012, 2013A, 2013B and 2013C
- h: Includes Series 1990, 2007A, 2008B, 2010A, 2010B, 2010C, 2012, 2013A, 2013B and 2013C
- i: Includes Series 1990, 2007A, 2008B, 2010A, 2010B, 2010C, 2012, 2013A, 2013B and 2013C and 2016A

# DEBT CAPACITY

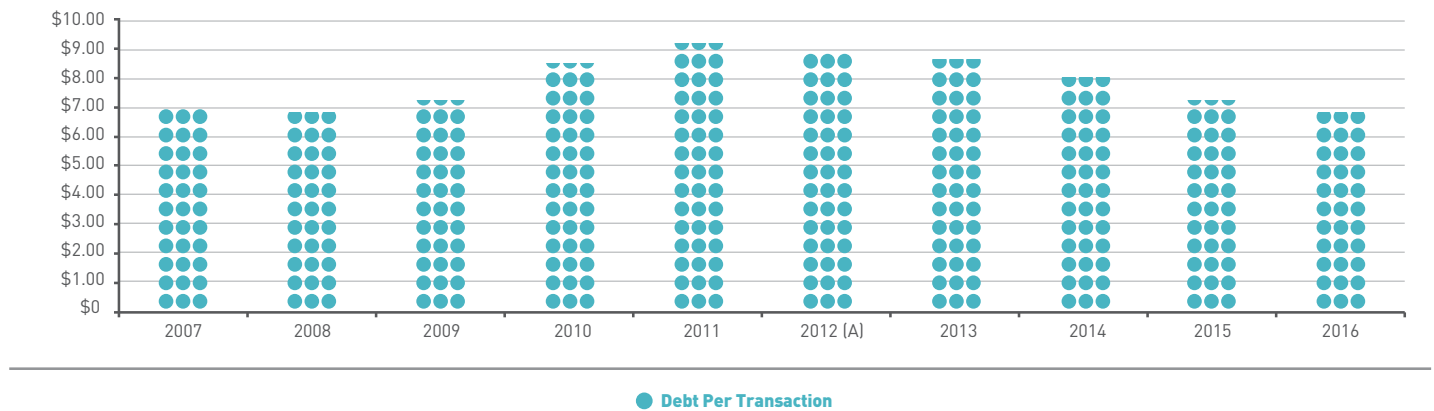
Ratio of Outstanding Debt by Type | July 1, 2006 through June 30, 2016  
Shown in Thousands (\$'000's)

Fiscal Year	Revenue Bonds	State Infrastructure Bank Loan	Toll Facilities Revolving Trust Fund Loan	Total Debt Amount	Total Toll Transactions	Debt Per Transaction (B)	Total Center Line Miles (B)	Debt Per Center Line Mile
2007	\$ 2,164,954	\$ 20,594	\$ 2,513	\$ 2,188,061	309,692	\$ 7.07	100	\$ 21,881
2008	2,133,728	27,728	1,449	2,162,905	314,802	6.87	100	21,629
2009	2,082,023	34,860	384	2,117,267	292,524	7.24	105	20,164
2010	2,419,072	34,854	-	2,453,926	288,246	8.51	105	23,371
2011	2,679,537	34,847	-	2,714,384	295,598	9.18	105	25,851
2012(A)	2,698,243	29,818	-	2,728,061	302,441	9.02	105	25,982
2013	2,682,857	24,765	-	2,707,622	312,233	8.67	109	24,841
2014	2,674,605	14,665	-	2,689,270	333,620	8.06	109	24,672
2015	2,648,903	4,565	-	2,653,468	366,424	7.24	109	24,344
2016	2,821,351	2,086	-	2,823,437	410,536	6.88	109	25,903

(A) In fiscal year 2013, CFX implemented GASB No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position and GASB No. 65, Items Previously Reported as Assets and Liabilities. As a result, Revenue Bonds was restated in fiscal year 2012.  
(B) Not shown in thousands.

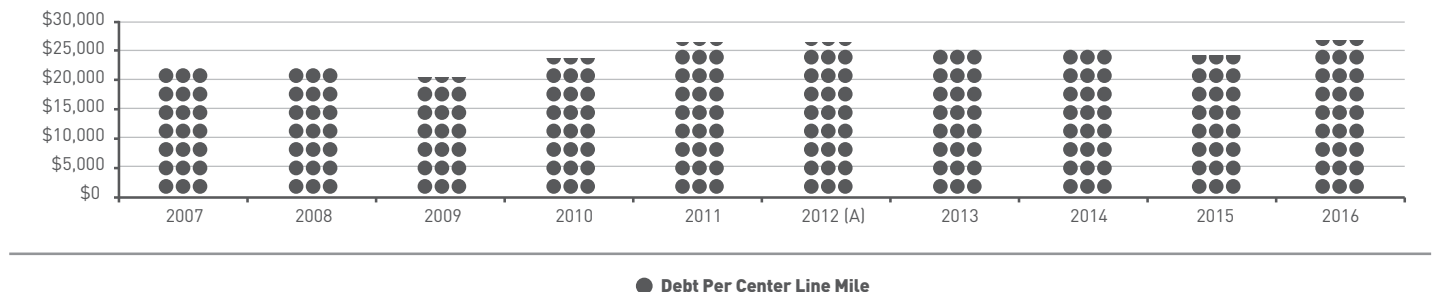
Note: This chart includes only debt used to finance capital system projects.

## CENTRAL FLORIDA EXPRESSWAY AUTHORITY Debt Per Toll Transaction



## CENTRAL FLORIDA EXPRESSWAY AUTHORITY Debt Per Center Line Mile

(In Thousands of Dollars)



# DEMOGRAPHIC & ECONOMIC INFORMATION

## Orlando MSA Population (by Age Group) | Calendar Year 2006 through 2015

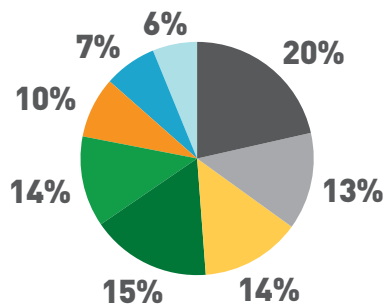
Age Range	2006 Population	2007 Population	2008 Population	2009 Population	2010 Population	2011 Population	2012 Population	2013 Population	2014 Population	2015 Population
0-4	136,683	142,698	142,237	142,789	131,577	132,248	132,129	135,005	135,577	139,390
5-9	129,007	130,800	132,799	136,238	135,406	136,388	143,630	130,735	146,378	144,982
10-14	128,399	132,756	130,648	132,991	142,120	143,371	142,366	157,422	146,721	152,309
15-19	134,537	135,854	137,243	138,232	157,910	151,582	152,594	154,151	157,738	158,069
20-24	132,697	133,148	133,584	140,399	168,215	174,423	181,885	174,354	173,165	174,116
25-34	283,708	289,069	288,391	315,449	296,138	305,960	314,987	328,658	342,173	354,938
35-44	307,486	305,188	301,372	291,857	298,117	298,065	303,639	308,931	315,067	326,339
45-54	277,719	286,599	292,857	291,005	307,996	310,270	312,322	315,655	318,189	324,712
55-59	118,538	117,973	119,717	115,542	124,636	129,422	135,793	142,454	140,974	145,024
60-64	86,951	97,438	102,193	98,598	109,219	115,323	116,712	118,291	125,041	132,024
65-74	131,305	136,849	144,252	141,640	146,369	152,743	164,091	176,227	186,093	196,417
75-84	88,601	90,437	93,006	96,664	84,858	86,872	86,849	88,563	93,365	95,579
85+	29,444	33,687	36,275	41,017	31,850	34,693	36,677	37,401	40,937	43,239
<b>Total</b>	<b>1,985,075</b>	<b>2,032,496</b>	<b>2,054,574</b>	<b>2,082,421</b>	<b>2,134,411</b>	<b>2,171,360</b>	<b>2,223,674</b>	<b>2,267,847</b>	<b>2,321,418</b>	<b>2,387,138</b>

(A) Source: U.S. Census Bureau (www.census.gov)

