

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

AGENDA  
CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
BOARD MEETING  
October 11, 2018  
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 SEPTEMBER 13, 2018 BOARD MEETING MINUTES (action Item)**

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

**E. REPORTS**

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

**F. REGULAR AGENDA ITEMS**

1. **APPROVAL OF THE TWENTY-FOURTH SUPPLEMENTAL REVENUE BOND RESOLUTION AND SUPPORTING DOCUMENTS FOR THE ISSUANCE OF THE 2018 SENIOR LIEN REVENUE BONDS** – *Lisa Lumbar, Chief Financial Officer* (action item)
2. **CONSTRUCTION UPDATE** – *Ben Dreiling, Director of Construction and Jack Burch, Resident Engineer* (info. 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 x5316 or by email at [lrannetta.dennis@CFXway.com](mailto:lrannetta.dennis@CFXway.com) at least three business days prior to the event.

C.

APPROVAL OF  
BOARD MEETING MINUTES

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

**MINUTES  
CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
BOARD MEETING  
September 13, 2018**

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

Board Members Present:

Commissioner Fred Hawkins, Jr., Osceola County (Chairman)  
Jay Madara, Gubernatorial Appointment (Vice Chairman)  
Commissioner Brenda Carey, Seminole County (Treasurer)  
Commissioner Jim Barfield, Brevard County  
Andria Herr, Gubernatorial Appointment  
S. Michael Scheeringa, Gubernatorial Appointment

Board Members Not Present:

Mayor Buddy Dyer, City of Orlando  
Mayor Teresa Jacobs, Orange County  
Commissioner Sean Parks, Lake County  
Commissioner Jennifer Thompson, Orange County

Non-Voting Advisor Not Present:

Paul Wai, Florida's Turnpike Enterprise

Staff Present at Dais:

Laura Kelley, Executive Director  
Joseph L. Passiatore, General Counsel  
Mimi Lamaute, Recording Secretary

**A. CALL TO ORDER**

The meeting was called to order at 9:03 a.m. by Chairman Hawkins.

**B. PUBLIC COMMENT**

There were no public comments.

**The agenda was taken out of order due to quorum requirements.**

**E. REPORTS**

1. CHAIRMAN'S REPORT

Chairman Hawkins announced an upcoming CFX event, the "Future of Transportation Summit" in partnership with TEAMFL and Lake County at the Clermont City Center on October 12<sup>th</sup>.

**Commissioner Carey arrived at this time 9:08 a.m.**

3. EXECUTIVE DIRECTOR'S REPORT

Ms. Kelley provided the Executive Director's Report in written form.

In addition, Ms. Kelley expanded on the following:

- Bond Rating Upgrade;
- Ms. Kelley's speaking engagement at the Orange PACE Center for Girls; and
- CFX's 3<sup>rd</sup> Annual Chili Cook-off.

**C. APPROVAL OF MINUTES**

**A motion was made by Ms. Herr and seconded by Commissioner Barfield to approve the August 9, 2018 Board Meeting Minutes as presented. The motion carried unanimously with six (6) members present voting AYE by voice vote; Mayor Dyer, Mayor Jacobs, Commissioner Parks and Commissioner Thompson were not present.**

**D. APPROVAL OF CONSENT AGENDA**

The Consent Agenda was presented for approval as follows:

**CONSTRUCTION**

1. Approval of Construction Contract Modifications on the following projects:

a. Project 429-202 Prince Contracting, LLC	\$ 457,384.24
b. Project 408-128 The Lane Construction, Corp.	\$ 61,600.88
c. Project 599-126 SEMA Construction, Inc.	\$ 139,414.30
d. Project 408-127 The Lane Construction, Corp.	\$ 176,060.99
e. Project 253G SEMA Construction, Corp.	\$ 1,815,440.01
f. Project 253F The Lane Construction, Corp.	\$ 19,681.12

2. Approval of Third Contract Renewal with Stantec Consulting Services, Inc. for Construction Management Consultant Services, Contract No. 001033 (Agreement Value: \$1,200,000.00)

#### COMMUNICATIONS AND PUBLIC OUTREACH

3. Approval of Partnership Between CFX and WFTV for Fiscal Year 2019 Safety Campaign (Agreement Value: not-to-exceed \$155,000.00)

#### ENGINEERING

4. Approval of Contract Award to Horizon Engineering Group, Inc. for Design Consultant Services for the SR 417 Widening from Landstar Boulevard to Boggy Creek Road, Project 417-149, Contract No. 001387 (Agreement Value: not-to-exceed \$5,500,000.00)
5. Approval of Final Ranking and Authorization for Fee Negotiations for Design Consultant Services for SR 417 Widening from Narcoosee Road to SR 528, Project 417-150, Contract No. 001393
6. Approval of Contract Award to Ion Electric, LLC for SR 408 Guide Sign Replacements, Project 408-628, Contract No. 001400 (Agreement Value: \$4,222,831.88)
7. Approval of Contract Award to Masci General Contractor, Inc. for SR 408 Milling & Resurfacing from I-4 Ultimate Limits to Lake Underhill Bridge, Project 408-746, Contract No. 001420 (Agreement Value: \$4,229,613.73)
8. Authorization to Advertise for Construction Bids for SR 528 Milling & Resurfacing from Innovation Way to Dallas Boulevard, Project 528-749, Contract No. 001469
9. Authorization to Advertise for Construction Bids for SR 528 Milling & Resurfacing from Dallas Boulevard to SR 520, Project 528-750, Contract No. 001470
10. Authorization to Advertise for Construction Bids for SR 429 Kelly Park Road Turn Lane & Plant Street Interchange Ramps Resurfacing, Project 429-753, Contract No. 001471

MAINTENANCE

11. Approval of Contract Award to Groundtek of Central Florida, Inc. for Landscape Maintenance Services for SR 408, SR 417 and CFX's Headquarters Building, Contract No. 001411 (Agreement Value: \$5,219,612.38)
12. Approval of Contract Award to Rockhopper Services, Inc. for Systemwide Aquatic Vegetation Control Services, Contract No. 001412 (Agreement Value: \$200,400.00)

TOLL OPERATIONS/TECHNOLOGY

13. Approval of Second Contract Renewal with Southwest Research Institute for Maintenance and Support of Data Server, Contract No. 001068 (Agreement Value: \$487,581.00)
14. Approval of Final Ranking and Authorization for Fee Negotiations for Design Consultant Services for Three-Line Dynamic Message Signs Replacement Project, Project 599-545, Contract No. 001419
15. Authorization to Advertise for Construction Bids for the Wekiva Parkway Closed-Circuit Television Camera Deployment, Project 599-547, Contract No. 001463
16. Authorization to Advertise for Construction Bids for the Supplement Data Collection Sensor and Closed-Circuit Television Deployment Project, Project 599-537, Contract No. 001464
17. Authorization to Advertise for Construction Bids for Dynamic Curve Warning System, Project 599-541, Contract No. 001465
18. Authorization to Advertise for Construction Bids for the Network Phase II Project, Project 599-524, Contract No. 001466
19. Authorization to Advertise an Invitation to Bid for Field Ethernet Switch Equipment, Project 599-542, Contract No. 001467
20. Authorization to Advertise an Invitation to Bid for IS5 Terminal Servers, Project 599-550, Contract No. 001468

**A motion was made by Commissioner Carey and seconded by Mr. Scheeringa to approve the Consent Agenda as presented. The motion carried unanimously with six (6) members present voting AYE by voice vote; Mayor Dyer, Mayor Jacobs, Commissioner Parks and Commissioner Thompson were not present.**

**F. REGULAR AGENDA ITEMS**

**1. APPOINTMENT OF CITIZEN MEMBER TO THE FINANCE COMMITTEE**

Michael Scheeringa submitted his nomination of Mr. Wael I. Saeed to the Finance Committee.

**A motion was made by Ms. Herr and seconded by Commissioner Carey to appoint Wael I. Saeed to the Finance Committee. The motion carried unanimously with six (6) members present voting AYE by voice vote; Mayor Dyer, Mayor Jacobs, Commissioner Parks and Commissioner Thompson were not present.**

Mr. Madara left the meeting at this time 9:14 a.m.

**E. REPORTS**

**2. TREASURER'S REPORT**

Commissioner Carey reported total revenues for July were \$39,019,368, which is 6.4% above projections and 8.4% above prior year. CFX's total revenues were \$39.9 million for the month.

Total OM&A expenses were \$2.4 million for the month, which is 12.2% under budget.

After debt service, the total net revenue available for projects was \$23.6 million for July. CFX's projected year-end senior lien debt service ratio is 2.41, which is above CFX's budgeted ratio of 2.40.

**F. REGULAR AGENDA ITEMS**

**2. UPDATE ON SUNPASS CENTRAL MIGRATION**

Laura Kelley, Executive Director, provided an update on the SunPass Central migration.

She recognized and thanked the CFX IT team for creating the E-PASS Customer Payment Program.

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



**3. PRESENTATION ON FLORIDA TRANSPORTATION COMMISSION'S FY 2017 ANNUAL PERFORMANCE REPORT**

Michelle Maikisch, Chief of Staff/Public Affairs Officer, provided the Board with Fiscal Year 2017 annual results of the Florida Transportation Commission performance measures scores.

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

**G. BOARD MEMBER COMMENT**

- Chairman Hawkins

**H. ADJOURNMENT**

Chairman Hawkins adjourned the meeting at 9:26 a.m.

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Commissioner Fred Hawkins, Jr.  
Chairman  
Central Florida Expressway Authority

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Mimi Lamaute  
Recording Secretary  
Central Florida Expressway Authority

Minutes approved on \_\_\_\_\_, 2018.

*Pursuant to the Florida Public Records Law and the CFX Records & Information Management Program Policy, audio tapes of all Board and applicable Committee meetings are maintained and available upon request to the Custodian of Public Records at (407) 690-5326, [PublicRecords@CFXway.com](mailto:PublicRecords@CFXway.com), or 4974 ORL Tower Road, Orlando, FL 32807. Additionally, video tapes of Board meetings are available at the CFX website, [www.CFXway.com](http://www.CFXway.com).*

**D.**

Consent Agenda

CONSENT AGENDA  
October 11, 2018

ADMINISTRATIVE SERVICES

1. Authorization to Execute Cooperative Purchase Agreement with Southern Strategy Group, LLC for State and Local Advocacy Support Services, Contract No. 001481 (Agreement Value: not-to-exceed \$79,200.00)

CONSTRUCTION

2. Approval of Construction Contract Modifications on the following projects:
  - a. Project 599-632 Traffic Control Products \$ 850.00
  - b. Project 408-127 The Lane Construction Corp. (\$ 85,053.72)
  - c. Project 599-546 Traffic Control Devices, Inc. \$ 8,047.70
  - d. Project 528-145 Masci General Contractor, Inc. (\$ 97,516.31)
  - e. Project 599-413 Ricker Duley Construction \$ 26,913.60
  - f. Project 429-654D Southland Construction, Inc. \$ 211,400.14
3. Approval of Contract Award to Ardaman & Associates, Inc. and Terracon Consultants, Inc. for Systemwide Materials Testing and Geotechnical Services, Contract Nos. 001434 and 001435 (Agreement Value: not-to-exceed \$2.5 million each)

ENGINEERING

4. Authorization to Advertise for Construction Bids for SR 408 West Bound Exit to Old Winter Garden Road Traffic Signals, Project 599-156, Contract No. 001478
5. Authorization for the Executive Director to Execute a Joint Participation Agreement with the Orange County Board of County Commissioners for SR 429 New Independence Parkway Interchange Improvements & Traffic Signals, Project 492-158, Contract No. 001479

HUMAN RESOURCES

6. Approval of Revised Performance Based Pay Policy and Resolution

LEGAL

7. Authorization to Participate in Settlement Pursuant to Claims Administrator's Notice of Proposed Settlement of Class Action Regarding ISDAFix Instruments
8. Authorization to Execute Quit Claim Bill of Sale to Suburban Land Reserve to Convey any Interest in Water and Reclaimed Water System Improvements Constructed by CFX as Part of Innovation Way Phase I

**PROCUREMENT**

9. Approval of Revised Procurement Policy, Procurement Procedures Manual and Resolution

**RECORDS MANAGEMENT**

10. Approval of Records & Information Management Electronic Communications Policy and Resolution

**TOLL OPERATIONS/TECHNOLOGY**


11. Authorization to Advertise for Invitation to Bid for High Definition Closed Circuit Television Cameras, Project 599-528, Contract No. 001480
12. Approval of Stanley Consultants, Inc. as a Subconsultant for the General Systems Consultant Services Contract with AECOM Technical Services, Inc., Contract No. 001215
13. Authorization for the Executive Director to Execute Memoranda of Understanding with the Florida Department of Highway Safety and Motor Vehicles for Driver License and/or Motor Vehicle Data Exchange

**CONSENT AGENDA ITEM  
#1**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: Aneth Williams   
Director of Procurement

DATE: September 25, 2018

SUBJECT: Authorization to Execute Cooperative Purchase Agreement with Southern Strategy Group, LLC for State and Local Advocacy Support Services  
Contract No. 001481

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Board authorization is requested to execute an agreement with Southern Strategy Group, LLC in the not-to-exceed amount of \$79,200.00 for one (1) year to perform Local and State Advocacy Support Services.

This will be a cooperative purchase (piggyback) agreement based on a contract between Osceola County and Southern Strategy Group, LLC for lobbying services which will allow CFX to take advantage of the favorable prices and services received by Osceola County.

This amount is budgeted in the OM&A Budget.

Reviewed by:

  
Michelle Maikisch  
Chief of Staff/Public Affairs Officer

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
COOPERATIVE PURCHASE AGREEMENT  
STATE AND LOCAL ADVOCACY SUPPORT SERVICES  
CONTRACT NO. 001481**

This Agreement is made this 11<sup>th</sup> day of October, 2018, between the CENTRAL FLORIDA EXPRESSWAY AUTHORITY, a body politic and agency of the State of Florida, hereinafter called CFX and SOUTHERN STRATEGY GROUP OF ORLANDO, LLC, 28 West Central Boulevard, Suite 260, Orlando, Florida 32801, hereinafter the "CONSULTANT," who is duly authorized to conduct business in the State of Florida.

**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 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];" and

**WHEREAS**, CFX has determined that it is necessary and convenient in the conduct of its business to retain the services of a CONSULTANT to provide State and Local advocacy and consultant services as may be assigned to the Consultant by CFX; and

**WHEREAS**, on or about February 23, 2018, the CONSULTANT entered an agreement with Osceola County Board of County Commissioners to provide substantially the same services as required by CFX; and

**WHEREAS**, a Request for Proposals seeking qualified contractors to perform such services for CFX was not required because the CONSULTANT has an existing contract with Osceola County Board of County Commissioners for substantially the same services to be provided hereunder and CFX has decided to contract with CONSULTANT for the performance of the services described herein under the same conditions previously negotiated by Osceola County Board of County Commissioners; and

**WHEREAS**, the CONSULTANT agrees to provide the services under the same terms, conditions and rates as included in its contract with Osceola County Board of County Commissioners, a copy of which is attached to this Agreement as **Exhibit "A"**, and such additional terms and conditions as detailed below.

**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. RECITALS

The recitals are true and corrected and incorporated herein as terms.

## 2. ADOPTION OF THE OSCEOLA COUNTY BOARD OF COUNTY COMMISSIONERS CONTRACT

The parties adopt the terms and conditions in the CONSULTANT's existing contract with the Osceola County Board of County Commissioners under its Contract, by reference as though set forth fully herein, hereinafter referred to as the "Osceola County Contract", subject to the substitutions or revisions described below.