(B) Orlando MSA includes Lake, Orange, Osceola, and Seminole Counties

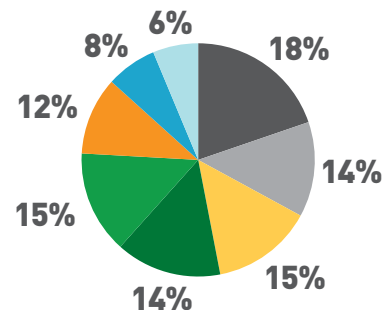
### 2006

#### ORLANDO MSA POPULATION BY PERCENTAGE



### 2015

#### ORLANDO MSA POPULATION BY PERCENTAGE



AGES: | 0-4 | 15-24 | 25-34 | 35-44 | 45-54 | 55-64 | 65-74 | 75+



# DEMOGRAPHIC & ECONOMIC INFORMATION

## Orlando-Kissimmee MSA (A) Employment by Industry Sector | Calendar Year 2006 through 2015 Number of Employees in Thousands (000's)

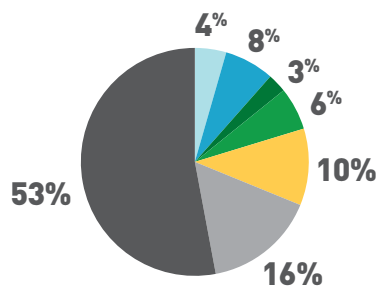
Sector	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Manufacturing	43.9	43.2	43.1	38.3	38.0	38.2	38.0	38.1	40.3	42.9
Construction	86.7	80.3	72.6	54.7	48.0	43.6	45.7	50.9	58.7	63.6
Transportation	29.7	32.2	33.1	30.2	30.0	30.0	31.0	31.2	35.0	37.3
Finance	66.3	67.7	67.1	63.1	63.0	64.6	66.9	69.6	72.6	72.0
Government	114.5	117.9	118.0	117.0	116.0	115.9	116.1	117.1	120.1	122.4
Retail	168.8	170.6	168.0	155.8	154.0	159.6	166.6	172.5	190.1	193.9
Service	567.5	587.4	576.8	550.6	553.0	559.1	576.0	585.6	628.4	658.5
<b>Total</b>	<b>1,077.4</b>	<b>1,099.3</b>	<b>1,078.7</b>	<b>1,009.7</b>	<b>1,002.0</b>	<b>1,011.0</b>	<b>1,040.3</b>	<b>1,065.0</b>	<b>1,145.2</b>	<b>1,190.6</b>

Source: Florida Research and Economic Database ([www.fred.labormarketinfo.com](http://www.fred.labormarketinfo.com))

Note: (A) Orlando MSA includes Lake, Orange, Osceola and Seminole Counties  
Annual current employment statistics data for Orlando-Kissimmee MSA, not seasonally adjusted.

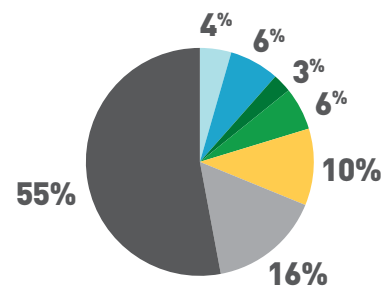
### 2006

#### ORLANDO MSA EMPLOYEES BY PERCENTAGE



### 2015

#### ORLANDO MSA EMPLOYEES BY PERCENTAGE



Sectors: | Service | Retail | Government | Finance | Transportation | Construction | Manufacturing

# DEMOGRAPHIC & ECONOMIC INFORMATION

## Orlando MSA (C) Principal Employers | Current Period and Nine Years Ago

Employer	Type of Business	2015 (A)			2006 (B)		
		Number of Employees	Rank	Percentage of Total MSA Employment	Number of Employees	Rank	Percentage of Total MSA Employment
Walt Disney World Co.	Entertainment	74,000	1	6.37%	56,800	1	5.53%
Orange County Public Schools	Government	22,347	2	1.92%	24,862	2	2.42%
Universal Orlando Resort	Service	19,000	3	1.64%	13,000	3	1.27%
Adventist Health System/ Florida Hospital	Healthcare	18,668	4	1.61%	6,030	8	0.59%
Orlando International Airport	Government	18,000	5	1.55%	N/A	N/A	N/A
Orlando Health	Healthcare	14,000	6	1.20%	10,544	5	1.03%
University of Central Florida	Education	11,078	7	0.95%	9,286	6	0.90%
Orange County Government	Government	10,392	8	0.89%	10,927	4	1.06%
Walgreens Speciality Pharmacy	Service	6,500	9	0.56%	N/A	N/A	N/A
Darden Restaurants, Inc.	Service	6,419	10	0.55%	N/A	N/A	N/A
Lockheed Martin	Service	N/A	N/A	N/A	6,200	7	0.60%
SeaWorld Orlando	Service	N/A	N/A	N/A	4,500	9	0.44%
Westgate Resorts	Service	N/A	N/A	N/A	4,408	10	0.43%
Other Employers	Various	961,570		82.75%	880,909		85.74%
<b>Total</b>		<b>1,161,974</b>		<b>100.00%</b>	<b>1,027,466</b>		<b>100.00%</b>

Source: (A) Orlando Business Journal: 2015 Book of Lists, Central Florida, Florida Research and Economic Information Database Application

(B) Orlando Business Journal: 2006 Book of Lists, Central Florida, Florida Research and Economic Information Database Application

Note: (C) Orlando MSA includes Lake, Orange, Osceola, and Seminole Counties

## Demographic and Economic Statistics | Calendar Year 2006 through 2015

Calendar Year	Personal Income (in thousands)	Per Capita Personal Income	Unemployment Rate
2006	\$ 66,129,379	\$ 31,719	3.2%
2007	70,046,804	34,529	3.8%
2008	73,611,612	35,717	5.9%
2009	73,465,904	35,279	10.5%
2010	73,534,692	34,368	11.4%
2011	77,159,476	35,535	10.4%
2012	80,968,983	36,412	8.4%
2013	83,891,688	36,992	6.9%
2014	86,133,623	37,104	5.9%
2015	N/A	N/A	5.0%

Source: Florida Research and Economic Database

Note: Statistical information is for Orlando-Kissimmee-Sanford MSA which includes Lake, Orange, Osceola and Seminole Counties

N/A = Statistical information is not available.

# OPERATING INFORMATION

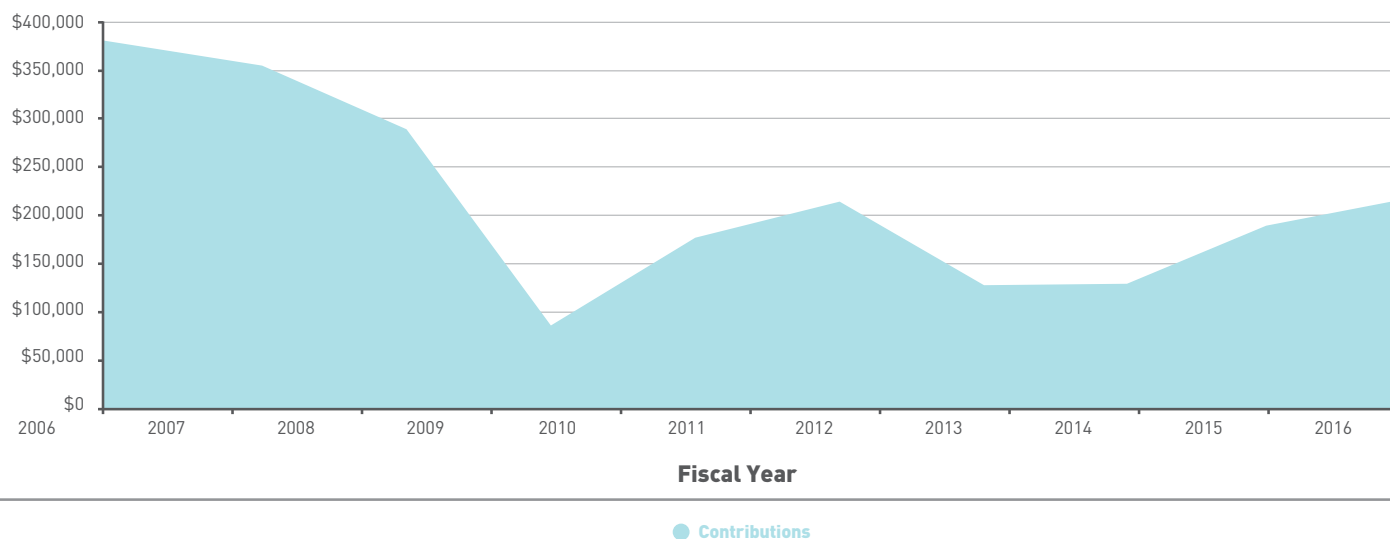
## Contribution to Capital Assets | Fiscal Year 2007 through 2016