2.1 References to "Osceola County Board of County Commissioners" and "Osceola County" in the Osceola County Contract shall be replaced with the "Central Florida Expressway Authority" or "CFX,".

2.2 References to "County Project Manager (Don Fisher) in the Osceola County Contract shall be replaced with the "Chief of Staff."

2.3 References to CONSULTANT "Project Manger (Kelly Cohen)" in the Osceola County Contract shall be replaced with Chris Dudley". The following staff is also added to the contract; Kelly Cohen – Orlando, Oscar Anderson – Orlando, Nelson Diaz – Miami and Seth McNeel – Tampa.

2.4 In the Osceola County Contract Section 1 entitled "Term" shall be revised by removing the text marked by strikeouts and adding the underlined text as follows:

~~The term of this Agreement shall begin on upon execution by the County Manager and continue through February 12, 2019, and may be extended when in the best interest of the County.~~ The term of the Contract will be one (1) year beginning November 1, 2018. The option 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 the CONSULTANT are satisfactory and adequate for CFX's needs. If a renewal option is exercised, CFX will provide the CONSULTANT with written notice of its intent at least 30 days prior to the expiration of the initial Contract terms.

2.5 In the Osceola County Contract Section 5 entitled "Compensation" shall be revised by removing the text marked by strikeouts and adding the underlined text as follows:

~~In accordance with the pricing schedule set forth in Exhibit "B" which is attached thereto and made a binding part hereof,~~ CFX will pay the CONSULTANT using



the following schedule of billing rates: \$6,600.00 per month for twelve (12) months. The Contract amount shall not exceed \$79,200.00 during the term.

### **3. ADDITIONAL TERMS REQUIRED BY CFX**

3.1 SERVICES TO BE PROVIDED. The CONSULTANT shall, for the consideration herein stated and at its cost and expense, do all the work and furnish all equipment, supplies, labor and incidentals necessary to perform this Contract in the manner and to the full extent as required by CFX

#### **3.2 CONSULTANT INSURANCE.**

CONSULTANT shall carry and keep in force during the period of this Contract, the required amount of coverage as stated in the CONSULTANT's contract with OSCEOLA COUNTY.

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

#### **3.3 CONSULTANT RESPONSIBILITY**

CONSULTANT shall take all reasonable precautions in the performance of the services and shall cause its employees, agents and subcontractors to do the same.

(a) CONSULTANT shall comply, and shall cause its employees, agents, officers and subcontractors and all other persons for whom CONSULTANT may be legally or contractually responsible, 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

(b) CONSULTANT shall be responsible for all damage and loss that may occur with respect to any and all property in any way involved in the provision of services by CONSULTANT, whether such property is owned by CONSULTANT, CFX, or any other person, to the extent such damage or loss shall have been caused or brought about by the acts or omissions of CONSULTANT or its employees, agents, officers or subcontractors or any other persons for whom CONSULTANT may be legally or contractually responsible.

(c) CONSULTANT shall ensure that all of its activities and the activities of its employees, agents, officers and subcontractors and all other persons for whom CONSULTANT may be legally or contractually responsible are undertaken in a manner that will minimize the effect on surrounding property and the public.

3.4 INDEMNITY. The CONSULTANT shall indemnify, defend and hold harmless CFX and all of its respective officers, agents, CONSULTANT'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 CONSULTANT (its subcontractors, officers, agents or employees) or due to any negligent or intentional act or occurrence of omission or commission of the CONSULTANT (its subcontractors, officers, agents or employees). CONSULTANT 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 the CONSULTANT for performance of each task authorized under the Contract is the specific consideration from CFX to CONSULTANT for CONSULTANT's indemnity and the parties further agree that the 1% is included in the amount negotiated for each authorized task.

3.5 MEDIA RELEASES. CONSULTANT 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, without first notifying CFX and securing its consent in writing.

3.6 PERMITS, LICENSES, ETC. Throughout the term of the Contract, the CONSULTANT shall procure and maintain, at its sole expense, all permits and licenses that may be required in connection with the performance of Services by CONSULTANT; 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.

### 3.7 CONFLICT OF INTEREST AND STANDARDS OF CONDUCT

CONSULTANT 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 Ethics Policy. To the extent applicable, CONSULTANT will comply with the aforesaid Ethics Policy in connection with performance of the Contract.

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

CONSULTANT 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 Agreement as though set forth in full.

3.8 NONDISCRIMINATION. CONSULTANT, 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 Agreement.

3.9 SUBLETTING AND ASSIGNMENT. CONSULTANT shall not sublet, sell, transfer, assign, delegate, subcontract, or otherwise dispose of this Contract or any portion thereof, or of the CONSULTANT'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 CONSULTANT 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.

### 3.10 DISPUTES AND TERMINATION

All services shall be performed by the CONSULTANT to the reasonable satisfaction of CFX's Executive Director (or her/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.

CFX shall have the right to terminate or suspend the Contract, in whole or in part, at any time, for any reason, with 7 days notice for convenience or 10 days notice for cause.

3.11 OTHER SEVERABILITY. If any section of this Agreement 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.

3.12 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.

### 3.13 RELATIONSHIPS

CONSULTANT acknowledges that no employment relationship exists between CFX and CONSULTANT or CONSULTANT's employees. CONSULTANT shall be responsible for all direction and control of its employees and payment of all wages and salaries and other amounts due its employees. CONSULTANT 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.

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.

3.14 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.

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 CONSULTANT 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, CONSULTANT may immediately notify CFX and request clarification of CFX's interpretation of the Contract. The Contract, 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.

3.15 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:

(a) Payment to CONSULTANT for satisfactory work performed or for termination expenses, if applicable; and

(b) 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.

3.16 OBLIGATIONS UPON EXPIRATION OR TERMINATION OF CONTRACT. CONSULTANT 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 caused this instrument to be signed by their respective duly authorized officials, as of the day and year first above written.

SOUTHERN STRATEGY GROUP OF ORLANDO, LLC

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

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

Attest: \_\_\_\_\_ (Seal)

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

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

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

Approved as to form and execution, only,

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

**EXHIBIT "A"**

Contract No. RFQ-2013-7020-9003-LM

Master Services Agreement, Amendment 1, Amendment 2, and Amendment 3

## AGREEMENT

**THIS AGREEMENT** is made by and between OSCEOLA COUNTY, a political subdivision of the State of Florida, 1 Courthouse Square, Kissimmee, Florida 34741, hereinafter referred to as the "COUNTY", and Southern Strategy Group of Orlando, LLC, 28 West Central Boulevard, Suite 260, Orlando, Florida 32801, hereinafter referred to as the "CONTRACTOR".

### *WITNESSETH:*

**WHEREAS**, the COUNTY has the need for lobbying representation services for Osceola County on an as-needed basis and has chosen the CONTRACTOR for the required services when in the COUNTY's best interests; and

**WHEREAS**, the services sought are exempt from the formal solicitation process (EX-18-10121-MM) has been assigned by the COUNTY for internal tracking purposes).

**NOW, THEREFORE**, in consideration of the mutual covenants, terms, and provisions contained herein, the parties agree as follows:

#### **SECTION 1.            TERM.**

The term of this Agreement shall begin on upon execution by the County Manager and continue through February 12, 2019, and may be extended when in the best interest of the County.

#### **SECTION 2.            SCOPE OF SERVICES.**

The CONTRACTOR will furnish and install all necessary labor, materials, and equipment to complete the services set forth in **Exhibit "A"** which is attached hereto and incorporated herein.

#### **SECTION 3.            OBLIGATIONS OF THE CONTRACTOR.**

Obligations of the CONTRACTOR shall include, but not be limited to, the following:

- A. The CONTRACTOR will be required by law to register prior to undertaking any lobbying effort on the COUNTY's behalf with legislative or executive members, staff, or employees. There are penalties for failing to do so and for failing or refusing to file timely reports of expenditures. The firm will be responsible for registering and reporting the required activities of our member(s) who will be engaged in this matter, likewise, the CONTRACTOR shall be responsible to

prepare, sign, and timely file all registrations and reports that the CONTRACTOR is required to file with the state, and shall immediately furnish copies of such registrations and reports to the COUNTY for any execution required for that compliance by the firm.

- B. The CONTRACTOR will ensure that all of its employees, agents, sub-contractors, representatives, volunteers, and the like, fully comply with all of the terms and conditions set herein when providing services for the COUNTY in accordance herewith.
- C. After the close of the Legislative Session, the CONTRACTOR will furnish a written report to the COUNTY, and will make a presentation to the Osceola County Board of County Commissioners at a regularly scheduled Board meeting.
- D. The CONTRACTOR shall be solely responsible for the means, methods, techniques, sequences, safety programs, and procedures necessary to properly and fully complete the work set forth in the Scope of Services.
- D. The CONTRACTOR will maintain an adequate and competent staff, and remain authorized to do business within the State of Florida. The CONTRACTOR may subcontract the services requested by the COUNTY; however, the CONTRACTOR is fully responsible for the satisfactory completion of all subcontracted work.

**SECTION 4. STANDARD OF CARE.**

- A. The CONTRACTOR has represented to the COUNTY that it possesses a level of knowledge, experience, and expertise that is commensurate with firms in the areas of practice required for the services to be provided. By executing this Agreement, the CONTRACTOR agrees that the CONTRACTOR will exercise that degree of care, knowledge, skill, and ability as any other similarly situated contractor possessing the degree of skill, knowledge, experience, and expertise within the local area, working on similar activities. The CONTRACTOR shall perform the services requested in an efficient manner consistent with the COUNTY's stated objectives and standards.
- B. The CONTRACTOR covenants and agrees that it and its employees, agents, sub-contractors, representatives, volunteers, and the like, shall be bound by the same standards of conduct as stated above.



**SECTION 5.           COMPENSATION.**

- A.    The amount to be paid under this Agreement for services rendered will not exceed Seventy Nine Thousand Two Hundred and 00/100 Dollars (\$79,200 annually, for a total not to exceed amount of Seventy Nine Thousand Two Hundred and 00/100 Dollars (\$79,200) for the term of this Agreement, in accordance with the pricing schedule set forth in **Exhibit "B"** which is attached hereto and made a binding part hereof.
  
- B.    Compensation for services completed by the CONTRACTOR will be paid in accordance with section 218.70, Florida Statutes, Florida's Prompt Payment Act.
  
- C.    Services to be performed in accordance with this Agreement are subject to the annual appropriation of funds by the COUNTY. In its sole discretion, the COUNTY reserves the right to forego use of the CONTRACTOR for any project which may fall within the Scope of Services listed herein. In the event the COUNTY is not satisfied with the services provided by the CONTRACTOR, the COUNTY will hold any amounts due until such time as the CONTRACTOR has appropriately addressed the problem.
  
- D.    The CONTRACTOR will be reimbursed for actual costs incurred, in accordance with the pricing schedule set forth in Exhibit "B", which is attached hereto and made a binding part hereof. All travel expenses will be billed in accordance with Section 112.061, Florida Statutes.

**SECTION 6.           DISCLOSURE OF CONFLICT**

In the event any of the COUNTY'S legislative issues/priorities conflict with issues CONTRACTOR is working on for other clients, then CONTRACTOR shall immediately disclose that conflict or potential conflict to COUNTY.

**SECTION 7.           TERMINATION.**

Either party may terminate this Agreement, with or without cause, given thirty (30) days written notice to the other party.

**SECTION 8.           PAYMENT WHEN SERVICES ARE TERMINATED.**

- A.    In the event of termination of this Agreement by the COUNTY, and not due to the fault of the CONTRACTOR, the COUNTY shall compensate the

CONTRACTOR for all services performed prior to the effective date of termination.

- B. In the event of termination of this Agreement due to the fault of the CONTRACTOR, or at the written request of the CONTRACTOR, the COUNTY shall compensate the CONTRACTOR for all services completed, prior to the effective date of termination, which have resulted in a usable product or otherwise tangible benefit to the COUNTY. All such payments shall be subject to an off-set for any damages incurred by the COUNTY resulting from any delay occasioned by early termination. This provision shall in no way be construed as the sole remedy available to the COUNTY in the event of breach by the CONTRACTOR.

**SECTION 9. INSURANCE.**

- A. The CONTRACTOR shall not commence any work in connection with this Agreement until it has obtained all of the following types of insurance and has provided proof of same to the COUNTY, in the form of a certificate prior to the start of any work, nor shall the CONTRACTOR allow any subcontractor to commence work on its subcontract until all similar insurance required of the subcontractor has been so obtained and approved. All insurance policies shall be with insurers qualified and doing business in Florida.
- B. The CONTRACTOR shall maintain the following types of insurance, with the respective limits:
  - 1. AUTOMOBILE LIABILITY: Combined Property Damage and Bodily Injury, One Million Dollars (\$1,000,000.00) – Any Auto;
  - 2. GENERAL LIABILITY: One Million Dollars (\$1,000,000.00) each occurrence;
  - 3. GENERAL AGGREGATE: Two Million Dollars (\$2,000,000.00); and
  - 4. WORKERS' COMPENSATION: Employers' liability insurance which covers the statutory obligation for all persons engaged in the performance of the work required hereunder with limits not less than One Million Dollars (\$1,000,000.00) per occurrence. Evidence of qualified self-insurance status will suffice for this subsection. The CONTRACTOR understands and acknowledges that it shall be solely responsible for any and all medical and liability costs associated with an injury to itself and/or to its employees, subcontractors, volunteers, and the like, including the costs to defend the COUNTY in the event of litigation against same.

- C. The CONTRACTOR shall provide the COUNTY's Procurement Services with a Certificate of Insurance evidencing such coverage for the duration of this Agreement. Said Certificate of Insurance shall be dated and show:
1. The name of the insured CONTRACTOR,
  2. The specified job by name and job number,
  3. The name of the insurer,
  4. The number of the policy,
  5. The effective date,
  6. The termination date,
  7. A statement that the insurer will mail notice to the COUNTY at least thirty (30) days prior to any material changes in the provisions or cancellation of the policy.
  8. The Certificate Holders Box must read as follows. Any other wording in the Certificate Holders Box shall not be acceptable.

**Osceola County Board of County Commissioners  
c/o Director of Human Resources  
1 Courthouse Square, Suite 4200  
Kissimmee, Florida 34741**

- D. The CONTRACTOR shall name the "Osceola County Board of County Commissioners" as an additional insured and certificate holder, to the extent of the service to be provided under the agreement, on all required insurance policies, and provide the COUNTY with proof of same.
- E. Receipt of certificates or other documentation of insurance or policies or copies of policies by the COUNTY, or by any of its representatives, which indicates less coverage than is required, does not constitute a waiver of the CONTRACTOR's obligation to fulfill the insurance requirements specified herein.
- F. The CONTRACTOR shall ensure that any sub-contractor(s), hired to perform any of the duties contained in the Scope of Services of this Agreement, maintain the same insurance requirements set forth herein. In addition, the CONTRACTOR shall maintain proof of same on file and made readily available upon request by the COUNTY.
- G. The COUNTY shall be exempt from, and in no way liable for, any sums of money which may represent a deductible in any insurance policy. The payment of such deductible shall be the sole responsibility of the CONTRACTOR and/or subcontractor providing such insurance.
- H. All insurance carriers shall have an AM Best Rating of at least A- and a size of VII or larger. The General Liability and Workers' Compensation policies shall have a waiver of subrogation in favor of Osceola County. The liability policies shall be Primary/Non-Contributory.

**SECTION 10. COUNTY OBLIGATIONS.**

At the CONTRACTOR's request, the COUNTY agrees to provide, at no cost, all pertinent information known to be available to the COUNTY to assist the CONTRACTOR in providing and performing the required services.

**SECTION 11. ENTIRE AGREEMENT.**

This Agreement, including referenced exhibits and attachments hereto, constitutes the entire agreement between the parties and shall supersede, replace and nullify any and all prior agreements or understandings, written or oral, relating to the matters set forth herein, and any such prior agreements or understandings shall have no force or effect whatsoever on this Agreement.

**SECTION 12. APPLICABLE LAW, VENUE, JURY TRIAL.**

The laws of the State of Florida shall govern all aspects of this Agreement. In the event it is necessary for either party to initiate legal action regarding this Agreement, venue shall lie in Osceola County, Florida. The parties hereby waive their right to trial by jury in any action, proceeding or claim, arising out of this Agreement, which may be brought by either of the parties hereto.

**SECTION 13. PUBLIC RECORDS.**

- A. **IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT THE FOLLOWING:**

Public Information Office  
1 Courthouse Square, Suite 3100  
Kissimmee, Florida 34741  
407-742-0100  
[BCCPIO@osceola.org](mailto:BCCPIO@osceola.org)

- B. The CONTRACTOR understands that by virtue of this Agreement all of its documents, records and materials of any kind, relating to the relationship created hereby, shall be open to the public for inspection in accordance with Florida law.

If CONTRACTOR will act on behalf of the COUNTY, as provided under section 119.011(2), Florida Statutes, the CONTRACTOR, subject to the terms of section 287.058(1)(c), Florida Statutes, and any other applicable legal and equitable remedies, shall:

1. Keep and maintain public records required by the COUNTY to perform the service.
2. Upon request from the COUNTY'S custodian of public records, provide the COUNTY 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 by Florida 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 the CONTRACTOR does not transfer the records to the COUNTY.
4. Upon completion of the contract, transfer, at no cost, to the COUNTY all public records in possession of the CONTRACTOR or keep and maintain public records required by the COUNTY to perform the service. If the CONTRACTOR transfers all public records to the COUNTY upon completion of the contract, the CONTRACTOR shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirement. If the CONTRACTOR keeps and maintains public records upon completion of the contract, the CONTRACTOR shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the COUNTY, upon request from the COUNTY'S custodian of public records, in a format that is compatible with the information technology systems of the county.
5. If the CONTRACTOR does not comply with a public records request, the COUNTY shall enforce the contract provisions in accordance with the contract.

**SECTION 14. INDEPENDENT CONTRACTOR.**

This Agreement does not create an employee/employer relationship between the parties. It is the parties' intention that the CONTRACTOR, its employees, sub-contractors, representatives, volunteers, and the like, will be an independent contractor and not an employee of the COUNTY for all purposes, including, but not limited to, the application of the following, as amended: the Fair Labor Standards Act minimum wage and overtime payments, the Federal Insurance Contribution Act, the Social Security Act, the Federal Unemployment Tax Act, the

provisions of the Internal Revenue Code, the State of Florida revenue and taxation laws, the State of Florida workers' compensation laws, the State of Florida unemployment insurance laws, and the Florida Retirement System benefits. The CONTRACTOR will retain sole and absolute discretion in the judgment of the manner and means of carrying out the CONTRACTOR's activities and responsibilities hereunder.

**SECTION 15.**            **APPLICABLE LICENSING.**

The CONTRACTOR, at its sole expense, shall obtain all required federal, state, and local licenses, occupational and otherwise, required to successfully provide the services set forth herein.

**SECTION 16.**            **COMPLIANCE WITH ALL LAWS.**

The CONTRACTOR, at its sole expense, shall comply with all laws, ordinances, judicial decisions, orders, and regulations of federal, state, county, and municipal governments, as well as their respective departments, commissions, boards, and officers, which are in effect at the time of execution of this Agreement or are adopted at any time following the execution of this Agreement.

**SECTION 17.**            **INDEMNIFICATION.**

The CONTRACTOR agrees to be liable for any and all damages, losses, and expenses incurred, by the COUNTY, caused by the acts and/or omissions of the CONTRACTOR, or any of its employees, agents, sub-contractors, representatives, volunteers, or the like. The CONTRACTOR agrees to indemnify, defend and hold the COUNTY harmless for any and all claims, suits, judgments or damages, losses and expenses, including but not limited to, court costs, expert witnesses, consultation services and attorney's fees, arising from any and all acts and/or omissions of the CONTRACTOR, or any of its employees, agents, sub-contractors, representatives, volunteers, or the like. Said indemnification, defense, and hold harmless actions shall not be limited by any insurance amounts required hereunder.

**SECTION 18.**            **SOVEREIGN IMMUNITY**

The COUNTY expressly retains all rights, benefits and immunities of sovereign immunity in accordance with Section 768.28, Florida Statutes. Notwithstanding anything set forth in any section, article or paragraph of this Agreement to the contrary, nothing in this Agreement shall be deemed as a waiver of sovereign immunity or limits of liability which may have been adopted by the Florida Legislature or may be adopted by the Florida Legislature, and the cap on the amount and liability of COUNTY for damages, attorney fees and costs, regardless

of the number or nature of claims in tort, equity or contract, shall not exceed the dollar amount set by the Florida Legislature for tort. Nothing in this Agreement shall inure to the benefit of any third party for the purpose of allowing any claim against the COUNTY which would otherwise be barred under the Doctrine of Sovereign Immunity or operation of law.

**SECTION 19.**            **BANKRUPTCY OR INSOLVENCY.**

If the CONTRACTOR shall file a Petition in Bankruptcy, or if the same shall be adjudged bankrupt or insolvent by any Court, or if a receiver of the property of the CONTRACTOR shall be appointed in any proceeding brought by or against the CONTRACTOR, or if the CONTRACTOR shall make an assignment for the benefit of creditors, or proceedings shall be commenced on or against the CONTRACTOR's operations of the premises, the COUNTY may terminate this Agreement immediately notwithstanding the notice requirements of Section 6 hereof.

**SECTION 20.**            **BINDING EFFECT.**

This Agreement shall be binding upon and ensure to the benefit of the parties hereto, their heirs, personal representatives, successors, and/or assigns.

**SECTION 21.**            **ASSIGNMENT.**

This Agreement shall only be assignable by the CONTRACTOR upon the express written consent of the COUNTY.

**SECTION 22.**            **SEVERABILITY.**

All clauses found herein shall act independently of each other. If a clause is found to be illegal or unenforceable, it shall have no effect on any other provision of this Agreement. It is understood by the parties hereto that if any part, term, or provision of this Agreement is by the courts held to be illegal or in conflict with any law of the State of Florida or the United States, the validity of the remaining portions or provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term, or provision held to be invalid.

**SECTION 23.**            **WAIVER.**

Failure of the parties to insist upon strict performance of any of the covenants, terms, provisions, or conditions of this Agreement, or to exercise any right or option herein contained,

shall not be construed as a waiver or a relinquishment for the future of any such covenant, term, provision, condition, or right of election, but same shall remain in full force and effect.

**SECTION 24. NOTICE.**

The parties hereto agree and understand that written notice, mailed or delivered to the last known mailing address, shall constitute sufficient notice to the COUNTY and the CONTRACTOR. All notices required and/or made pursuant to this Agreement to be given to the COUNTY and the CONTRACTOR shall be in writing and given by way of the United States Postal Service, first class mail, postage prepaid, addressed to the following addresses of record:

COUNTY: Osceola County  
Attention: Procurement Services  
1 Courthouse Square, Suite 2300  
Kissimmee, Florida 34741

CONTRACTOR: Southern Strategy Group of Orlando, LLC  
28 W. Central Boulevard, Suite 260  
Orlando, Florida 32801

Southern Strategy Group of Orlando, LLC  
PO Box 10570  
Tallahassee, Florida 32302

**SECTION 25. MODIFICATION.**

The covenants, terms, and provisions of this Agreement may be modified by way of a written instrument, mutually accepted by the parties hereto. In the event of a conflict between the covenants, terms, and/or provisions of this Agreement and any written Amendment(s) hereto, the provisions of the latest executed instrument shall take precedence.

**SECTION 26. HEADINGS.**

All headings of the sections, exhibits, and attachments contained in this Agreement are for the purpose of convenience only and shall not be deemed to expand, limit or change the provisions contained in such sections, exhibits, and attachments.

**SECTION 27. ADMINISTRATIVE PROVISIONS.**

In the event the COUNTY issues a purchase order, memorandum, letter, or any other instrument addressing the services, work, and materials to be provided and performed pursuant to this Agreement, it is hereby specifically agreed and understood that any such purchase order,



memorandum, letter, or other instrument is for the COUNTY's internal purposes only, and any and all terms, provisions, and conditions contained therein, whether printed or written, shall in no way modify the covenants, terms, and provisions of this Agreement and shall have no force or effect thereon.

**SECTION 28. CONFLICT OF INTEREST.**

The CONTRACTOR warrants that the CONTRACTOR has not employed or retained any company or person, other than a bona fide employee working solely for the CONTRACTOR, to solicit or secure this Agreement, and that the 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 Agreement. For the breach or violation of this Paragraph, the COUNTY shall have the right to terminate this Agreement immediately, without liability and without regard to the notice requirements of Section 6 hereof.

**SECTION 29. PUBLIC ENTITY CRIMES.**

As required by section 287.133, Florida Statutes, the CONTRACTOR warrants that it is not on the convicted contractor list for a public entity crime committed within the past thirty six (36) months. The CONTRACTOR further warrants that it will neither utilize the services of, nor contract with, any supplier, sub-contractor, or consultant in connection with this Agreement for a period of thirty six (36) months from the date of being placed on the convicted contractor list.

**SECTION 30. EMPLOYMENT ELIGIBILITY VERIFICATION (E-VERIFY)**

In accordance with State of Florida, Office of the Governor, Executive Order 11-116 (superseding Executive Order 11-02; Verification of Employment Status), in the event performance of this Agreement is or will be funded using state or federal funds, the CONTRACTOR must comply with the Employment Eligibility Verification Program ("E-Verify Program") developed by the federal government to verify the eligibility of individuals to work in the United States and 48 CFR 52.222-54 (as amended) is incorporated herein by reference. If applicable, in accordance with Subpart 22.18 of the Federal Acquisition Register, the CONTRACTOR must (1) enroll in the E-Verify Program, (2) use E-Verify to verify the employment eligibility of all new hires working in the United States, except if the CONTRACTOR is a state or local government, the CONTRACTOR may choose to verify only new hires assigned to the Agreement; (3) use E-Verify to verify the employment eligibility of all employees assigned to the Agreement; and (4) include these requirement in certain subcontract, such as construction. Information on registration for and use of the E-Verify Program can be

obtained via the internet at the Department of Homeland Security Web site: <http://www.dhs.gov/E-Verify>.

**SECTION 31. JOINT AUTHORSHIP.**

This Agreement shall be construed as resulting from joint negotiation and authorship. No part of this Agreement shall be construed as the product of any one of the parties hereto.

**SECTION 32. EQUAL OPPORTUNITY EMPLOYER.**

The CONTRACTOR is an Equal Opportunity Employer and will comply with all equal opportunity employment laws. The CONTRACTOR will further ensure that all sub-contractors it utilizes in providing the services required hereunder will comply with all equal opportunity employment laws.

**SECTION 33. AUDITING, RECORDS, AND INSPECTION.**

In the performance of this Agreement, the CONTRACTOR shall keep books, records, and accounts of all activities, related to the Agreement, in compliance with generally accepted accounting procedures. Throughout the term of this Agreement, books, records, and accounts related to the performance of this Agreement shall be open to inspection during regular business hours by an authorized representative of the COUNTY, and shall be retained by the CONTRACTOR for a period of three years after termination or completion of the Agreement, or until the full County audit is complete, whichever comes first. The COUNTY shall retain the right to audit the books during the three-year retention period. All books, records, and accounts related to the performance of this Agreement shall be subject to the applicable provisions of the Florida Public Records Act, chapter 119, Florida Statutes. The COUNTY also has the right to conduct an audit within sixty (60) days from the effective date of this Agreement to determine whether the CONTRACTOR has the ability to fulfill its contractual obligations to the satisfaction of the COUNTY. The COUNTY has the right to terminate this Agreement based upon its findings in this audit without regard to the termination provision set forth herein.

**SECTION 34. PROJECT MANAGERS.**

The COUNTY and the CONTRACTOR have identified individuals as Project Managers, listed below, who shall have the responsibility for managing the work performed under this Agreement. The person or individual identified by the CONTRACTOR to serve as its Project Manager for this Agreement, or any replacement thereof, is subject to prior written approval and acceptance of the COUNTY. If the COUNTY or CONTRACTOR replace their current Project Manager with another individual, an amendment to this agreement shall not be required. The

COUNTY will notify the CONTRACTOR, in writing, if the current COUNTY Project Manager is replaced by another individual.

A. The COUNTY Project Manager's contact information is as follows:

Don Fisher, County Manager  
Osceola County Administration  
1 Courthouse Square, Suite 4100  
Kissimmee, Florida 34741  
Phone: (407) 742-2385  
Email: [dfis@osceola.org](mailto:dfis@osceola.org)

B. The CONTRACTOR Project Manager's contact information is as follows:

Kelly Cohen  
Southern Strategy Group of Orlando, LLC  
28 W. Central Boulevard, Suite 260  
Orlando, Florida 32801  
Phone: (407) 650-5052  
Email: [cohen@sostrategy.com](mailto:cohen@sostrategy.com)

**SECTION 35. PUBLIC EMERGENCIES.**

It is hereby made a part of this Agreement that before, during, and after a public emergency, disaster, hurricane, tornado, flood, or other acts of God, Osceola County shall require a "First Priority" for goods and services. It is vital and imperative that the health, safety, and welfare of the citizens of Osceola County are protected from any emergency situation that threatens public health and safety as determined by the COUNTY. The CONTRACTOR agrees to rent/sell/lease all goods and services to the COUNTY or governmental entities on a "first priority" basis. The COUNTY expects to pay contractual prices for all products and/or services under this Agreement in the event of a disaster, emergency, hurricane, tornado, flood, or other acts of God. Should the CONTRACTOR provide the COUNTY with products and/or services not under this Agreement, the COUNTY expects to pay a fair and reasonable price for all products and/or services rendered or contracted in the event of a disaster, emergency, hurricane, tornado, flood, or other acts of God.

**SECTION 36. INVOICE**

The invoice for February 2017 will be pro-rated based on the date of execution of this agreement.

**SECTION 37.      PAYMENTS**

All payments by the COUNTY will be remitted to Southern Strategy Group of Orlando, LLC at P.O. Box 10570, Tallahassee, Florida 32302

**SIGNATURE PAGE TO FOLLOW**

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have executed this Agreement effective the 23<sup>rd</sup> day of February, 2018.

**BOARD OF COUNTY COMMISSIONERS  
OF OSCEOLA COUNTY, FLORIDA**

By: [Signature]  
County Manager/Designee

**SOUTHERN STRATEGY GROUP  
OF ORLANDO, LLC**

By: [Signature]

Print: Kelly Cohen

Title: Managing Partner

STATE OF FLORIDA  
COUNTY OF Orange

The foregoing instrument was executed before me this 23<sup>rd</sup> day of February, 2018, by Kelly Cohen as Managing Partner of Southern Strategy Group of Orlando, LLC who personally swore or affirmed that he/she is authorized to execute this Agreement and thereby bind the Corporation, and who is personally known to me OR has produced \_\_\_\_\_ as identification.