Shown in Thousands (\$'000's)

Fiscal Year	Beginning Balance	Contributions	Disposals	Depreciation	Ending Balance
2007	\$ 2,035,833	\$ 372,931	\$ (1,232)	\$ (10,106)	\$ 2,397,426
2008	2,397,426	347,285	(8,883)	(12,330)	2,723,498
2009	2,723,498	282,741	(10,484)	(14,812)	2,980,943
2010	2,980,943	83,735	(759)	(17,242)	3,046,677
2011	3,046,677	172,759	(540)	(16,842)	3,202,054
2012	3,202,054	209,353	(25,243)	(15,718)	3,370,446
2013	3,370,446	124,603	(447)	(16,273)	3,478,329
2014	3,478,329	128,069	(1,906)	(16,762)	3,587,730
2015	3,587,730	186,451	(3,825)	(15,605)	3,754,751
2016	3,754,751	205,899	(787)	(14,263)	3,945,600
<b>Total</b>		<b>\$1,907,927</b>	<b>\$ (53,319)</b>	<b>\$ (135,690)</b>	

## CENTRAL FLORIDA EXPRESSWAY AUTHORITY Investment in Infrastructure By Year

(In Thousands of Dollars)



# OPERATING INFORMATION

Roadway and Facility Statistics | June 30, 2007 through June 30, 2016

## Existing CFX Components/Roadways (Mainline Miles)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
SR 408	22	22	22	22	22	22	22	22	22	22
SR 528	23	23	23	23	23	23	23	23	23	23
SR 417	33	33	33	33	33	33	33	33	33	33
SR 429	22	22	22	22	22	22	23	23	23	23
SR 414 (A)	-	-	5	5	5	5	6	6	6	6
SR 451 (B)	-	-	-	-	-	-	2	2	2	2

## Facilities

Centerline Miles	100	100	105	105	105	105	109	109	109	109
Mainline Toll Plazas	12	12	13	13	13	14	14	14	14	13
Ramp Toll Plazas	53	53	58	62	62	62	64	64	66	71
Interchanges	53	53	57	59	59	57	60	60	63	63
Total Toll Lanes	249	249	274	282	282	297	301	301	305	306
Bridges, Structures, & Appurtenances	256	256	274	274	274	282	291	291	295	306

(A) SR 414 was opened in May 2009.

(B) SR 451 was formerly a portion of SR 429 and was re-designated SR 451 in January 2013.

Source: Central Florida Expressway Authority Engineer's Annual Inspection Report

# OPERATING INFORMATION

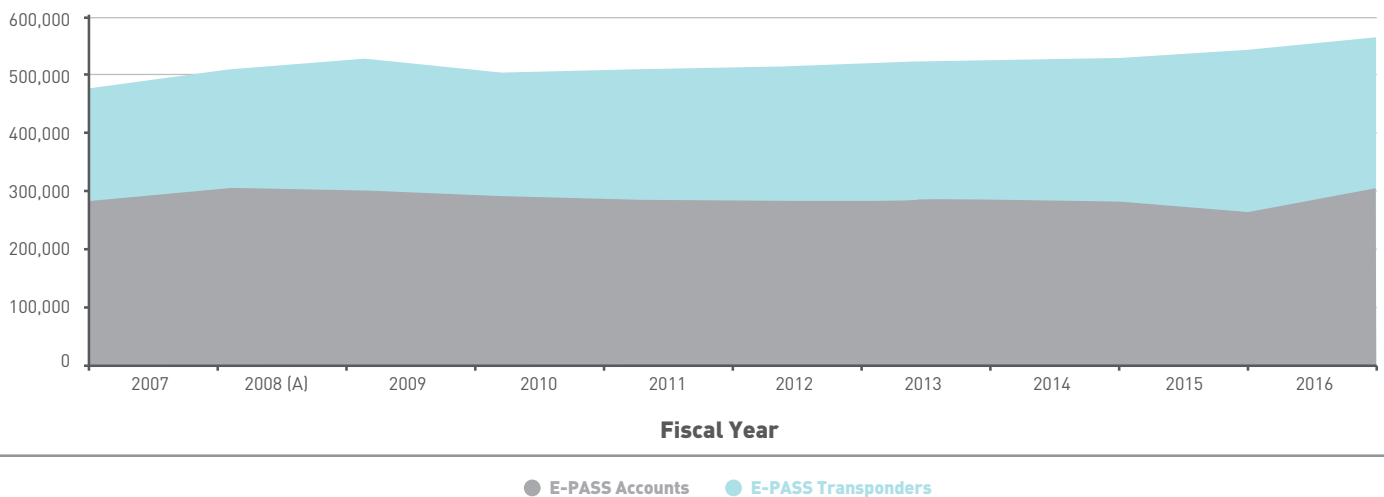
## E-PASS Accounts and Transponders | June 30, 2007 through June 30, 2016

Fiscal Year	E-PASS Accounts	E-PASS Transponders
2007	289,351	478,477
2008(A)	307,188	507,816
2009	302,830	519,627
2010	294,285	512,170
2011	291,208	513,553
2012	289,681	519,505
2013	291,368	529,898
2014	287,400	532,332
2015	284,793	539,741
2016	300,778	554,542

(A) Fiscal Year 2008 includes 13,286 O-PASS accounts and 20,060 O-PASS transponders that the Central Florida Expressway Authority took over the administration of on April 4, 2008.

Source: Central Florida Expressway Authority Toll Collection Database

### CENTRAL FLORIDA EXPRESSWAY AUTHORITY E-PASS Accounts and Transponders



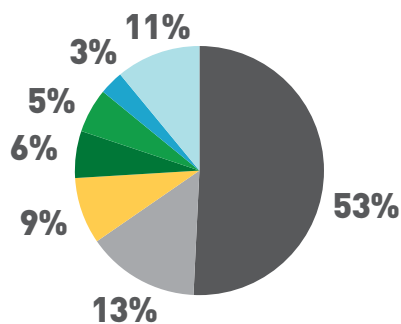
# OPERATING INFORMATION

## Distribution of E-PASS Accounts by County | As of June 30, 2016

County	Accounts
Orange	158,090
Seminole	40,245
Brevard	26,047
Lake	17,840
Osceola	15,957
Volusia	10,633
Other	31,966
<b>Total</b>	<b>300,778</b>

Source: Central Florida Expressway Authority Toll Collection Database

### CENTRAL FLORIDA EXPRESSWAY AUTHORITY Percentage of E-PASS Accounts by County



Counties: | Orange | Seminole | Brevard | Lake | Osceola | Volusia | Other

# OPERATING INFORMATION

## Number of Employees by Identifiable Activity | Last 10 Fiscal Years

	Full-Time-Equivalent Employees as of June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Operations:</b>										
Toll Operations (A)	3	3	3	3	3	3	4	4	4	4
Information Technology	11	13	14	14	14	13	13	12	14	11
Special Projects (B)	0	0	0	0	0	0	0	0	0	2
<b>Maintenance:</b>										
Maintenance Administration	1	2	6	6	6	6	5	5	5	7
Expressway Operations	1	1	1	1	1	2	2	2	2	3
<b>Administration:</b>										
Executive	6.5	4	4	4	5	5	5	4	4	9
Legal	1	2	2	2	3	3	2	2	3	3
Accounting	9	12	12	12	12	12	10	11	11	9
Procurement (C)	4	5	5	5	5.4	5.1	6	6	6	4
Human Resources	0.8	1	1	1	1	1	1	1	1	1
Supplier Diversity (D)	1.2	1	1	1	1	1	1	1	1	1
Communications (E)	1.5	2	3	3	3	3	3	3	3	3
Construction Administration	1.5	2	3	3	3	3	3	3	3	3
Internal Audit (F)	0	1	0	0	0	0	0	0	0	0
Plans Production (G)	0	1	1	1	1	1	2	2	2	3
Records Management (H)	0	0	0	0	0	0	0	0	0	2
<b>Total Employees</b>	<b>41.5</b>	<b>50</b>	<b>56</b>	<b>56</b>	<b>58.4</b>	<b>58.1</b>	<b>57</b>	<b>56</b>	<b>59</b>	<b>65</b>

(A) Changed name from Headquarters to Toll Operations in FY 2010.