[Signature]  
NOTARY PUBLIC, State of Florida

(stamp)

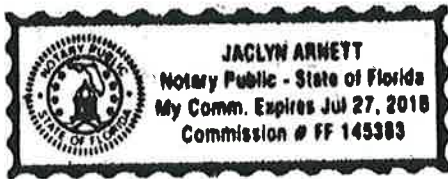


Exhibit "A"



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28 W. CENTRAL BLVD , SUITE 260 • ORLANDO, FL 32801 • (P) 407.650.5052 • (F) 407.650.2069 • SOSTRATEGY.COM

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February 8, 2018

Don Fisher  
County Manager  
Osceola County  
1 Courthouse Square  
Kissimmee, FL 34741

Re: Retainer Agreement with Southern Strategy Group of Orlando, LLC

Dear Mr. Don Fisher:

Thank you very much for your interest in Southern Strategy Group of Orlando, LLC. We appreciate the opportunity to provide lobbying services to Osceola County in Central Florida. Southern Strategy Group of Orlando, LLC is committed to providing the highest level of service in furtherance of your goals. This agreement will describe the terms under which that representation will occur.

You have asked that we represent Osceola County in the following capacities: 1) as a consultant on issues relating to International Consortium for Advanced Manufacturing Research; 2) to set up meetings, build relationships, and advocate to elected and appointed officials and community leaders on behalf of Osceola County; 3) to work on regional economic development initiatives. Southern Strategy Group will also be responsible for contracting, managing, and paying a local public relations team. The entire team of Southern Strategy Group of Orlando, LLC's lobbyists will be available to advance Osceola County's interests. You may wish to review in detail the qualifications of the team at [www.sostrategy.com](http://www.sostrategy.com). However, to ensure your needs are efficiently and fully addressed, I will be the primary contact for this representation.

In exchange for these services, Osceola County has agreed to pay Southern Strategy Group of Orlando, \$6,000 per month beginning February 13, 2018. Southern Strategy Group of Orlando, LLC will send an invoice on the first of each month for the current month's services and payment is due by the end of each month. All payments should be remitted to P.O. Box 10570, Tallahassee, FL 32302. This agreement will proceed on a month-to-month basis until February 12, 2019 and may be terminated by either party upon receipt of 30 days written notice. Costs directly attributable to the performance of this work will be billed in addition to the monthly retainer, and these costs may include travel and other expenses incurred on Osceola County's behalf. No monthly costs that in the aggregate exceed \$500 will be incurred without your prior approval. Also, by signing below, you agree that you will complete any forms necessary to comply with lobbyist registration requirements under Florida law that may arise as a result of our representation of Osceola County during the term of this contract or after its termination should reporting periods overlap.

**EVERY  
INDUSTRY**

**EVERY  
INTEREST**


**POWERFUL  
ADVOCACY  
BEGINS HERE**

Please be aware that Florida has a lobbying fee disclosure law that requires quarterly disclosure of fees. Please review the attached fee disclosure form to fully understand this regulatory requirement and ensure that you agree with the information we will be submitting to comply with it.

It should also be noted that Southern Strategy Group of Orlando, LLC has affiliated offices in other states and within the state of Florida. Southern Strategy Group of Orlando, LLC has a policy of declining representation of clients when that representation would immediately create a direct conflict with other clients in the region in which the representation occurs. You have retained Southern Strategy Group of Orlando, LLC for representation in Central Florida, and we know of no conflicts with our current clients. In order to ensure the candor and trust in our relationship that forms the basis of effective representation, it is the policy of Southern Strategy Group of Orlando, LLC to keep confidential within each office all information about your business interests and strategies.


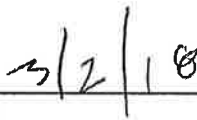
I believe the above reflects our understanding. If it does, please sign this agreement and return with the enclosed client information form. I appreciate your attention to this matter and look forward to working with you. Please never hesitate to contact me if we can assist Osceola County in any way.

Sincerely,



Kelly Cohen

Enclosures

  
\_\_\_\_\_  
For Don Fisher  
\_\_\_\_\_  
Date

**Florida Lobbying Fee Disclosure**

Under Section 112.3215, Florida Statutes, lobbying firms in Florida are required on a quarterly basis to publicly disclose fees billed or received from clients for lobbying efforts at the state level. The law mandates that lobbying firms allocate fees between lobbying and non-lobbying services, legislative and executive branch lobbying, and lobbying performed by the firm that occurred at other levels of government.

Having discussed with your organization the scope of services that Southern Strategy Group will be performing on your behalf, set forth below are the allocations we intend to disclose to the State while representing you. If during the course of performing these services we find that the allocations do not accurately reflect our lobbying effort on your behalf, we will write to inform you of a change in the allocations. Should you disagree with the allocations made below, please contact us in writing to express your thoughts.

**Lobbying Services\* vs. Non-Lobbying Services**

Compensation under this contract is paid exclusively for lobbying services, and no compensation is being paid for non-lobbying services. Therefore, all compensation paid under this contract should be allocated to lobbying services.

Some compensation paid under this contract is for non-lobbying services, and 40% of compensation will be allocated to lobbying services and 60% will be allocated to non-lobbying services.

**\*Southern Strategy Group is exclusively a lobbying firm. We do not offer other services to clients including: legal, business consulting, public relations.**

**State Level Lobbying vs. Lobbying Other Levels of Government**

Compensation under this contract is paid exclusively for state level lobbying in Florida, and no compensation is being paid for lobbying services performed at other levels of government, in other states, or the federal level.

Some compensation paid under this contract is for non-State level lobbying services, and 0% of compensation will be allocated to State-level lobbying services and 100% will be allocated to non-State level lobbying services.

**Florida Legislative Lobbying vs. Florida Executive Lobbying**

	Legislative	Executive
Q1	N/A%	N/A%
Q2	N/A%	N/A%
Q3	N/A%	N/A%
Q4	N/A%	N/A%

I, Kelly Cohen (primary lobbyist for representation) affirm I have completed this form using Southern Strategy Group's fact-based method in providing allocations for the above referenced client.

  
Signature

2/08/18  
Date

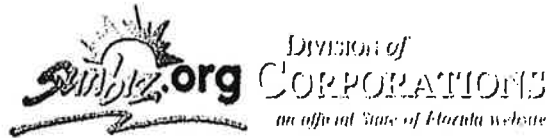


**Exhibit "B"**  
**Pricing Schedule**

<b>Item</b>	<b>Description</b>	<b>Monthly Fee</b>	<b>Quantity</b>	<b>Amount</b>
<b>1.</b>	<b>Monthly Retainer Fee</b>	<b>\$6,000</b>	<b>12</b>	<b>\$72,000</b>
<b>2.</b>	<b>Total Out of Pocket Expenses (Reimbursement for actual costs incurred)</b>			<b>\$7,200</b>
<b>Total Not to Exceed</b>				<b>\$79,200</b>

**Exhibit "B"**  
**Pricing Schedule**

<b>Item</b>	<b>Description</b>	<b>Monthly Fee</b>	<b>Quantity</b>	<b>Amount</b>
1.	Monthly Retainer Fee	\$6,000	12	\$72,000
2.	Total Out of Pocket Expenses (Reimbursement for actual costs incurred)			\$7,200
<b>Total Not to Exceed</b>				<b>\$79,200</b>



[Department of State](#) / [Division of Corporations](#) / [Search Records](#) / [Detail By Document Number](#) /

### Detail by Entity Name

Florida Limited Liability Company  
SOUTHERN STRATEGY GROUP OF ORLANDO, LLC

Filing Information

<b>Document Number</b>	L05000044452
<b>FEI/EIN Number</b>	20-2765854
<b>Date Filed</b>	05/05/2005
<b>State</b>	FL
<b>Status</b>	ACTIVE

Principal Address

28 W. Central Blvd.  
Suite 260  
ORLANDO, FL 32801

Changed: 02/19/2014

Mailing Address

P.O. BOX 10570  
TALLAHASSEE, FL 32302

Changed: 06/22/2006

Registered Agent Name & Address

BRADSHAW, PAUL  
123 S. ADAMS  
TALLAHASSEE, FL 32301

Name Changed: 06/22/2006

Address Changed: 02/14/2012

Authorized Person(s) Detail

**Name & Address**

Title MGR

COHEN, KELLY  
28 W. CENTRAL BLVD.  
SUITE 260  
ORLANDO, FL 32801

Title MGR

SOUTHERN STRATEGY GROUP, INC.  
 PO Box 10570  
 TALLAHASSEE, FL 32302

Annual Reports

Report Year	Filed Date
2015	03/10/2015
2016	04/05/2016
2017	03/17/2017

Document Images

<a href="#">03/17/2017 -- ANNUAL REPORT</a>	<a href="#">View image in PDF format</a>
<a href="#">04/05/2016 -- ANNUAL REPORT</a>	<a href="#">View image in PDF format</a>
<a href="#">03/10/2015 -- ANNUAL REPORT</a>	<a href="#">View image in PDF format</a>
<a href="#">02/19/2014 -- ANNUAL REPORT</a>	<a href="#">View image in PDF format</a>
<a href="#">03/05/2013 -- ANNUAL REPORT</a>	<a href="#">View image in PDF format</a>
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<a href="#">06/22/2006 -- ANNUAL REPORT</a>	<a href="#">View image in PDF format</a>
<a href="#">05/05/2005 -- Florida Limited Liabilities</a>	<a href="#">View image in PDF format</a>

Florida Department of State, Division of Corporations

# **CONSENT AGENDA ITEM**

## **#2**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

MEMORANDUM

TO: CFX Board Members

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

DATE: September 25, 2018

SUBJECT: Construction Contract Modifications

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

Project No.	Contractor	Contract Description	Original Contract Amount (\$)	Previous Authorized Adjustments (\$)	Requested (\$) October 2018	Total Amount (\$) to Date*	Time Increase or Decrease
599-632	Traffic Control Products	Systemwide E-ZPass Signage Installation	\$ 105,000.00	\$ (4,701.00)	\$ 850.00	\$ 101,149.00	0
408-127	The Lane Construction Corp.	SR 408 Widening, Hiwassee Rd. to Good Homes Rd.	\$ 23,569,000.00	\$ 1,023,715.09	\$ (85,053.72)	\$ 24,507,661.37	0
599-546	Traffic Control Devices, Inc.	Tolling Infrastructure for the GOAA Rental Car Project	\$ 501,111.90	\$ -	\$ 8,047.70	\$ 509,159.60	0
528-145	Masci General Contractor, inc.	SR 528/Boggy Creek Rd. Interchange Improvements	\$ 683,936.93	\$ -	\$ (97,516.31)	\$ 586,420.62	0
599-413	Rieker Duley Construction	CFX HQ Building 1st & 3rd Floor Renovations	\$ 1,050,611.00	\$ -	\$ 26,913.60	\$ 1,077,524.60	0
429-654D	Southland Construction Inc.	SR 429/CR 535 Northbound Entrance Ramp Improvements	\$ 3,989,898.98	\$ -	\$ 211,400.14	\$ 4,201,299.12	21
<b>TOTAL</b>					<b>\$ 64,641.41</b>		

\* Includes Requested Amount for this current month.

Reviewed By: Joseph A. Berenis  
Joseph A. Berenis, P.E., Chief of Infrastructure

**Contract 599-632: Systemwide E-ZPass Signage Installation**  
**Traffic Control Products**  
**SA 599-632-1018-02**

Adjustments to Final Quantities for Completed Contract Items

Adjust this contract quantity to reflect the actual authorized or field measured quantity installed under the contract.

INCREASE THE FOLLOWING ITEM:

Single Post Sign, Relocate

\$ 850.00

**TOTAL AMOUNT FOR PROJECT 599-632**

**\$ 850.00**

**Contract 408-127: SR 408 Widening, Hiawassee Rd. to Good Homes Rd.  
The Lane Construction Corp.  
SA 408-127-1018-09**

Adjustments to Final Quantities for Completed Contract Items

Adjust the following contract quantities to reflect the actual authorized or field measured quantities installed under the contract.

INCREASE THE FOLLOWING ITEMS:

Superpave Asphaltic Concrete, Traffic C, PG 76-22 PMA	\$ 110,415.60
Asphaltic Friction Course, Traffic C, FC-12.5, PG 76-22 PMA	\$ 435.88
Fiber Optic Cable, Relocate, Underground	\$ 329.80
Fiber Optic Connection, Install, Splice	\$ 474.00
Pull and Splice Box, F&I, 13"x24" Cover Size	\$ 3,012.00
Electrical Service Wire	\$ 682.50
Vehicle Detection System-Video, F&I, Above Ground Equipment	\$ 3,426.00
Single Post Sign, F&I, Barrier Mount Index, 12-20 SF	\$ 4,565.00
Single Post Sign, Remove	\$ 117.00
	<u>\$ 123,457.78</u>

DECREASE THE FOLLOWING ITEMS:

Superpave Asphaltic Concrete, Traffic C	\$ (174,811.35)
Fiber Optic Cable Inventory	\$ (1,101.00)
Fiber Optic Splice Housing Inventory	\$ (1,835.00)
72 SM Fiber Optic Cable, Re-Pull	\$ (25,690.60)
Fiber Optic Splice Enclosure, Re-Entry	\$ (914.00)
Fiber Optic Fusion Splice	\$ (17,380.00)
Pull Box, F&I	\$ (814.00)
Fiber Optic, 6" Split PVC Sleeve, Trench or Plow, F&I	\$ (22,632.00)
Ethernet Switch, F&I	\$ (2,542.00)
Fiber Optic Patch Panel, 12 Port, F&I	\$ (1,496.00)
Cut-To-Length Fiber Optic Jumper, F&I	\$ (226.00)
	<u>\$ (249,441.95)</u>

Subtotal: Adjustments to Final Quantities for Completed Contract Items \$ (125,984.17)

Repair Existing Storm Drainage and associated Erosion at Sta. 653 EB

A damaged corrugated metal slope drainage pipe at Sta. 653 EB caused significant erosion. The condition did not affect the travel lanes. It was necessary to repair the embankment slope, drainage pipes and light pole to prevent future erosion or damage to the roadway.

ADD THE FOLLOWING ITEM:

Repair Erosion at Sta. 653 EB	\$ 40,930.45
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**TOTAL AMOUNT FOR PROJECT 408-127** **\$ (85,053.72)**



**Contract 599-546: Tolling Infrastructure for the GOAA Rental Car Project**  
**Traffic Control Devices, Inc.**  
**SA 599-546-1018-01**

Adjustments to Final Quantities for Completed Contract Items

Adjust the quantities of the following existing contract pay items to reflect the actual quantity authorized and installed under the contract.

INCREASE THE FOLLOWING ITEMS:

Fiber Optic Cable, 12SM, Includes Terminations	\$	24,246.25
Conduit, 2-2" Directional Bore	\$	874.00
Conduit, 3-2" Open Trench	\$	4,667.25
Electrical Power Service, F&I, Underground, Meter Purchased by Contractor	\$	7,265.00
Electrical Service Disconnect, F&I, Pole Mount	\$	3,060.00
Concrete Pedestal Pole	\$	6,600.00
Cabinet Foundation Only	\$	2,925.00
	\$	<u>49,637.50</u>

DECREASE THE FOLLOWING ITEMS:

Fiber Optic Cable, F&I, Overhead, 2-12 Fibers	\$	(2,248.00)
Messenger Wires, F&I	\$	(555.75)
Pull and Splice Box, F&I, 24"x36" Cover Size	\$	(4,360.00)
Conduit, 2-2" Open Trench	\$	(1,087.80)
Conduit, 3-2" Above Ground	\$	(5,610.00)
Conduit, 1-2" RGS Bridge/Ceiling Mounts	\$	(4,560.00)
Conduit, 1-2" RGS Wall Mounts	\$	(3,825.00)
Electrical Service Wire #6	\$	(10,512.00)
Wood Pole	\$	(10,620.00)
Work Order Allowance	\$	(50,000.00)
Permitting	\$	(50,000.00)
Disputes Review Board	\$	(5,000.00)
	\$	<u>(148,378.55)</u>

Subtotal: Adjustments to Final Quantities for Completed Contract Items \$ (98,741.05)

Plan Revision 1

Plan Revision 1 revised the scope of work after field reviews of existing utilities and geotechnical reviews of mast arm and camera pole foundations located within GOAA property.

ADD THE FOLLOWING ITEMS:

Additional Maintenance of Traffic and Signs	\$	4,850.00
Junction Box, Surface Mounted, F&I	\$	2,460.00
3-2" Directional Bore HDPE Conduit, F&I	\$	1,120.00
Conduit Proofing	\$	2,100.00
#4 AWG Electrical Service Wire, F&I	\$	7,091.25
Steel Pole Foundation Only, F&I	\$	(29,250.00)
Steel Pole Foundation Only, F&I, Spread Footer	\$	63,550.00
Mast Arm Assembly, Drilled Shaft Foundation Only	\$	74,125.00
Aluminum Mast Arm Assembly, Single Arm Install Only	\$	(19,257.50)
	\$	<u>106,788.75</u>

Subtotal: Plan Revision 1 \$ 106,788.75

**TOTAL AMOUNT FOR PROJECT 599-546** **\$ 8,047.70**

**Contract 528-145: SR 528/Boggy Creek Rd. Interchange Improvements**  
**Masci General Contractor, Inc.**  
**SA 528-145-1018-01**

Adjustment to Final Quantities for Completed Contract Items

Adjust the quantities of the following existing contract pay items to reflect the actual quantity authorized and installed under the contract.

INCREASE THE FOLLOWING ITEMS:

Portable Changeable Message Sign, Temporary	\$	429.60
Asphalt Concrete Friction Course, Traffic C, FC-12.5, PG 76-22	\$	4,664.23
Thermoplastic, Standard, White, Solid for Crosswalk and Roundabout, 12"	\$	61.00
Thermoplastic, Standard, White, Solid for Stop Line or Crosswalk, 24"	\$	117.30
Thermoplastic, Standard, Other Surfaces, White, Solid, 6"	\$	148.58
Thermoplastic, Standard, Other Surfaces, White, Solid, 8"	\$	150.88
Thermoplastic, Standard, Other Surfaces, White, 10-30 Skip, 6"	\$	13.80
Thermoplastic, Standard, Other Surfaces, Yellow, Solid, 6"	\$	425.04
Preformed Tape, High Performance, White, Solid, 12"	\$	10.35
	\$	<u>6,020.78</u>

DECREASE THE FOLLOWING ITEMS:

Mowing	\$	(2,881.00)
Thermoplastic, Standard, White, Solid for Diagonal or Chevron, 18"	\$	(76.68)
Thermoplastic, Standard, Yellow, Solid for Diagonal or Chevron, 18"	\$	(756.00)
Preformed Tape, High Performance, White, Solid, 8"	\$	(82.80)
Work Order Allowance	\$	<u>(100,000.00)</u>
	\$	<u>(103,796.48)</u>

Subtotal: Adjustment to Final Quantities for Completed Contract Items \$ (97,775.70)

Fuel Adjustments

The contract contains provisions for fuel price index adjustments. In accordance with the contract specifications, the engineer has calculated this adjustment for the period of January 2017 – February 2018. Adjustments are made only if the current month fuel price is greater than or less than 5% of bid/base fuel price.

ADD THE FOLLOWING ITEMS:

Fuel Price Index Adjustment: April 2018 – May 2018	\$	259.39
--	----	--------

**TOTAL AMOUNT FOR PROJECT 528-145** \$ **(97,516.31)**

**Contract 599-413: CFX HQ Building 1st & 3rd Floor Renovations**  
**Rieker Duley Construction**  
**SA 599-413-1018-01**

First Floor Workstation - Wall Height

This modification was required to correct the height of the work station as originally designed from 48" to 64".

ADD THE FOLLOWING ITEM:

Cubicle Height Increase for 1st Floor Work Stations	\$	26,913.60
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<b><u>TOTAL AMOUNT FOR PROJECT 599-413</u></b>	<b>\$</b>	<b><u>26,913.60</u></b>
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**Contract 429-654D: SR 429/CR 535 Northbound Entrance Ramp Improvements**  
**Southland Construction, Inc.**  
**SA 429-654D-1018-01**

Ramp Terminal Signing & Pavement Marking Improvements on CFX System

All labor, materials, equipment and incidentals necessary to construct work originally proposed under CFX project 599-155 will be included in the current CFX project 429-654D. This project was advertised for bids two separate times by CFX and then after no bids were received, CFX invited three firms to bid the project. No bids were received. This time sensitive work now is being added to this project.

ADD THE FOLLOWING ITEMS:

Mobilization	\$	23,989.00
Maintenance of Traffic	\$	27,402.60
Single Post Sign, F&I, GM, <12SF	\$	28,445.04
Single Post Sign, F&I, GM, 12-20SF	\$	20,759.00
Single Post Sign, F&I, GM, 21-30SF	\$	32,436.00
Single Post Sign, F&I, Wall Mount <12SF	\$	1,575.00
Single Post Sign, Remove	\$	7,602.00
Retro-Reflective Sign Strip F/15'	\$	1,662.00
Single Sign Panel, Remove	\$	218.00
Retro-Reflective Pavement Markers	\$	4,240.00
Thermoplastic Standard White Solid, 6"	\$	375.00
Thermoplastic Standard White Solid, 8"	\$	221.00
Thermoplastic Standard White Solid, 18"	\$	337.50
Thermoplastic Standard White Skip, 6"	\$	340.00
Thermoplastic Standard Yellow Solid, 6"	\$	6,112.50
Thermoplastic Standard Yellow Solid, 18"	\$	3,213.00
Thermoplastic Standard Yellow Skip, 6"	\$	13,912.50
Thermoplastic Standard White Message	\$	23,790.00
Thermoplastic Preformed White Message, Contrast	\$	1,750.00
Thermoplastic Standard White Arrow	\$	9,720.00
Thermoplastic Preformed White Arrow, Contrast	\$	900.00
Remove Existing Thermo, Grinding	\$	2,400.00
	\$	<u>211,400.14</u>

Increase Contract Time 31 Calendar Days

**TOTAL AMOUNT FOR PROJECT 429-654D**


**\$ 211,400.14**

**CONSENT AGENDA ITEM  
#3**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: Aneth Williams   
Director of Procurement

DATE: September 25, 2018

SUBJECT: Approval of Contract Award to Ardaman & Associates, Inc. and Terracon Consultants, Inc. for Systemwide Materials Testing and Geotechnical Services Contract Nos. 001434 and 001435

---

Letters of Interest was advertised on July 15, 2018. Responses were received from seven (7) firms by the deadline. Those firms were: Ardaman & Associates, Inc., Elipsis Engineering & Consulting, LLC, Page One Consultants, Inc., Professional Service Industries, Inc., Terracon Consultants, Inc., Tierra South Florida, Inc. and Universal Engineering Sciences, Inc.

The Evaluation Committee met on August 15, 2018 and after reviewing the Letters of Interest shortlisted Ardaman & Associates, Inc., Page One Consultants, Inc., Terracon Consultants, Inc. and Universal Engineering Sciences, Inc.

As part of the scoring process, the Technical Review committee heard oral presentations from the firms on September 20, 2018. After the oral presentations were completed, the Technical Review Committee prepared its final ranking. The result of that process is shown below:

<u>Ranking</u>	<u>Firm</u>
1	Ardaman & Associates, Inc.
2	Terracon Consultants, Inc.
3	Universal engineering Sciences, Inc.
4	Page One Consultants, Inc.

Board award of contracts to Ardaman & Associates, Inc. and Terracon Consultants, Inc. for a not-to-exceed amount of \$2.5 million each for a three-year term with two one-year renewals is requested. The contracts will be task order driven with manhours and fees negotiated for each project.

These contracts are components of projects included in the Five-Year Work Plan.

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



**LOI-001434 & 001435 Committee Meeting - September 20, 2018 Minutes**

Technical Review Committee for **Professional Engineering Consultant Services for Systemwide Materials Testing and Geotechnical Services; Contract No. 001434 & 001435**, held a duly noticed meeting on Thursday, September 20, 2018 at 9:00 a.m. in the Pelican Conference Room (Room 107), at the CFX Administrative Bldg., Orlando, Florida.

**Committee Members Present:**

Ben Dreiling, Director of Construction  
Glenn Pressimone, Director of Engineering  
Jack Burch, Manager of Construction

**Other Attendees:**

Aneth Williams, Director of Procurement

**Presentations / Q and A:**

Aneth began each interview with a brief overview of the process and introduced the Technical Review Committee. This portion of the meeting is closed to the public and is recorded in accordance with Florida Statute.

Ardaman & Associates, Inc.	9:00 – 9:35 a.m.
Page One Consultants, Inc.	9:45 – 10:20 a.m.
Terracon Consultants, Inc.	10:30 – 11:05 a.m.
Universal Engineering Sciences, Inc.	11:15 – 11:50 a.m.

**Evaluation Portion:**

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. The score sheets were tallied by 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>
Ardaman & Associates, Inc.	3	1
Page One Consultants, Inc.	12	4
Terracon Consultants, Inc.	6	2
Universal Engineering Sciences, Inc.	9	3

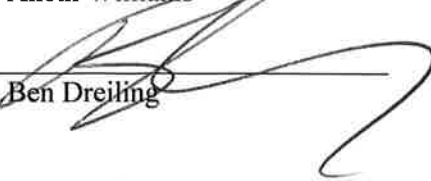
The Committee recommends CFX Board approve award of contracts to Ardaman & Associates, Inc. and Terracon Consultants, Inc. It was agreed that Ben Dreiling would review and approve the minutes on behalf of the Committee.

There being no other business to come before the Committee; the meeting was adjourned at 12:50 p.m. These minutes are considered to be the official minutes of the Technical Review Committee meeting held Thursday, September 20, 2018, and no other notes, tapes, etc., taken by anyone takes precedence.

Submitted by:

  
Aneth Williams

Approved by:

  
Ben Dreiling

CENTRAL FLORIDA EXPRESSWAY AUTHORITY


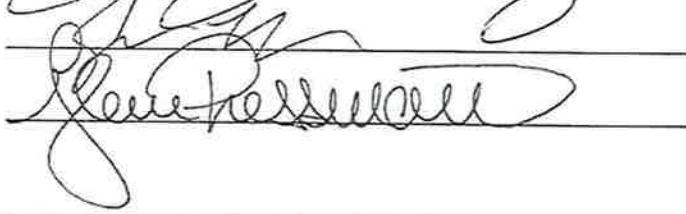
TECHNICAL COMMITTEE MEMBER FINAL SUMMARY RANKING

PROFESSIONAL ENGINEERING CONSULTANT SERVICES FOR SYSTEMWIDE MATERIALS TESTING AND GEOTECHNICAL SERVICES

CONTRACT NOS. 001434 & 001435

CONSULTANT	Glenn Pressimone Score	Ben Dreiling Score	Jack Burch Score			TOTAL SCORE	RANKING
ARDAMAN & ASSOCIATES, INC.	1	1	1			3	1
PAGE ONE CONSULTANTS INC.	4	4	4			12	4
TERRACON CONSULTANTS, INC.	2	2	2			6	2
UNIVERSAL ENGINEERING SCIENCES, INC	3	3	3			9	3

EVALUATION COMMITTEE MEMBERS:

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

Date: Thursday, September 20, 2018

Date: Thursday, September 20, 2018

Date: Thursday, September 20, 2018

Date: Thursday, September 20, 2018



# **AGREEMENT**

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
AND  
ARDAMAN & ASSOCIATES, INC.**

**SYSTEMWIDE MATERIALS TESTING AND GEOTECHNICAL  
SERVICES**

**CONTRACT NO. 001434**

**CONTRACT DATE: OCTOBER 11, 2018  
CONTRACT AMOUNT: \$2,500,000.00**

**AGREEMENT, SCOPE OF SERVICES, METHOD OF  
COMPENSATION, DETAILS OF COSTS AND FEES,  
AND PROJECT ORGANIZATIONAL CHART**

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**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
AGREEMENT FOR MATERIALS TESTING AND GEOTECHNICAL SERVICES  
CONTRACT NO. 001434**

THIS AGREEMENT, made and entered into this 11<sup>th</sup> day of October, 2018, by and between the CENTRAL FLORIDA EXPRESSWAY AUTHORITY, a corporate body and agency of the State of Florida, created by Chapter 63-573 Laws of Florida, 1963, (Chapter 348, Part V, Florida Statutes) hereinafter called the “CFX” and ARDAMAN & ASSOCIATES, INC., hereinafter called “CONSULTANT”, registered and authorized to conduct business in the State of Florida, carrying on professional practice in engineering with offices located at 8008 S. Orange Avenue, FL 32809.

WITNESSETH:

WHEREAS, CONSULTANT represents that it is fully qualified and authorized to render the professional services contracted herein.

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

1.0. DEFINITIONS.

Reference herein to the Project Manager shall mean CFX’s Director of Construction or his authorized designee. The Project Manager shall provide the management and technical direction for this Agreement on behalf of CFX. All technical and administrative provisions of this Agreement shall be managed by the Project Manager and the CONSULTANT shall comply with all of the directives of the Project Manager that are within the purview of this Agreement. Decisions concerning Agreement amendments and adjustments, such as time extensions and supplemental agreements shall be made by the Project Manager.

2.0. SERVICES TO BE PROVIDED

CFX does hereby retain the CONSULTANT to furnish materials testing and geotechnical services required by CFX. CFX is engaging the CONSULTANT to provide support personnel on an as-needed, per project basis for soil exploration, geotechnical exploration testing, highway materials testing, foundations studies, construction materials sampling, testing and reporting, pavement evaluation and reporting.

The work covered by this Agreement includes providing materials testing and geotechnical services for a variety of CFX projects including, but not necessarily limited to, roadway and bridge construction, signing construction, roadway lighting construction, drainage modifications/construction, utility construction, and toll facility renovations/modifications/construction.

The CONSULTANT and CFX mutually agree to furnish, each to the other, the respective services, information and items as described in **Exhibit “A”**, Scope of Services, attached hereto and made a part hereof.

Before any additions or deletions to the work described in **Exhibit "A"**, and before undertaking any changes or revisions to such work, the parties shall negotiate any necessary cost changes and shall enter into a Supplemental Amendment covering such modifications and the compensation to be paid therefore.

Reference herein to this Agreement shall be considered to include any Supplemental Agreement thereto.

This Agreement is considered a non-exclusive Agreement between the parties.

### 3.0. TERM OF AGREEMENT AND RENEWALS

Unless otherwise provided herein or by Supplemental Agreement, the provisions of this Agreement will remain in full force and effect for a three year term from the date of the Notice to Proceed for the first task assignment. Renewal of this Agreement for up to two renewals periods may be exercised by CFX at its sole discretion. Renewals will be based, in part, on a determination by CFX that the value and level of service provided by the CONSULTANT are satisfactory and adequate for CFX's needs. If a renewal option is exercised, CFX will provide CONSULTANT with written notice of its intent at least thirty (30) days prior to the expiration of the original term and subsequent renewal, if any.

The CONSULTANT agrees to commence the scheduled services for each assigned project within ten (10) calendar days from the date specified in the written Notice to Proceed from the Project Manager, which notice to proceed will become part of this Agreement. The CONSULTANT shall complete scheduled project services within the timeframe(s) agreed to by the parties or as may be modified by subsequent Supplemental Agreement.