(B) Special Projects was established in FY 2016.

(C) Changed name from Purchasing & Contracts to Procurement in FY 2009.

(D) Changed name from Business Development to Supplier Diversity in FY 2015.

(E) Changed name from Marketing & Communications to Communications in FY 2013.

(F) Internal Audit was established in FY 2008.

(G) Plans Production was established in FY 2008.

(H) Records Management was established in FY 2016.

Source: Central Florida Expressway Authority Payroll Registers



# OTHER REPORTS



# INDEPENDENT AUDITOR'S REPORT



MOORE STEPHENS  
LOVELACE CPAs & ADVISORS

## Internal control over financial reporting and on compliance and other matters based on audit of financial statements performed in accordance with *Government Auditing Standards*

To the Members of the Central Florida Expressway Authority  
Orlando, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements, as listed in the table of contents, of the Central Florida Expressway Authority (CFX) as of and for the year ended June 30, 2016, and have issued our report thereon dated November 22, 2016.

### Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered CFX's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CFX's internal control. Accordingly, we do not express an opinion on the effectiveness of CFX's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether CFX's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain other matters that we reported to management in a separate letter dated November 22, 2016.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of CFX's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering CFX's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Moore Stephens Lovelace, P.A." in a cursive script.

**MOORE STEPHENS LOVELACE, P.A.**  
**Certified Public Accountants**

**Orlando, Florida**  
**November 22, 2016**

# INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH BOND COVENANTS



To the Members of the Central Florida Expressway Authority  
Orlando, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements, as listed in the table of contents, of the Central Florida Expressway Authority (CFX) as of and for the year ended June 30, 2016, and have issued our report thereon dated November 22, 2016.

#### **Other Matter**

In connection with our audit, nothing came to our attention that caused us to believe that CFX failed to comply with the terms, covenants, provisions, or conditions of Sections 5.2, 5.5 to 5.7, 5.9, 5.10, 5.12, and 5.17, inclusive, of the Amended and Restated Master Bond Resolution dated February 3, 2003, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding CFX's noncompliance with the above-referenced terms, covenants, provisions, or conditions of the Amended and Restated Master Bond Resolution, insofar as they relate to accounting matters.

#### **Restricted Use Relating to the Other Matter**

This communication related to compliance with the aforementioned Amended and Restated Master Bond Resolution report is intended solely for the information and use of CFX members, management, and the bondholders and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Moore Stephens Lovelace, P.A."

**MOORE STEPHENS LOVELACE, P.A.**  
**Certified Public Accountants**

**Orlando, Florida**  
**November 22, 2016**

# INDEPENDENT ACCOUNTANT'S REPORT

To the Members of the Central Florida Expressway Authority  
Orlando, Florida

We have examined the compliance of the Central Florida Expressway Authority (CFX) with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended June 30, 2016. Management is responsible for CFX's compliance with those requirements. Our responsibility is to express an opinion on CFX's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about CFX's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on CFX's compliance with specified requirements.

In our opinion, CFX complied, in all material respects, with the aforementioned requirements for the fiscal year ended June 30, 2016.

*Moore Stephens Lovelace, P.A.*

**MOORE STEPHENS LOVELACE, P.A.**  
**Certified Public Accountants**

**Orlando, Florida**  
**November 22, 2016**

# MANAGEMENT LETTER



MOORE STEPHENS  
LOVELACE CPAs & ADVISORS

To the Members of the Central Florida Expressway Authority  
Orlando, Florida

## **Report on the Financial Statements**

We have audited the financial statements of Central Florida Expressway Authority (CFX) as of and for the fiscal year ended June 30, 2016, and have issued our report thereon dated November 22, 2016.

## **Auditor's Responsibility**

We conducted our audit in accordance with auditing standards generally accepted in United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America and Chapter 10.550, *Rules of the Florida Auditor General*.

## **Other Reports**

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Governmental Auditing Standards*; Independent Auditor's Report on Compliance with Bond Covenants; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated November 22, 2016, should be considered in conjunction with this management letter.

## **Prior Audit Findings**

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations made in the preceding annual financial report.

## **Official Title and Legal Authority**

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority is disclosed in the notes to the financial statements.

## **Financial Condition**

Section 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require that we apply appropriate procedures and report the results of our determination as to whether or not CFX has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that CFX did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures. It is management's responsibility to monitor CFX's financial condition, and our financial condition assessment was based, in part, on representations made by management and the review of financial information provided by same.

# MANAGEMENT LETTER



## **Annual Financial Report**

Sections 10.554(1)(i)5.b. and 10.556(7), *Rules of the Auditor General*, require that we apply appropriate procedures and report the results of our determination as to whether the annual financial report for CFX for the fiscal year ended June 30, 2016, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended June 30, 2016. In connection with our audit, we determined that these two reports were in agreement.

## **Special District Component Units**

Section 10.554(1)(i)5.d., *Rules of the Auditor General*, requires that we determine whether or not a special district that is a component unit of a county, municipality, or special district, provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. There were no special district component units that were required to provide financial information to CFX for the fiscal year ended June 30, 2016.

## **Other Matters**

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

## **Purpose of this Letter**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the members of CFX's Board, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Moore Stephens Lovelace, P.A.*

**MOORE STEPHENS LOVELACE, P.A.**  
**Certified Public Accountants**

**Orlando, Florida**  
**November 22, 2016**



# CONTINUING DISCLOSURE SUPPLEMENT



# CONTINUING DISCLOSURE SUPPLEMENT

**Concerning certain operating data and financial information  
of the Central Florida Expressway Authority**

The following Continuing Disclosure Supplement is being included as part of the Comprehensive Annual Financial Report of Central Florida Expressway Authority (CFX) for the fiscal year ended June 30, 2016 to provide the following data and financial information which CFX is required to file as part of its annual disclosure filing pursuant to its continuing disclosure obligations related to its various outstanding revenue bonds:

**Existing System Toll Structure** **E2**

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**Historical Total System Toll Revenues** **E3**

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**Historical System Operating, Maintenance and Administrative Expenses** **E4**

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**Historical Debt Service Ratio** **E5**

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# EXISTING SYSTEM TOLL STRUCTURE

## EXISTING SYSTEM TOLL STRUCTURE (1)

CFX EXPRESSWAY	MOTORCYCLE & 2 AXELS		3 AXELS		4 AXELS		5 AXELS	
	E-PASS	CASH	E-PASS	CASH	E-PASS	CASH	E-PASS	CASH
<b>SR 408 (East West Expressway)</b>								
Hiawassee Main Plaza	\$ 0.82	\$ 1.00	\$ 1.64	\$ 1.75	\$ 1.91	\$ 2.00	\$ 2.46	\$ 2.50
Good Homes Road	\$ 0.28	\$ 0.50	\$ 0.28	\$ 0.50	\$ 0.28	\$ 0.50	\$ 0.28	\$ 0.50
Hiawassee Road	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
Pine Hills Main Plaza	\$ 1.09	\$ 1.25	\$ 1.64	\$ 1.75	\$ 1.91	\$ 2.00	\$ 2.46	\$ 2.50
Old Winter Garden Road	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00
John Young Parkway (SR 423)	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00
Orange Blossom Trail	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
Mills Avenue	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
Conway Main Plaza	\$ 1.09	\$ 1.25	\$ 1.64	\$ 1.75	\$ 1.91	\$ 2.00	\$ 2.46	\$ 2.50
Bumby Avenue	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
Conway Road	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00
Andes/Semoran Blvd	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25
Semoran Boulevard (SR 436)	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00
Dean Main Plaza	\$ 0.82	\$ 1.00	\$ 1.64	\$ 1.75	\$ 1.91	\$ 2.00	\$ 2.46	\$ 2.50
Dean Road	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
Rouse Road	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
<b>SR 414 (Apopka Expressway)</b>								
Coral Hills Main Plaza	\$ 1.09	\$ 1.25	\$ 1.64	\$ 1.75	\$ 2.18	\$ 2.25	\$ 2.73	\$ 2.75
Keene Road	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
Hiawassee Road	\$ 0.28	\$ 0.50	\$ 0.28	\$ 0.50	\$ 0.28	\$ 0.50	\$ 0.28	\$ 0.50
<b>SR 417 (Central Florida GreeneWay)</b>								
John Young Main Plaza	\$ 1.37	\$ 1.50	\$ 1.91	\$ 2.00	\$ 2.46	\$ 2.50	\$ 3.00	\$ 3.00
John Young Parkway (SR 423)	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00
Orange Blossom Trail	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
Landstar Boulevard	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50
Boggy Creek Main Plaza	\$ 1.37	\$ 1.50	\$ 1.91	\$ 2.00	\$ 2.46	\$ 2.50	\$ 3.00	\$ 3.00
South Access Rd/Int'l Airport (A)	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25
Boggy Creek Road	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25
Lake Nona Boulevard	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00
Narcoossee Road	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00
Moss Park Road	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
Innovation Way	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
Curry Ford Main Plaza	\$ 0.82	\$ 1.00	\$ 1.64	\$ 1.75	\$ 1.91	\$ 2.00	\$ 2.46	\$ 2.50
Lee Vista Boulevard	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
Curry Ford Road (SR 552)	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
University Main Plaza	\$ 0.82	\$ 1.00	\$ 1.64	\$ 1.75	\$ 1.91	\$ 2.00	\$ 2.46	\$ 2.50
Colonial Drive (SR 50)	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
University Boulevard	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
<b>SR 429 (Western Beltway)</b>								
Forest Lake Main Plaza	\$ 1.37	\$ 1.50	\$ 1.91	\$ 2.00	\$ 2.46	\$ 2.50	\$ 3.00	\$ 3.00
CR 437A	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
West Road	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00
SR 438	\$ 0.28	\$ 0.50	\$ 0.28	\$ 0.50	\$ 0.28	\$ 0.50	\$ 0.28	\$ 0.50
Independence Mainline Plaza	\$ 1.37	\$ 1.50	\$ 1.91	\$ 2.00	\$ 2.46	\$ 2.50	\$ 3.00	\$ 3.00
CR 535	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
New Independence Parkway	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00	\$ 0.82	\$ 1.00
Schofield Road	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75	\$ 0.55	\$ 0.75
<b>SR 528 (Beachline Expressway)</b>								
Boggy Creek Road/McCoy Road	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25
Conway Road/Tradeport Drive	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25	\$ 1.09	\$ 1.25
Beachline Main Plaza	\$ 0.87	\$ 1.00	\$ 1.71	\$ 1.75	\$ 2.00	\$ 2.00	\$ 2.55	\$ 2.75
International Corporate Park	\$ 0.59	\$ 0.75	\$ 0.59	\$ 0.75	\$ 0.59	\$ 0.75	\$ 0.59	\$ 0.75
Dallas Main Plaza (2)	\$ 0.50	\$ 0.50	\$ 0.75	\$ 0.75	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Dallas Boulevard	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50

Notes:

- (1) The CFX Board has the authority to set all toll rates.
- (2) The toll listed for this plaza is what is collected by CFX. The customer at the toll plaza pays an additional \$0.26 more for E-PASS transactions and \$0.50 more for cash transactions regardless of the number of axles.



# HISTORICAL TOTAL SYSTEM TOLL REVENUES

## HISTORICAL TOTAL SYSTEM TOLL REVENUES (1) in Thousands (\$'000's)

Fiscal Year	SR 408	SR 528	SR 417	SR 429	SR 414(2)	Less E-PASS Discount(3)	Total System Toll Revenues Less E-PASS Discount
2007	\$ 86,503	\$ 40,086	\$ 66,836	\$ 17,400	N/A	\$ 7,350	\$ 203,475
2008	86,093	40,167	68,491	19,049	N/A	7,853	205,947
2009 (4)	88,304	38,521	66,859	18,972	\$ 554	6,815	206,395
2010 (4) (5)	108,705	46,974	79,558	23,593	4,225	9,445	253,610
2011 (5)	110,020	48,824	80,892	24,562	5,180	9,466	260,012
2012 (5)	110,209	49,376	81,738	25,154	5,737	9,606	262,608
2013 (4) (5)	122,806	55,494	92,993	29,830	7,860	10,819	298,164
2014 (5)	129,425	57,480	100,585	34,022	9,343	11,722	319,133
2015 (5)	138,261	61,977	113,411	39,733	10,715	13,170	350,927
2016 (5)	147,029	69,003	133,718	47,394	12,453	18,695	390,902

### Notes:

- (1) The "Total System Toll Revenues" figures only include toll revenues and do not include actual receipts from other non-toll revenue sources, interest revenues nor any revenues or costs associated with the Goldenrod Road Extension.
- (2) SR 414 opened in February 2009 to electronic traffic and in May 2009 to cash traffic.
- (3) Effective May The E-PASS discount is given to any electronic toll collection customer that uses their transponder on any CFX roadway more than 40 times in a calendar month with an additional discount given for more than 80 transactions in a calendar month. The CFX Beltway Discount went into effect July 1, 2015 and is given to any electronic toll collection customer that uses their transponder on SR 414, SR 417, and SR 429 more than 20 times in a calendar month. Also starting in FY2016 the school bus rebate went into effect, giving a 99% refund to all school busses that travel the system with an E-PASS transponder.
- (4) Under the CFX's current toll policy, the first of the scheduled toll increases took effect in Fiscal Year 2009 and the second in Fiscal Year 2013.
- (5) "Total System Toll Revenues" include recaptured unpaid toll notices and account adjustments, which adjustments occur throughout the Fiscal Year.

\*Numbers may not add due to rounding.

Source: Central Florida Expressway Authority

# HISTORICAL SYSTEM OPERATING, MAINTENANCE AND ADMINISTRATIVE EXPENSES

HISTORICAL SYSTEM OPERATING, MAINTENANCE AND ADMINISTRATIVE EXPENSES  
in Millions (\$000,000's)

Fiscal Year	Operating Expenses (1)	Plus Maintenance Expenses	Plus Administrative Expenses	Less Department Participation	Total Net Expenses (2)
2007	\$ 33.8	\$ 12.5	\$ 5.9	\$ 9.9	\$ 42.3
2008	37.8	14.5	5.6	8.8	49.1
2009	34.3	13.7	5.3	8.3	45.0
2010	34.2	13.6	5.2	8.6	44.4
2011	35.6	13.7	5.3	7.4	47.2
2012	35.4	12.4	5.6	2.5	50.9
2013	36.7	13.6	5.5	2.7	53.1
2014	38.3	14.3	5.1	8.5	49.2
2015	40.3	14.4	5.6	8.7	51.6
2016	42.5	13.6	6.4	7.7	54.8

Notes:

(1) Does not include depreciation, preservation or expenses listed as "other."

(2) Total sum of Operating Expenses, Maintenance Expenses and Administrative Expenses, less Department Participation.

\*Numbers may not add due to rounding.