### 4.0. PROJECT SCHEDULE

It shall be the responsibility of the CONSULTANT to ensure at all times that sufficient time remains within the project schedule within which to complete the services on the project. In the event there have been delays which would affect the scheduled project completion date, the CONSULTANT shall submit a written request to CFX which identifies the reason(s) for the delay, the amount of time related to each reason and specific indication as to whether or not the delays were concurrent with one another. CFX will review the request and make a determination as to granting all or part of the requested extension.

In the event the scheduled project completion date is reached, and the CONSULTANT has not requested, or if CFX has denied, an extension of the completion date, partial progress payments will be stopped when the scheduled project completion date is met. No further payment for the project will be made until a time extension is granted or all work has been completed and accepted by CFX.

### 5.0. PROFESSIONAL STAFF

The CONSULTANT shall maintain an adequate and competent professional staff to enable the CONSULTANT to timely perform under this Agreement. The CONSULTANT shall continue to be authorized to do business within the State of Florida. In the performance of these professional services, the CONSULTANT shall use that degree of care and skill ordinarily exercised by other similar

professionals in the field under similar conditions in similar localities. The CONSULTANT shall use due care in performing the required services and shall have due regard for acceptable standards of construction engineering and inspection principles. The CONSULTANT may associate with it such specialists, for the purpose of its services hereunder, without additional cost to CFX, other than those costs negotiated within the limits and terms of this Agreement. Should the CONSULTANT desire to utilize specialists, the CONSULTANT shall be fully responsible for satisfactory completion of all subcontracted work. The CONSULTANT, however, shall not sublet, assign or transfer any work under this Agreement to other than the associate consultants listed below without the written consent of CFX. It is understood and agreed that CFX will not, except for such services so designated herein, permit or authorize the CONSULTANT to perform less than the total contract work with other than its own organization.

Prior to retaining a subconsultant, or assigning any work to a subconsultant, the CONSULTANT shall verify that the subconsultant does not have any conflicts and acknowledges its duty to comply with CFX's Code of Ethics. The CONSULTANT shall ensure that each subconsultant adheres to, and cause all subconsultants to be bound by, all requirements, conditions, and standards set forth herein. The CONSULTANT shall collect and maintain the necessary subconsultant compliance and acknowledgement documentation and remove any subconsultant immediately, if the necessary said documentation is unavailable or the subconsultant is not adhering to the requirements and standards herein. The CONSULTANT shall provide subconsultant compliance and acknowledgement documentation to CFX upon request.

The approved subconsultants are:

Page One Consultants, Inc.  
Elipsis Engineering and Consulting, LLC  
Tierra, Inc.  
GRL Engineers, Inc.

CONSULTANT shall not further sublet, sell, transfer, assign, delegate, subcontract, or otherwise dispose of this Contract or any portion thereof, or of the CONSULTANT'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 CONSULTANT 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, CONSULTANT desires to subcontract any portion(s) of the work to a subconsultant that was not disclosed by the CONSULTANT 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 subconsultant, equal or exceed twenty five thousand dollars (\$25,000.00), the CONSULTANT 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 the CONSULTANT until it has been approved by CFX Board. In the event of a designated emergency, the CONSULTANT 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.

#### 6.0. COMPENSATION

CFX agrees to pay the CONSULTANT compensation as detailed in **Exhibit "B"**, Method of Compensation, attached hereto and made a part hereof, in a not-to-exceed amount of \$2.5 million. Bills for fees or other compensation for services or expenses shall be submitted to CFX in detail sufficient for a proper pre-audit and post audit thereof.

The CONSULTANT may be liable for CFX costs resulting from negligent, reckless or intentionally wrongful errors or deficiencies in designs furnished under this Agreement. CFX may enforce such liability and collect the amount due if the recoverable cost will exceed the administrative cost involved or is otherwise in CFX's best interest. Records of costs incurred by the CONSULTANT under terms of this Agreement shall be maintained and made available upon request to CFX 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 CFX upon request. The CONSULTANT agrees to incorporate the provisions of this paragraph in any subcontract into which it might enter with reference to the work performed. Records of costs incurred includes the CONSULTANT's general accounting records and the project records, together with supporting documents and records, of the CONSULTANT and all subconsultants performing work on the project, and all other records of the CONSULTANT and subconsultants considered necessary by CFX for a proper audit of project costs. The obligations in this paragraph survive the termination of the Agreement and continue in full force and effect.

The general cost principles and procedures for the negotiation and administration, and the determination or allowance of costs under this Agreement shall be as set forth in the Code of Federal Regulations, Titles 23, 48, 49, and other pertinent Federal and State Regulations, as applicable, with the understanding that there is no conflict between State and Federal regulations in that the more restrictive of the applicable regulations will govern. Whenever travel costs are included in **Exhibit "B"**, the provisions of Section 112.061, Florida Statutes, shall govern as to reimbursable costs.

Payments shall be made in accordance with the Local Government Prompt Payment Act in part VII, Section 218, Florida Statutes.

#### 7.0. DOCUMENT OWNERSHIP AND RECORDS

All plans, documents, reports, studies, and/or other data prepared or obtained under this Agreement shall be considered instruments made for services and shall become the property of CFX without restriction or limitation on their use on this project; and shall be made available, upon request, to CFX at any time. CFX will have the right to visit the site for inspection of the work and the drawings of the CONSULTANT at any time. Unless changed by written agreement of the parties, said site shall be 8008 S. Orange Avenue, Orlando, FL 32809.

Notwithstanding Section 17, entitled "Communications, Public Relations, and Use of Logos," CONSULTANT 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 CONSULTANT is in the possession of documents that fall within the definition of public records

subject to the Public Records Act, which public records have not yet been delivered to CFX, CONSULTANT agrees to comply with Section 119.0701, Florida Statutes.

**IF THE CONSULTANT HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONSULTANT'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT Phone: 407-690-5000, e-mail: publicrecords@cfxway.com, and address: Central Florida Expressway Authority, 4974 ORL Tower Road, Orlando, FL. 32807.**

An excerpt of Section 119.0701, Florida Statutes is below.

Per Section 119.0701(1), "Contractor" means an individual, partnership, corporation, or business entity that enters into a contract for services with a public agency and is acting on behalf of the public agency as provided under s. 119.011(2).

Per Section 119.0701(b). The contractor shall comply with public records laws, specifically 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 the contractor 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 the contractor or keep and maintain public records required by the public agency to perform the service. If the contractor transfers all public records to the public agency upon completion of the contract, the contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the contractor keeps and maintains public records upon completion of the contract, the contractor 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.

The CONSULTANT shall allow public access to all documents, papers, letters, or other material as approved and authorized by CFX and subject to the provisions of Chapter 119, Florida Statutes, and made or received by the CONSULTANT in conjunction with this Agreement. Failure by the CONSULTANT to grant such public access shall be grounds for immediate unilateral cancellation of this Agreement by CFX.

The obligations in Section 7.0, Document Ownership and Records, shall survive the expiration or termination of this Agreement and continue in full force and effect.

#### 8.0. COMPLIANCE WITH LAWS

The CONSULTANT shall comply with all federal, state and local laws and ordinances applicable to the work or payment for work thereof, and shall not discriminate on the grounds of race, color, religion, sex, or national origin in the performance of work under this contract.

The CONSULTANT shall keep fully informed regarding and shall fully and timely comply with all current laws and future laws that may affect those engaged or employed in the performance of this Agreement.

#### 9.0. WAGE RATES AND TRUTH-IN-NEGOTIATIONS CERTIFICATE

The CONSULTANT hereby certifies, covenants and warrants that wage rates and other factual unit costs as shown in attached **Exhibit "C"**, Details of Costs and Fees, supporting the compensation provided in Paragraph 6.0 are accurate, complete and current as of the date of this Agreement. It is further agreed that said price provided in Paragraph 7.0 hereof 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.

#### 10.0. TERMINATION

CFX may terminate this Agreement in whole or in part at any time the interest of CFX requires such termination.

If CFX determines that the performance of the CONSULTANT is not satisfactory, CFX shall have the option of (a) immediately terminating the Agreement or (b) notifying the CONSULTANT 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.

If CFX requires termination of the Agreement for reasons other than unsatisfactory performance of the CONSULTANT, CFX shall notify the CONSULTANT in writing of such termination, not less than seven (7) calendar days as to the effective date of termination or specify the stage of work at which the Agreement is to be terminated.

If CFX abandons the work or subtracts from the work, suspends, or terminates the Agreement as presently outlined, the CONSULTANT shall be compensated in accordance with **Exhibit "B"**, for work performed by the CONSULTANT prior to abandonment or termination of the Agreement. The



ownership of all engineering documents completed or partially completed at the time of such termination or abandonment, shall be retained by CFX.

CFX reserves the right to cancel and terminate this Agreement in the event the CONSULTANT or any employee, servant, or agent of the CONSULTANT 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 CONSULTANT for or on behalf of CFX, without penalty. It is understood and agreed that in the event of such termination, all tracings, plans, specifications, maps, and data prepared or obtained under this Agreement shall immediately be turned over to CFX. The CONSULTANT shall be compensated for work properly performed rendered up to the time of any such termination in accordance with Paragraph 7.0 hereof. CFX also reserves the right to terminate or cancel this Agreement in the event the CONSULTANT shall be placed in either voluntary or involuntary bankruptcy or an assignment be made for the benefit of creditors. CFX further reserves the right to suspend the qualifications of the CONSULTANT to do business with CFX upon any such indictment or direct information. In the event that any such person against whom any such indictment or direct information is brought shall have such indictment or direct information dismissed or be found not guilty, such suspension on account thereof may be lifted by CFX's Project Manager.

#### 11.0. ADJUSTMENTS

All services shall be performed by the CONSULTANT to the reasonable satisfaction of the Project Manager who shall decide all questions, difficulties and dispute of any nature whatsoever that may arise under or by reason of this Agreement, the prosecution and fulfillment of the services hereunder and the character, quality, amount and value thereof. Adjustments of compensation and term of the Agreement, 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 Supplemental Agreement(s) of such a nature as required may be entered into by the parties in accordance herewith. Disputes between the Project Manager and the CONSULTANT that cannot be resolved shall be referred to CFX's Executive Director whose decision shall be final.

In the event that the CONSULTANT and CFX are not able to reach an agreement as to the amount of compensation to be paid to the CONSULTANT for supplemental work desired by CFX, the CONSULTANT shall be obligated to proceed with the supplemental work in a timely manner for the amount determined by CFX to be reasonable. In such event, the CONSULTANT will have the right to file a claim with CFX for such additional amounts as the CONSULTANT deems reasonable; for consideration by the Executive Director; however, in no event will the filing of the claim or the resolution or litigation thereof, through administrative procedures or the courts, relieve the CONSULTANT from the obligation to timely perform the supplemental work.

#### 12.0. HOLD HARMLESS AND INDEMNIFICATION, SOVEREIGN IMMUNITY

The CONSULTANT shall indemnify and hold harmless CFX, and its officers and employees from liabilities, damages, losses, and costs, including, but not limited to, reasonable attorneys' fees, to the extent caused by the negligence, recklessness, or intentionally wrongful conduct of the CONSULTANT and other persons employed or utilized by the design professional in the performance of the Agreement.

Subject to the provisions and limitations set forth in law, the CONSULTANT expressly agrees to indemnify, defend, and hold harmless CFX, and its officers, and employees, from any claim, liabilities, losses, damages, and costs, including, but not limited to, reasonable attorneys' fees, arising from any act, error or omission of the CONSULTANT and other persons employed or utilized by the CONSULTANT in the performance of the Agreement, except that the CONSULTANT will not be liable under this paragraph for claims of, or damages resulting from, gross negligence, or willful, wanton or intentional misconduct of CFX, its officers, or employees during the performance of the Agreement.

When CFX receives a notice of claim for damages that may have been caused by the CONSULTANT in the performance of services required by the CONSULTANT under this Agreement, CFX will immediately forward the notice of claim to the CONSULTANT. The CONSULTANT and the AUTHORITY will evaluate the notice of claim and report their findings to each other within fourteen (14) calendar days.

In the event a lawsuit is filed against CFX alleging negligence or wrongdoing by the CONSULTANT, CFX and the CONSULTANT will jointly discuss options in defending the lawsuit. After reviewing the lawsuit, CFX will determine whether to request the participation of the CONSULTANT in the defense of the lawsuit or to request that the CONSULTANT defend CFX in such lawsuit as described in this section. CFX's failure to notify the CONSULTANT of a notice of claim will not release the CONSULTANT from any of the requirements of this section upon subsequent notification by CFX to the CONSULTANT of the notice of claim or filing of a lawsuit. CFX and the CONSULTANT will pay their own cost for the evaluation, settlement negotiations and trial, if any. However, if only one party participates in the defense of the claim at trial, that party is responsible for all of its costs, but if the verdict determines that there is joint responsibility, the costs of defense and liability for damages will be shared in the same percentage as that judicially established, provided that CFX's liability does not exceed the limits and limitations arising from Section 768.28, Florida Statutes, the doctrine of sovereign immunity, and law.

CFX is an agency of the State of Florida whose limits of liability are set forth in Section 768.28, Florida Statutes, and nothing herein shall be construed to extend the limits of liability of CFX beyond that provided in Section 768.28, Florida Statutes. Nothing herein is intended as a waiver of CFX's sovereign immunity under Section 768.28, Florida Statutes, or law. Nothing hereby shall inure to the benefit of any third party for any purpose, which might allow claims otherwise barred by sovereign immunity or operation of law. Furthermore, all of CFX's obligations are limited to the payment of no more than the amount limitation per person and in the aggregate contained in Section 768.28, Florida Statutes, except for payments for work properly performed, even if the sovereign immunity limitations of that statute are not otherwise applicable to the matters as set forth herein.

The obligations in Section 12.0, Hold Harmless and Indemnification, Sovereign Immunity shall survive the expiration or termination of this Agreement and continue in full force and effect.

### 13.0. INFRINGEMENT OF PATENTS AND COPYRIGHTS

The CONSULTANT shall pay all royalties and assume all costs arising from the use of any invention, design, process materials, equipment, product or device which is the subject of patent rights or copyrights. The CONSULTANT shall, at its expense, hold harmless and defend CFX against any claim, suit or proceeding brought against CFX which is based upon a claim, whether rightful or otherwise, that

the goods or services, or any part thereof, furnished under this Agreement, constitute an infringement of any patent or copyright of the United States. The CONSULTANT shall pay all damages and costs awarded against CFX. The obligations in Section 13.0, Infringement of Patents and Copyrights, shall survive the expiration or termination of this Agreement and continue in full force and effect.

#### 14.0. THIRD PARTY BENEFICIARY

The CONSULTANT warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the CONSULTANT to solicit or secure this Agreement, and that the CONSULTANT has not paid or agreed to pay any person, company, corporation, individual or firm, other than a bona fide employee working solely for the CONSULTANT any fee, commission, percentage, gift or any other consideration, contingent upon or resulting from the award or making of this Agreement. It is understood and agreed that the term "fee" shall also include brokerage fee, however denoted. For the breach or violation of this paragraph, CFX shall have the right to terminate this Agreement without liability, and, at its discretion, to deduct from the contract price, or otherwise recover, the full amount of such fee, commission percentage, gift or consideration.

#### 15.0. INSURANCE

The CONSULTANT, at its own expense, shall keep in force and at all times maintain during the term of this Agreement all insurance of the types and to the limits specified herein.

The CONSULTANT shall require and ensure that each of its subconsultants providing services hereunder procures and maintains, until the completion of the services, insurance of the requirements, types and to the limits specified herein. Upon request from CFX, the CONSULTANT shall furnish copies of certificates of insurance and endorsements evidencing coverage of each subconsultant.