Source: Central Florida Expressway Authority

# HISTORICAL DEBT SERVICE RATIO

## HISTORICAL DEBT SERVICE RATIO in Thousands (\$'000's)

Fiscal Year	Operating Revenues (1)	Plus Interest Revenues	Less Operations, Maintenance & Administration Expense	Plus Advances from Department for Operations and Maintenance	Less Deposits into Operations, Maintenance & Administration Reserve	Net Revenues Available for Debt Service	Net Revenues Available for Debt Service Including Supplemental Payments (2)	Total Debt Service	Debt Service Ratio of Net Revenues to Debt Service	Debt Service Ratio of Net Revenues and Supplemental Payments to Debt Service (2)
2007	\$ 206,680	\$ 23,022	\$ 52,206	\$ 9,871	\$ 574	\$ 186,793	\$ 195,533	\$ 100,462	1.86	1.95
2008	209,046	25,191	57,803	8,812	0	185,246	193,986	121,664	1.52	1.59
2009	208,806	10,697	53,292	8,340	0	174,551	182,760	110,248	1.58	1.66
2010	256,047	4,101	52,988	8,616	0	215,776	224,051	119,935	1.80	1.87
2011	263,439	5,259	54,565	7,372	69	221,436	229,710	132,998	1.66	1.73
2012	266,642	4,311	53,373	2,494	118	219,956	228,179	145,679	1.51	1.57
2013	303,647	2,162	55,839	2,771	367	252,374	260,708	131,957	1.91	1.98
2014	325,604	1,594	57,642	8,507	303	277,760	286,325	139,498	1.99	2.05
2015	359,185	1,970	60,292	8,663	1,295	308,231	317,319	140,047	2.20	2.27
2016	400,860	3,677	62,553	7,699	972	348,711	358,108	143,882	2.42	2.49

Notes:

(1) The "Operating Revenues" figures reflect toll revenues plus actual receipts from other non-toll revenue sources, these figures do not include interest revenues or any revenues or costs associated with the Goldenrod Road Extension.

(2) Since the County Interlocal Agreement Payments are Supplemental Payments pledged only to the Series 1990 Bonds and CFX's Junior Lien Revenue Bonds, Series of 1998 (the "Series 1998 Bonds") and were available to pay debt service only on such Series of Bonds, these calculations only apply to the Series 1990 Bonds and Series 1998 Bonds. The Series 1998 Bonds were refunded by the Series 2010B Bonds on June 30, 2010.

Source: Central Florida Expressway Authority

CENTRAL  
FLORIDA  
EXPRESSWAY  
AUTHORITY

CFXway.com



# F. 3.

## LEGISLATIVE UPDATES

# FEDERAL LOBBYING SERVICES FOR CENTRAL FLORIDA EXPRESSWAY AUTHORITY, FLORIDA



ALCALDE & FAY  
GOVERNMENT & PUBLIC AFFAIRS

**JANUARY 12, 2017**

# BACKGROUND

## AMONG WASHINGTON'S LARGEST BIPARTISAN GOVERNMENT AFFAIRS FIRMS

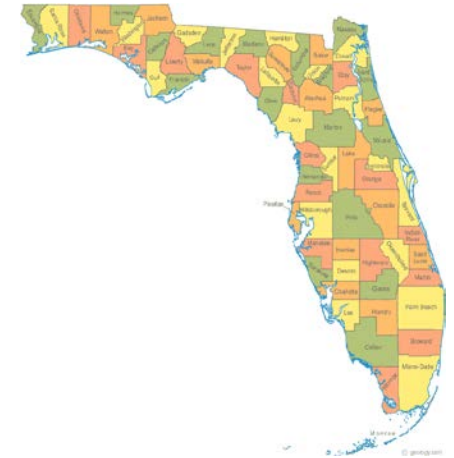
- Founded in 1973 - Four decades of experience on behalf of public bodies
- Over 80 clients nationwide, including cities, counties, and local government districts from Florida to California
- 30 partners and professional staff, including a former Member of Congress from Florida and Capitol Hill staff
- Bipartisan firm with well-established relationships on Capitol Hill and the Federal agencies
- Recognized as one of the Top 10 Most Influential Lobbying Firms in the Country by George Washington University and Lobbyist.info



# ESTABLISHED FLORIDA PRESENCE

## Representing Public Entities for Over 40 years

Tampa Port Authority (1973)	City of Melbourne (2006)
Miami-Dade County (1977)	Melbourne Airport Authority (2006)
Port of Miami (1977)	Okaloosa County (2007)
Jacksonville Port Authority (1986)	City of Daytona Beach (2008)
Jacksonville Aviation Authority (1989)	City of Ft. Myers (2009)
City of Boca Raton (1996)	City of Miramar (2009)
City of Deerfield Beach (1997)	Village of Pinecrest (2009)
City of Riviera Beach (1998)	Okeechobee Utility Authority (2010)
Florida Inland Nav. Dist. (2002)	Palm Beach County (2011)
Lake County (2002)	Alachua County (2012)
Hendry County (2003)	Escambia County (2012)
City of Homestead (2003)	City of Hallandale Beach (2012)
West Coast Inland Nav. Dist. (2004)	Village of Islamorada (2012)
City of Cocoa (2005)	City of Fort Lauderdale (2015)
Seminole County (2005)	Central Florida Expressway Authority (2016)
City of Lauderdale Lakes (2006)	Tampa International Airport (2017)
Marion County (2006)	





# RELATIONSHIPS

## BIPARTISAN CONGRESSIONAL AND EXECUTIVE AGENCY RELATIONSHIPS

- Firm partners and personnel maintain close working relations with key legislators and staff in both the House and Senate
- Four decades working with Leadership and senior staff of many of the Congressional Committees of importance to CFX:

*Appropriations*

*Transportation & Infrastructure*

*Ways & Means*

*Environment and Public Works*

*Commerce, Science and Transportation*

*Finance*

- Long-term relationships extend well into the ranks of senior career staff and political appointees at the Department of Transportation and many Federal agencies



# THE CFX CLIENT TEAM



***JIM DAVENPORT, MANAGING PARTNER***

- Active in government and consulting since 1995
- Experienced tactician in navigating the legislative and federal agency processes
- Manages numerous public clients on a wide array of issues



***SKIP BAFALIS, PARTNER***

- Former Member of Congress from Florida with more than 50 years of government and lobbying experience
- Long-term relationships with several senior members of Congress
- Successful record of achievement on behalf of central Florida communities



***PAUL SCHLESINGER, PARTNER***

- Former Staff Director House Transportation & Infrastructure Committee
- More than 40 years of government and lobbying experience
- Leads major lobbying efforts on behalf of significant transportation districts

# WORKING FOR CFX

## COMPREHENSIVE FEDERAL GOVERNMENT RELATIONS

- Provide monthly reports and updates regarding new administration policies and priorities relating to transportation initiatives and funding
- Monitor all legislation, rulemakings, executive orders and policy impacting CFX
- Identify and assist CFX in seeking federal funding opportunities, including competitive grants
- Assist CFX with gathering information and conducting research about specific federal programs and laws
- Enhance CFX's relationships, organize Washington meetings, and raise profile with key Members of Congress and federal agencies

**CENTRAL  
FLORIDA  
EXPRESSWAY  
AUTHORITY**

# CHANGES IN WASHINGTON

- DOT Secretary Elaine Chao – former Deputy Secretary of Transportation under President George H. W. Bush, former Secretary of Labor under President George W. Bush
  - Decrease in regulatory burdens
  - Equity between Urban and Rural Areas
  - Consideration of New Technologies
- Florida's 10 new members include Darren Soto (D), Val Demings (D), and Stephanie Murphy (D)
- House Transportation & Infrastructure Committee – Reps. Daniel Webster (R), Lois Frankel (D)
- Earmarks – House has signaled that it will revisit the earmark moratorium in the first half of 2017

# INFRASTRUCTURE SPENDING

- Trump's \$1 Trillion Infrastructure Package
  - Tolling: \$137 Billion in Tax Credits to Private Investors to generate \$1 Trillion over 10 years
  - Direct investment – Raising Gas Tax?
  - Trump and Congress are signaling that the infrastructure package will come after health care overhaul, rollback of regulations and changes to tax code
  - House GOP expressing reluctance to spending large sums of money on infrastructure as a way to boost the economy

**ALCALDE & FAY**  
GOVERNMENT & PUBLIC AFFAIRS

**Jim Davenport, Managing Partner  
2111 Wilson Boulevard, 8th Floor  
Arlington, Virginia 22201  
Davenport@Alcalde-Fay.com  
(703) 841-0626**

# **F.4**

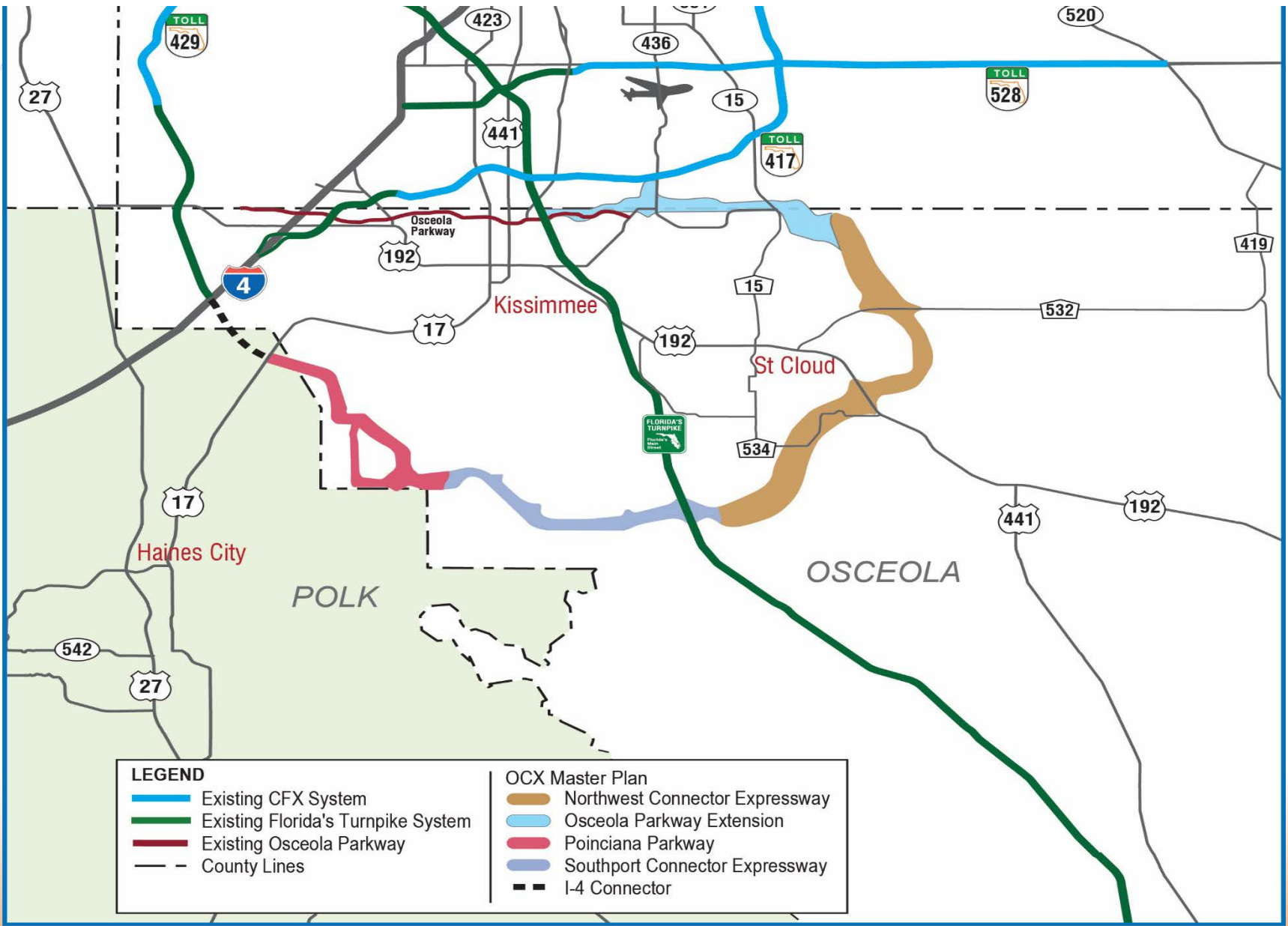
**APPROVAL OF FINAL RANKING AND  
AUTHORIZATION FOR FEE NEGOTIATIONS  
FOR CONCEPT, FEASIBILITY & MOBILITY  
STUDIES OF THE OSCEOLA COUNTY  
EXPRESSWAY AUTHORITY MASTER PLAN  
PROJECTS**



# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

Concept, Feasibility & Mobility Studies of the  
OCX Master Plan Projects







# BACKGROUND

- Interlocal Agreement Approved by CFX - September 8, 2016
- Advertised for Consultants - October 23, 2016
- Letters of Interest Received - November 4, 2016
  - AECOM
  - CH2M Hill, Inc.
  - HDR, Inc.
  - HNTB
  - Inwood Consulting Engineer, Inc.
  - Kittelson & Associates, Inc.
  - Kimley Horn
  - Parsons Transportation Group, Inc.
  - RS&H
  - WSP / Parsons Brinckerhoff
  - The Balmoral Group



# BACKGROUND

- Evaluation Committee Shortlisting - November 14, 2016

Committee Members:

- One (1) Orange County Representative
- One (1) Osceola County Representative
- One (1) Osceola County Expressway Authority Representative
- Two (2) CFX Representatives

Shortlisted Firms:

- CH2M Hill, Inc.
- Inwood Consulting Engineers, Inc.
- Kittelson & Associates, Inc.
- Kimley Horn
- RS&H
- WSP / Parsons Brinckerhoff



# BACKGROUND

- Technical Proposals Received - December 5, 2016
- Oral Presentations Held - December 20, 2016
  - Final Ranking of Shortlisted Firms:
    - Inwood Consulting Engineers, Inc.
    - RS&H
    - CH2M Hill, Inc.
    - Kimley Horn
    - Kittelson & Associates, Inc.
    - WSP / Parsons Brinckerhoff
- Four Top Ranked Firms
  - Inwood Consulting Engineers, Inc.
  - RS&H
  - CH2M Hill, Inc.
  - Kimley Horn



# REQUESTED APPROVAL

## Recommended Motion:

Approval of the four (4) top ranked firms and authorization to enter fee negotiations for Concept, Feasibility and Mobility Studies with each of the firms as follows:

Inwood Consulting Engineers: Northeast Connector Expressway

RS&H: Southport Connector Expressway


CH2M Hill: Osceola Parkway Extension

Kimley Horn: Poinciana Parkway Extension / I-4 Connector

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: Aneth Williams   
Director of Procurement

DATE: December 20, 2016

RE: Approval of Final Ranking and Authorization for Fee Negotiations for  
Concept, Feasibility & Mobility Studies of the Osceola County Expressway Authority  
Master Plan Projects  
Contract No. 001248

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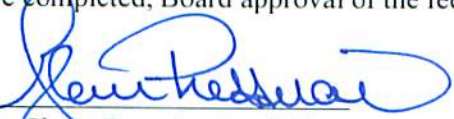
Letters of Interest for the referenced project was advertised on October 23, 2016. Responses were received from eleven (11) firms by the November 4, 2016, deadline. Those firms were: CH2M Hill, Inc., Inwood Consulting Engineers, Inc., Kittelson & Associates, Inc., Kimley Horn, RS&H, WSP/Parsons Brinckerhoff, AECOM Technical Services, Inc., HDR, Inc., HNTB, Parsons Transportation Group, Inc., and The Balmoral Group.

After reviewing and scoring the letters of interest, the Evaluation Committee met on November 14, 2016, and shortlisted six (6) firms (CH2M Hill, Inc., Inwood Consulting Engineers, Inc., Kittelson & Associates, Inc., Kimley Horn, RS&H and WSP/Parsons Brinckerhoff ) and requested that Technical Proposals be submitted for review and scoring by December 5, 2016.

Technical Proposals were submitted for review and scoring by the deadline. As part of the scoring process, the Technical Review Committee heard oral presentations from the firms on December 20, 2016. After the orals presentations were completed, the Technical Review Committee convened and prepared its final ranking. The results of that process were as follows:

<u>Consultant Firm</u>	<u>Ranking</u>
Inwood Consulting Engineers, Inc.	1
RS&H	2
CH2M Hill, Inc.	3
Kimley Horn	4
Kittelson & Associates, Inc.	5
WSP/Parsons Brinckerhoff	6

Board approval of the final four top ranking firms and authorization to enter into fee negotiations with Inwood Consulting Engineers, Inc.; RS&H; CH2M Hill, Inc., and Kimley Horn is requested. Once fee negotiations are completed, Board approval of the fee amount and award of the contracts will be requested.