The CONSULTANT shall require all insurance policies in any way related to the work and secured and maintained by the CONSULTANT to include clauses stating each underwriter shall waive all rights of recovery, under subrogation or otherwise, against CFX. The CONSULTANT shall require of subconsultants, by appropriate written agreements, similar waivers each in favor of all parties enumerated in this section. When required by the insurer, or should a policy condition not permit an endorsement, the CONSULTANT agrees to notify the insurer and request that the policy(ies) be endorsed with a Waiver of Transfer of Rights of Recovery Against Others, or an equivalent endorsement. This Waiver of Subrogation requirement shall not apply to any policy, which includes a condition that specifically prohibits such an endorsement or voids coverage should the CONSULTANT enter into such an agreement on a pre-loss basis. At the CONSULTANT's expense, all limits must be maintained.

15.1 Commercial General Liability coverage shall be on an occurrence form policy for all operations including, but not limited to, Contractual, Products and Completed Operations, and Personal Injury. The limits shall be not less than One Million Dollars (\$1,000,000) per occurrence, Combined Single Limits (CSL) or its equivalent. The general aggregate limit shall apply separately to this Agreement (with the ISO CG 25 01 or insurer's equivalent endorsement provided to CFX) or the general aggregate limit shall be twice the required occurrence limit. CFX shall be listed as an additional insured. ISO Form CG 20 10 11 85 or if not available, ISO Forms CG 20 10 10 01 and CG 20 37 10 01, or if not available, their equivalent acceptable to CFX, shall be used to meet these requirements and a photocopy

of same shall be provided with the Certificate. The CONSULTANT further agrees coverage shall not contain any endorsement(s) excluding or limiting Product/Completed Operations, Independent Consultants, Broad Form Property Damage, X-C-U Coverage, Contractual Liability, or Severability of Interests. The Additional Insured Endorsement included on all such insurance policies shall state that coverage is afforded the additional insured with respect to claims arising out of operations performed by or on behalf of the insured. If the additional insureds have other insurance which is applicable to the loss, such other insurance shall be excess to any policy of insurance required herein. The amount of the insurer's liability shall not be reduced by the existence of such other insurance.

15.2 Business Automobile Liability coverage shall be on an occurrence form policy for all owned, non-owned and hired vehicles issued on ISO form CA 00 01 or its equivalent. The limits shall be not less than One Million Dollars (\$1,000,000) per occurrence, Combined Single Limits (CSL) or its equivalent. In the event the CONSULTANT does not own automobiles the CONSULTANT shall maintain coverage for hired and non-owned auto liability, which may be satisfied by way of endorsement to the Commercial General Liability policy or separate Business Auto Liability policy.

Each of the above insurance policies shall include the following provisions: (1) The standard severability of interest clause in the policy and when applicable the cross liability insurance coverage provision which specifies that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured; (2) The stated limits of liability coverage for Commercial/Comprehensive General Liability, and Business Automobile Liability, assumes that the standard "supplementary payments" clause will pay in addition to the applicable limits of liability and that these supplementary payments are not included as part of the insurance policies limits of liability.

15.3 Workers' Compensation and Employer's Liability Insurance shall be provided as required by law or regulation (statutory requirements). Employer's Liability insurance shall be provided in amounts not less than \$100,000 per accident for bodily injury by accident, \$100,000 per employee for bodily injury by disease, and \$500,000 policy limit by disease. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of CFX for all work performed by the CONSULTANT, its employees, agents and subconsultants.

15.4 Professional Liability Coverage shall have limits of not less than One Million Dollars (\$1,000,000) Combined Single Limit (CSL) or its equivalent, protecting the selected firm or individual against claims of CFX for negligence, errors, mistakes or omissions in the performance of services to be performed and furnished by the CONSULTANT.

The CONSULTANT shall provide CFX with Certificate(s) of Insurance with required endorsements on all the policies of insurance and renewals thereof in a form(s) acceptable to CFX. CFX 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 who are acceptable to CFX and licensed to do business under the laws of the State of Florida. Each Insurance company shall minimally have an A.M. Best rating of A-VII. If requested by CFX, CFX shall have the right to examine copies and relevant provisions of the insurance policies required by this Agreement, subject to the appropriate confidentiality provisions to safeguard the proprietary nature of CONSULTANT manuscript policies.

In the event any of the aforementioned insurance policies provide greater coverage or greater limits than the minimum requirements set forth herein, then CFX shall be entitled to the full coverage and

limits of such policies, and these insurance requirements will be deemed to require such greater coverage and greater limits.

Any deductible or self-insured retention must be declared to and approved by CFX. At the option of CFX, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as requests CFX, or the CONSULTANT shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

All such insurance required by the CONSULTANT shall be primary to, and not contribute with, any insurance or self-insurance maintained by CFX.

Compliance with these insurance requirements shall not relieve or limit the CONSULTANT's liabilities and obligations under this Agreement. Failure of CFX to demand such certificate or evidence of full compliance with these insurance requirements or failure of CFX to identify a deficiency from evidence provided will not be construed as a waiver of the CONSULTANT's obligation to maintain such insurance.

The acceptance of delivery by CFX of any certificate of insurance evidencing the required coverage and limits does not constitute approval or agreement by CFX that the insurance requirements have been met or the insurance policies shown in the certificates of insurance are in compliance with the requirements.

#### 16.0. COMMUNICATIONS, PUBLIC RELATIONS, AND USE OF LOGOS

The CONSULTANT agrees that it shall make no statements, press releases or publicity releases concerning this Agreement or its subject matter or otherwise disclose or permit to be disclosed any of the data or other information obtained or furnished in compliance with this Agreement, or any particulars thereof, during the period of the Agreement, without first notifying CFX and securing its consent in writing, except as required by law. The CONSULTANT also agrees that it shall not publish, copyright or patent any of the data, documents, reports, or other written or electronic materials furnished in compliance with this Agreement, it being understood that, under Section 7.0 hereof, such data or information is the property of CFX.

Regarding the use of logos, printed documents and presentations produced for CFX shall not contain the name or logo of the CONSULTANT unless approved by CFX's Public Affairs Officer or his/her designee. Prior approval by CFX's Public Affairs Officer or his/her designee is required if a copy of the CFX logo or any CFX mark, including trademarks, service marks, or any other mark, collectively referred as "Marks," is to be used in a document or presentation. The Marks shall not be altered in any way. The width and height of the Marks shall be of equal proportions. If a black and white Mark is utilized, the Mark shall be properly screened to insure all layers of the Mark are visible. The proper presentation of CFX Marks is of utmost importance to CFX. Any questions regarding the use of CFX Marks shall be directed to the CFX Public Affairs Officer or his/her designee.

#### 17.0. STANDARD OF CONDUCT

The CONSULTANT covenants and agrees that it and its employees shall be bound by the standards of conduct provided in Florida Statutes, Chapter 112, Part III, Section 348.753, and Section 104.31 and the CFX Code of Ethics as it relates to work performed under this Agreement, which

standards will by reference be made a part of this Agreement as though set forth in full. The CONSULTANT agrees to complete the Potential Conflict Disclosure Form with contract execution, annually by July 1, and in the event of changed circumstances. If the Disclosure Form is not submitted, or is submitted, but is incomplete, CFX has the right to withhold payments pending receipt of an explanation of such omissions or to terminate the contract for cause. The CONSULTANT agrees to incorporate the provisions of this paragraph in any subcontract into which it might enter with reference to the work performed.

The CONSULTANT acknowledges that it has read CFX's Code of Ethics and the referenced statutes and to the extent applicable to the CONSULTANT, agrees to abide with such policy.

#### 18.0. DOCUMENTED ALIENS

The CONSULTANT warrants that all persons performing work for CFX under this Agreement, regardless of the nature or duration of such work, shall be United States citizens or properly authorized and documented aliens. The CONSULTANT shall comply with all federal, state and local laws and regulations pertaining to the employment of unauthorized or undocumented aliens at all times during the performance of this Agreement and shall indemnify and hold CFX harmless for any violations of the same. Furthermore, if CFX determines that CONSULTANT has knowingly employed any unauthorized alien in the performance of this Agreement, CFX may immediately and unilaterally terminate this Agreement for cause.

The obligations in Section 18.0, Documented Aliens, shall survive the expiration or termination of this Agreement and continue in full force and effect.

#### 19.0. E-VERIFY CLAUSE

CONSULTANT 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 CONSULTANT during the term of the contract. CONSULTANT shall require all of its subconsultants to verify the employment eligibility of all new employees hired by the subconsultants during the term of the Agreement.

#### 20.0. CONFLICT OF INTEREST

The CONSULTANT shall not knowingly enter into any other contract with CFX during the term of this Agreement which would create or involve a conflict of interest with the services provided herein. Likewise, subconsultants shall not knowingly enter into any other contract with CFX during the term of this Agreement which would create or involve a conflict of interest with the service provided herein and as described below. Questions regarding potential conflicts of interest shall be addressed to the Executive Director for resolution.

During the term of this Agreement the CONSULTANT is NOT eligible to pursue any advertised construction engineering and inspection projects of CFX as either a prime or subconsultant where the CONSULTANT participated in the oversight of the projects or for any project which the CONSULTANT prepared plans and/or specifications. Subconsultants are also ineligible to pursue construction

engineering and inspection projects where they participated in the oversight of the projects or for any project which the subconsultant was involved in the preparation of plans and/or specifications.

21.0. INSPECTOR GENERAL

CONSULTANT agrees to comply with Section 20.055(5), Florida Statutes, and agrees to cooperate with the inspector general in any investigation, audit, inspection, review, or hearing pursuant to this section. CONSULTANT agree to incorporate in all subcontracts the obligation to comply with Section 20.055(5). The obligations in this paragraph shall survive the expiration or termination of this Agreement and continue in full force and effect.

22.0. PUBLIC ENTITY CRIME INFORMATION AND ANTI-DISCRIMINATION STATEMENT

Pursuant to Section 287.133(2)(a), Florida Statutes, “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, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies 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 s. 287.017 for CATEGORY TWO (\$35,000) for a period of 36 months following the date of being placed on the convicted vendor list.”

Pursuant to Section 287.134(2)(a), Florida Statutes, “an entity or affiliate who has been placed on the discriminatory vendor list may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies 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.”

23.0. COMPANIES PURSUANT TO SECTION 287.135 AND 215.473

CFX may terminate this Agreement for breach of contract if the Consultant:

- 23.1. submitted a false certification as provided under Florida Statute 287.135(5); or
- 23.2. been placed on the Scrutinized Companies with Activities in Sudan List; or
- 23.3. been placed on the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List; or
- 23.4. been engaged in business operations in Cuba or Syria; or

- 23.5. found to have been placed on the Scrutinized Companies that Boycott Israel List or is engaged in a boycott of Israel.

#### 24.0. AVAILABILITY OF FUNDS

CFX's performance and obligation to pay under this Agreement are contingent upon an annual budget appropriation by its Board. The parties agree that in the event funds are not appropriated, this Agreement may be terminated, which shall be effective upon CFX giving notice to the CONSULTANT to that effect.

#### 25.0. AUDIT AND EXAMINATION OF RECORDS

##### 25.1 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 CONSULTANT'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 CONSULTANT 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 CONSULTANT in determining a price.

25.2 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 CONSULTANT or any subcontractor. By submitting a response to the Request for Proposal, CONSULTANT or any subcontractor submits to and agree to comply with the provisions of this section.

25.3 If CFX requests access to or review of any Contract Documents or Proposal Records and CONSULTANT refuses such access or review, or delays such access or review for over ten (10) calendar days, CONSULTANT 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 CONSULTANT. These provisions shall not be limited in any manner by the existence of any CONSULTANT claims or pending litigation relating to the Contract. Disqualification or suspension of the CONSULTANT for failure to comply with this section shall also preclude the CONSULTANT from acting in the future as a subcontractor of another contractor doing work for CFX during the period of disqualification or suspension. Disqualification shall mean the CONSULTANT is not eligible for and shall be precluded from doing future work for CFX until reinstated by CFX.



25.4 Final Audit for Project Closeout: The CONSULTANT shall permit CFX, at CFX's option, to perform or have performed, an audit of the records of the CONSULTANT and any or all subconsultants to support the compensation paid the CONSULTANT. The audit will be performed as soon as practical after completion and acceptance of the contracted services. In the event funds paid to the CONSULTANT 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, the CONSULTANT agrees that such amounts are due to CFX upon demand. Final payment to the CONSULTANT shall be adjusted for audit results.

25.5 CONSULTANT 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.

25.6 The obligations in Section 25.0, Audit and Examination of Records, shall survive the expiration or termination of this Agreement and continue in full force and effect.

## 26.0. GOVERNING LAW AND VENUE

This Agreement shall be governed by and constructed in accordance with the laws of the State of Florida. The parties consent to the exclusive jurisdiction of the courts located in Orange County, Florida. The obligations in Section 26.0, Governing Law and Venue, shall survive the expiration or termination of this Agreement and continue in full force and effect.

## 27.0. NOTICE

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:

To CFX: Central Florida Expressway Authority  
4974 ORL Tower Road  
Orlando, FL 32807  
Attn: Chief of Infrastructure

Central Florida Expressway Authority  
4974 ORL Tower Road  
Orlando, FL 32807  
Attn: General Counsel

To CONSULTANT: Ardaman & Associates, Inc.  
8008 S. Orange Avenue  
Orlando, FL 32809  
Attn: Jason Parker

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_

28.0. HEADINGS

Headings are given to the sections of the Agreement solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of the Agreement.

29.0. CONTRACT LANGUAGE AND INTERPRETATION

All words used herein in the singular form shall extend to and include the plural. All words used in the plural form shall extend to and include the singular. All words used in any gender shall extend to and include all genders.

References to statutes or regulations shall include all statutory or regulatory provisions consolidating, amending, or replacing the statute or regulation referred to. Words not otherwise defined that have well known technical or industry meanings, are used in accordance with such recognized meanings. References to persons include their respective functions and capacities.

If the CONSULTANT discovers any material discrepancy, deficiency, ambiguity, error, or omission in this Agreement, or is otherwise in doubt as to the meaning of any provision of the Agreement, the CONSULTANT shall immediately notify CFX and request clarification of CFX's interpretation of this Agreement.

The Agreement shall not be more strictly construed against either party hereto by reason of the fact that one party may have drafted or prepared any or all of the terms and provisions hereof.

30.0. ASSIGNMENT

This Agreement may not be assigned without the written consent of CFX.

31.0. SEVERABILITY

The invalidity or non-enforceability of any portion or provision of this Agreement shall not affect the validity or enforceability of any other portion or provision. Any invalid or unenforceable portion or provision shall be deemed severed from this Agreement and the balance hereof shall be construed and enforced as if this Agreement did not contain such invalid or unenforceable portion or provision.

32.0. INTEGRATION

This Agreement constitutes the entire agreement among the parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, negotiations and

discussions of the parties, whether oral or written, and there are no other agreements between the parties in connection with the subject matter hereof. No waiver, amendment, or modification of these terms hereof will be valid unless in writing, signed by all parties and only to the extent therein set forth.

33.0. ATTACHMENTS

- Exhibit "A", Scope of Services
- Exhibit "B", Method of Compensation
- Exhibit "C", Details of Cost and Fees
- Exhibit "D", Project Organization Chart
- Exhibit "E", Project Location Map [Note: Attach if applicable]
- Exhibit "F", Project Schedule [Note: Attach if applicable]

[ SIGNATURES TO FOLLOW ]

IN WITNESS WHEREOF, the CONSULTANT and CFX have caused this instrument to be signed by their respective duly authorized officials, as of the day and year first above written. This Contract was awarded by CFX's Board of Directors at its meeting on October 11, 2018.

**ARDAMAN & ASSOCIATES, INC.**

**CENTRAL FLORIDA  
EXPRESSWAY AUTHORITY**

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

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

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

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

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

*Approved as to form and execution, only.*

*General Counsel for CFX*

\_\_\_\_\_

**EXHIBIT "A"**  
**SCOPE OF SERVICES**

**MATERIALS SAMPLING, TESTING AND REPORTING**

**I. PURPOSE**

The Central Florida Expressway Authority (CFX) requires the services of a Professional Consultant to support CFX in the field of soil exploration, geotechnical exploration testing, highway materials testing, foundations studies, construction materials sampling, testing and reporting, pavement evaluation and reporting for CFX projects.

In the execution of the services, the Consultant shall coordinate its activities with CFX's Director of Construction. (References to CFX's Director of Construction shall be taken to mean his designated representative as well.)

The Consultant shall minimize, to the extent possible, CFX's need to apply its own resources to assignments authorized by CFX. CFX, at its option, may elect to expand, reduce or delete the extent of each work element described in this Scope of Services.

CFX will request Consultant services on an as-needed, per project basis as described below. There is no guarantee that any or all of the services described in this Scope of Services will be assigned during the term of the Agreement. CFX, at its option, may elect to have any of the services performed by other consultants or CFX staff.

**II. STANDARDS**

The services by the Consultant provided in office, field, and lab shall be in compliance with the current edition including updates of all applicable manuals and guidelines as well as State and Federal regulations. This shall include but not limited to the following:

- CFX's General and Technical Specifications
- FDOT Standard Specification for Road and Bridge Construction as may be applicable to specific projects
- FDOT Roadway Plans Preparation Manual
- FDOT Design Standards
- FDOT Structural Design Guidelines
- FDOT Structure Design Office Standard Drawings
- FDOT Materials Manual
- FDOT Manual of Florida Sampling and Testing Methods
- FDOT Manual for Safety and Control of Equipment Containing Radioactive Materials
- FDOT Construction Project Administration Manual (CPAM)
- FDOT Construction Training and Qualification Manual (CTQM)
- FDOT / D5 Pavement Survey Evaluation Report Development Manual
- FDOT Soils and Foundation Handbook

- FDOT Right of Way Procedures Manual
- FDOT Radiation Safety Manual
- FHWA Administration Checklist and Guidelines for Review of Geotechnical Reports and Preliminary Plans and Specifications
- AASHTO Test Methods
- ASTM Standards
- Manual on Uniform Traffic Control Devices
- Code of Federal Regulations (CFRs)
- Safe Work Practices and Compliance Standards Handbook
- American Welding Society Bridge Welding Code (AWS D1.1 Structural Steel Welding Code)
- Occupational Safety and Health Administration (OSHA) 29 CFR 1910.1001 and 1926.58, 49 CFR 171 and 172

### **III. SERVICES TO BE PROVIDED**

Consultant shall provide all transportation, manpower, equipment and materials to perform the appropriate services according to applicable specifications. Consultant shall also provide a means of direct communication between CFX's project personnel and the Consultant Technician.

Work of a specified nature as outlined in this Scope of Services will be assigned to the Consultant based on the needs of CFX and will not necessarily equal the total Contract Amount.

Services may be required at mines, quarries, mills, refineries, processors, producers, fabricators, constructors, laboratories, emergency repair sites, and project construction sites, some of which may be outside the State of Florida.

Work shall include, but is not limited to, the following:

- Acquisition and reporting of subsurface material, hydrological, and environmental information to be used for the construction and performance of transportation facilities.
- Conducting tests on soil and rock according to CFX approved specifications for the purpose of classifying materials and identifying their physical properties.
- Sampling, transporting, and testing various materials and reporting results and recommendations.
- Producing reports which include selection of the type (footings, piles, drilled shafts, etc.) and depth of foundation for bridges and other structures; bearing capacity and the predicted settlement of the selected foundation; slope stability; surcharge or stage construction time schedules for construction over soft ground; pile load tests; soil treatment; stabilization; and direction of field instrumentation installation, including the interpretation of data obtained and other foundation studies.
- Conducting inspections and investigations of various highway materials or products, together with the proper recording, analysis and reporting of results and recommendations.

- Weld Inspection Services, Metals Fabrication Inspection, Welding Procedure and Shop Drawing Reviews.
- Pavement Marking Inspections, and Pavement Marking Distress Evaluations.
- Emergency work such as sinkhole evaluation and mitigation.

#### A. MATERIALS SAMPLING, TESTING, AND REPORTING

The Consultant shall provide CFX with personnel that are qualified, trained and thoroughly familiar with CFX's rules, policies, and procedures in inspection, sampling, testing, and reporting in the following areas:

- Bituminous Construction Materials
- Sand, Coarse Aggregate, Limerock and Cemented Coquina Mine Inspection
- Base, Subgrade and Embankment Materials
- Pavement Marking Materials
- Portland Cement Concrete
- Precast Concrete Products
- Prestressed Concrete Products
- Drilled Shaft Inspection
- Non-Destructive Testing (NDT)
- Laboratory Information Management System (LIMS) Data Entry
- Pavement Coring Reporting (PCR) Data Entry
- Consultant Contract Project Management
- Construction Materials Investigations, Special Studies & Projects
- Miscellaneous Construction Related Activities
- Materials Inspection and Testing Related Maintenance Activities
- GIS Data Input
- CWI Welding Inspection
- Asphalt Concrete Inspection/Evaluation

The Consultant shall provide CTQP (when required) qualified and experienced technicians in the following:

- |                                      |  |
|--------------------------------------|--|
| • Aggregate Field Testing            | • Concrete Laboratory Technician Level I   |
| • Aggregate Laboratory Testing       | • Concrete Laboratory Technician Level II  |
| • Qualified Sampler                  | • Certified Welding Inspection (CWI)   |
| • LBR Technician                     | • CFX and FDOT Specification 450<br>(with Concrete Field Level I for<br>Prestress Inspector) |
| • Aggregate Chemical Analyst         | • CTCI - Concrete Transportation<br>Construction Inspection                                  |
| • Asphalt Paving Level I             | • ECI Level I  |
| • Asphalt Paving Level II            | • ECI Level II   |
| • Asphalt Plant Level I              | • Prestress Inspector  |
| • Asphalt Plant Level II             | • Drilled Shaft Inspector  |
| • Concrete Field Technician Level I  |  |
| • Concrete Field Technician Level II |  |

- Pile Driving Inspector
- FDOT Basic and Intermediate MOT
- IMSA Traffic Signal Level II

For information about Construction Training Qualification Program (CTQP) courses go to: <http://www.dot.state.fl.us/construction/training/training.htm>

## B. MATERIALS MODEL

Sampling, Testing, and Reporting may be required on a “project-based” or “on-call” basis.

Project-Based VT refers to verification duties being issued to the Consultant on a per project basis by CFX. The Consultant shall be responsible for staffing, scheduling, and ensuring timely and correct completion of verification technician’s duties for the life of the project. Avoiding conflict-of-interest is primarily the responsibility of the Consultant.

On-Call here refers to using a private industry approach i.e., dispatching testing technicians on an “as-needed” basis.

## C. LABORATORY SERVICES

The Consultant shall have a materials laboratory that is capable as defined by the FDOT’s Laboratory Qualification Program. The Consultant laboratory shall have a Quality Control Program that includes provisions for checking test equipment and lab personnel proficiency. The laboratory shall keep records of calibration checks. Consultant shall be able to process materials testing for any assigned project. Consultant shall assist CFX to make comparison between QC & VT data within 1 day of acceptance testing. Resolution samples shall be delivered to the laboratory designated by CFX within 3 days of resolution procedure initiation. Consultant shall assist as needed to finalize Resolution Procedure.

## D. GEOTECHNICAL SOIL EXPLORATION AND FOUNDATIONS

The Consultant shall be responsible for a complete geotechnical investigation.

When necessary, the Director of Construction will make interpretations regarding CFX’s geotechnical standards, policies and procedures and provide guidance to the Consultant. Prior to beginning the investigation, the Consultant shall meet with the Director of Construction to review the project scope and requirements.

### 1. Field Investigation

The geotechnical investigation for roadway and structural foundations includes bridges, box culverts, retaining walls, sea walls, high-mast lighting, overhead signing, mast arm signals and high embankment fills as required.



If the drilling program expects to encounter artesian conditions, the Consultant shall submit a methodology(s) for plugging the borehole to CFX for approval prior to commencing with the boring program.

The geotechnical investigation for sinkhole activities.

Perform specialized field testing as required by needs of project.

Provide latitude/longitude for all Standard Penetration Tests (SPT) and Cone Penetrometer Test (CPT) Soundings in accordance with CFX's instructions.

### Preliminary Contamination Assessment (PCA)

When required, all work shall be performed in accordance with current DER and OSHA standards. The following work items shall be included but not be limited to:

- A minimum of four borings will be required per site.
- Soil gas analysis will be required by use of a flame ionization detector i.e., Organic Vapor Analyzer, etc.
- Installation of monitoring wells may be required.
- Water sampling and laboratory analysis may be required (Laboratory shall be HRS certified).
- Up to four drafts PCA reports will be required for review and up to six final reports (signed and sealed) will be required.

### 2. Preliminary Roadway Report

Up to four copies of the Preliminary Roadway Report shall be submitted before the 30% plans submittal. This report should include a field reconnaissance report, preliminary estimated seasonal high water table and review of existing data. Existing data to be reviewed and summarized should include but not be limited to: Topographical Maps, Aerial Photographs, Geological Maps and Reports, Soil Conservation Service Surveys (include copies in report), existing construction plans, potentiometric maps, and adjacent projects.

The Preliminary Roadway Report will be provided to the Roadway Designer to assist in setting road grades and locating potential problems.

### 3. Roadway Report

The roadway report shall include, but not be limited to:

- Copies of SCS and USGS maps with project limits.
- A report of tests sheet that summarizes the laboratory test results, the soil stratification (i.e., soils grouped into layers of similar materials) and construction recommendations relative to the current Standard Indices.

- Estimated seasonal high and/or low groundwater levels, and review with respect to proposed pavement grades.
- Recommend type of geosynthetic and A.O.S. for various applications.
- The Design LBR results from the 90% and mean methods.
- Permeability/infiltration parameters for water retention areas/exfiltration trenches/swales.
- A description of the site and subsoil conditions, design recommendations and a discussion of any special considerations (i.e., removal of unsuitable material, recompression of weak soils, estimated settlement time/amount, groundwater control etc.).
- An appendix which contains stratified soil boring profiles, laboratory test data sheets, Design LBR calculations/graphs, and any other pertinent information.

In addition to the roadway report, the Consultant will also provide stratified boring profiles to the Designer and review the entire set of plans for completeness before each submittal as requested by CFX. The Consultant shall assist the Designer with detailing limits on the cross-sections of subsoil excavation. Up to four drafts roadway reports shall be submitted to CFX for each review prior to incorporation of the Consultant's recommendations in the project design.

#### 4. Structures Report

The structure's report shall contain the following discussions as appropriate for the assigned project:

- Summary of structure background data, SCS, USGS and potentiometric data.
- Analysis of structure foundation alternatives including but not limited to the following: Spread footings, Pre-stressed concrete piling, Steel H piles, Steel pipe piles, Sheet piles, Drilled shafts, other feasible foundation types.
- Recommendations for most practical foundations types will be given along with the basis for selection.
- Analysis of allowable and/or ultimate foundation capacity and settlement potential for all feasible alternatives. Foundation capacity analyses shall be performed using the standards listed above or an FDOT approved alternate. For pile foundations, provide graphs of design soil resistance versus estimated minimum/maximum pile tip elevations (Adjusted for scour and/or Pre-drilling/Pre-forming if necessary).
- Provide the Structural Engineer with design soil profile(s), which include the soil model/type of each layer and all soil engineering properties required to run the Florida Pier computer program. For each pier/bent, review lateral analysis of selected foundation for geotechnical compatibility.
- Evaluation of external stability for conventional retaining walls and retained/reinforced earth wall systems (FHWA-RD-89-043, 11/90) and FHWA-SA-96-071, 10/96.
- Evaluation of embankment slope stability (PCSTABL), Reinforced Soil Slopes (RSS; FHWA-SA-96-071, 10/96) and settlement (EMBANK).
- Provide the Structural Engineer with the design soil profile(s), which include the soil model/type of each layer and all soil engineering properties required to run computer

programs for Sheet Pile Analysis (CWALSHT/FHWA DP-68-1 & RD-82-047/USS SSPDM).

- Provide the Structural Engineer with the design soil profile(s), which include the soil model/type of each layer and all soil engineering properties required to run computer programs for Mast Arm Signal, High Mast Light and Overhead Sign Structures.
- Draft of detailed boring/sounding standard sheet, including environmental classification and specialized construction requirements, for inclusion in final construction plans.
- Summary of soil test results including the following: Unit Weight, Consolidation parameters, Cohesion, Friction angle for cohesionless soils, Strain at 50% stress level from UU Triaxial compression, Modulus of subgrade reaction, other pertinent test results.
- Evaluation of lateral earth pressures on underground structures (i.e., box culverts, retaining walls, etc.).
- Shallow foundation bearing capacity (i.e., allowable bearing pressure, minimum footing width, and minimum embedment depth).
- Construction information addressing the following items:
  - A. Estimated maximum driving resistance anticipated for pile foundations.
  - B. Recommendations for footing or shaft installation, or other site preparation soils-related construction considerations with plan sheets as necessary.
  - C. Recommend quantity, location and length of test piles with or without instrumentation and a recommendation on the use of load tests.
- An appendix which includes SCS, USGS maps, SPT and CPT boring/sounding profiles, data from any specialized field tests, laboratory test data sheets, engineering analysis notes, example calculations and any other pertinent information.

Up to six draft structures reports shall be submitted to CFX or as requested prior to incorporation of the Consultant's recommendations in the project design.

## 5. Final Analyses and Reports

Separate final engineering reports will be submitted for roadway and structures. These final reports will contain any additional field or laboratory test results, recommended foundation alternatives along with design parameters and special provisions for the construction plans. These reports will be submitted to CFX for review prior to project completion. After review, the reports will be submitted in final form and will include the following:

- Signed and sealed final structures reports (up to six original reports).
- Two sets of plan sheets, unsigned xerographic bonds (half size and full size).
- Two sets of plan sheets signed and sealed xerographic bonds (half size and full size).
- Four signed and sealed sets of all applicable technical special provisions.
- Signed and sealed final roadway reports (up to six original reports).
- All reference and support documentation used in preparation of contract plans package.

All reports (Roadway, Structures, PCA, etc.), and all plan sheets shall be submitted in electronic format as requested by CFX. CADD files shall be submitted in Microstation (\*.DGN) format. Text files shall be submitted in Microsoft Word, and spreadsheets shall be submitted in Microsoft Excel format.

The final roadway and structures reports, as well as plan sheets, will be signed and sealed by a Professional Engineer registered by the State of Florida.

#### E. PILE DRIVING

The Consultant shall provide qualified personnel for pile driving services. The Consultant shall establish a strong line of communication with CFX's personnel so that all requests will be completed in a timely manner. The Consultant services shall include, but not be limited to, the following:

- Attend preconstruction and/or special meetings for the project.
- Perform WEAP runs to determine suitability of hammer driving system for the project. Provide results (check stresses, design capacity, and ultimate capacity) to CFX within 72 hours of the construction contractor's submittal.
- Review construction contractor's Pile Installation Plan and provide comments to the appropriate construction personnel within