Reviewed by   
Glenn Pressimone, P.E.  
Director of Engineering

**LOI-001248 Committee Meeting December 20, 2016 Minutes**

Technical Review Committee for Concept, Feasibility & Mobility Studies of the Osceola County Expressway Authority Master Plan Projects; LOI-001248, held a duly noticed meeting on Tuesday, December 20, 2016, commencing at 9:00 p.m. in the Pelican Conference Room at the CFX Administrative Bldg., Orlando, Florida.

**Committee Members Present:**

Joe Berenis, Chief of Infrastructure  
Glenn Pressimone, Director of Engineering  
Jeff Jones, Executive Director, OCX  
Renzo Nastasi, Manager, Highway Construction Division, Orange County  
Jimmy Wells, P.E., Osceola County

**Other Attendees:**

Aneth Williams, Director of Procurement

**Presentations/O & A:**

Aneth commenced each presentation with a brief overview of the process and introduced the Technical Review Committee. Aneth stated that this portion of the meeting is closed to the public and is being recorded in accordance with Florida Statute.

CH2M Hill, Inc.	9:00 – 9:35 a.m.
Inwood Consulting Engineers, Inc.	9:51 – 10:26 a.m.
Kittelson & Associates, Inc.	10:37 – 11:12 a.m.
Kimley Horn	1:00 – 1:35p.m.
RS&H	1:50 – 2:25 p.m.
WSP/ Parsons Brinckerhoff	2:30 – 3:10 p.m.

**Evaluation Portion**

Aneth stated the evaluation portion of the meeting is open to the public in accordance with Florida Statute. The Committee members individually scored the proposers and submitted them to Aneth for tallying. Aneth Williams tallied the score sheets utilizing the rankings assigned by each Committee member based on the raw scores each Proposer received. Below are the results:

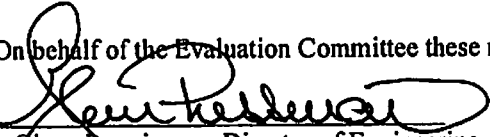
<b><u>Firm</u></b>	<b><u>Points</u></b>	<b><u>Ranking</u></b>
CH2M Hill, Inc.	18	3
Inwood Consulting Engineers, Inc.	9	1
Kittelson & Associates, Inc.	20	5
Kimley Horn	19	4
RS&H	16	2
WSP/ Parsons Brinckerhoff	21	6

The Committee recommends CFX Board to approve the four top ranked firms and authorized fee negotiations. The Committee agreed that Glenn Pressimone would review and approve the minutes on behalf of the Committee.

**LOI-001248 Committee Meeting December 20, 2016 Minutes**  
**Page 2**

There being no further business to come before the Committee, the meeting was adjourned at 3:18p.m. These minutes are considered to be the official minutes of the Evaluation Committee meeting held Tuesday, December 20, 2016, and no other notes, tapes, etc., taken by anyone takes precedence.

Submitted by:   
Aneth Williams, Director of Procurement

On behalf of the Evaluation Committee these minutes have been review and approved by:  
  
Glenn Pressimone, Director of Engineering



**CENTRAL FLORIDA EXPRESSWAY AUTHORITY**


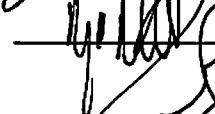


**TECHINAL COMMITTEE MEMBER FINAL SUMMARY RANKING**

**CONCEPT, FEASIBILITY & MOBILITY STUDIES OF THE OSCEOLA COUNTY EXPRESSWAY AUTHORITY MASTER PLAN PROJECTS**

**CONTRACT NO. 001248**

CONSULTANT	Glenn Pressimone Score	Joe Berenis Score	Renzo Nastasi Score	Jeff Jones Score	Jimmy Wells Score	TOTAL SCORE	RANKING
CH2M, Hill	5	4	3	4	2	18	3
Inwood Consulting Engineers, Inc.	1	3	1	1	3	9	1
Kittelson & Associates, Inc.	2	2	4	6	6	20	5
Kimley Horn	3	6	5	2	3	19	4
RS&H	3	1	6	5	1	16	2
WSP/Pardsons Brinckerhoff	6	5	2	3	5	21	6

**EVALUATION COMMITTEE MEMBERS:**

  
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Date: Tuesday, December 20, 2016

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CENTRAL FLORIDA EXPRESSWAY AUTHORITY

TECHNICAL PROPOSAL and PRESENTATION SCORING SUMMARY

CONCEPT, FEASIBILITY & MOBILITY STUDIES OF THE OSCEOLA COUNTY EXPRESSWAY AUTHORITY MASTER PLAN PROJECTS

CONTRACT NO. 001248

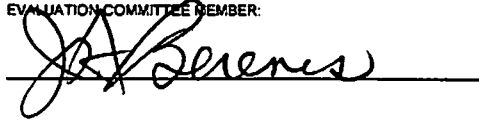
CONSULTANT	CH2M Hill, Inc.	Inwood Consulting Engineerings, Inc.	Kitelson & Associates, Inc.	Kimley Horn	RS&H, Inc.	WSP/Parsons Brinckerhoff
UNDERSTANDING APPROACH (MAX 70)	60	50	40	55	65	45
PRESENTATIONS (MAX 30)	25	30	5	25	30	20
TOTAL	85	80	45	80	95	65
RANKING	2	3	6	3	1	5

EVALUATION COMMITTEE MEMBER:

CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
 TECHNICAL PROPOSAL and PRESENTATION SCORING SUMMARY  
 CONCEPT, FEASIBILITY & MOBILITY STUDIES OF THE OSCEOLA COUNTY EXPRESSWAY AUTHORITY MASTER PLAN PROJECTS  
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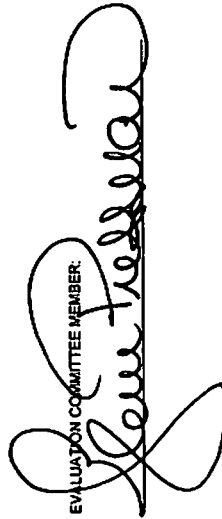
CONSULTANT	CH2M Hill, Inc.	Inwood Consulting Engineerings, Inc.	Kittelson & Associates, Inc.	Kimley Horn	RS&H, Inc.	WSP/Parsons Brinckerhoff
UNDERSTANDING APPROACH (MAX 70)	60	60	65	50	65	55
PRESENTATIONS (MAX 30)	20	25	23	20	25	20
TOTAL	80	85	88	70	90	75
RANKING	4	3	2	6	1	5

EVALUATION COMMITTEE MEMBER:



CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
 TECHNICAL PROPOSAL and PRESENTATION SCORING SUMMARY  
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CONSULTANT	CH2M Hill, Inc.	Inwood Consulting Engineering, Inc.	Kittelson & Associates, Inc.	Kimley Horn	RS&H, Inc.	WSP/Parsons Brinckerhoff
UNDERSTANDING APPROACH (MAX 70)	62	62	62	62	59	60
PRESENTATIONS (MAX 30)	26	29	28	27	30	25
TOTAL	88	91	90	89	89	85
RANKING	5	1	2	3	3	6

EVALUATION COMMITTEE MEMBER:  


CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
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CONSULTANT	CH2M Hill, Inc.	Inwood Consulting Engineerings, Inc.	Kittelson & Associates, Inc.	Kimley Horn	RS&H, Inc.	WSP/Parsons Brinckerhoff
UNDERSTANDING APPROACH (MAX 70)	60	65	50	65	55	60
PRESENTATIONS (MAX 30)	25	30	20	30	20	25
TOTAL	85	95	70	95	75	85
RANKING	4	1	6	2	5	3

EVALUATION COMMITTEE MEMBER:

Jeff Jones

CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
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CONSULTANT	CH2M Hill, Inc.	Inwood Consulting Engineerings, Inc.	Kittelson & Associates, Inc.	Kimley Horn	RS&H, Inc.	WSP/Parsons Brinckerhoff
UNDERSTANDING APPROACH (MAX 70)	<del>64</del> 64	<del>68</del> 67	66	63	62	68
PRESENTATIONS (MAX 30)	<del>PK 26</del> 26	27	23	24	25	23
TOTAL	90	94	89	87	87	91
RANKING	3	1	4	5	6	2

EVALUATION COMMITTEE MEMBER: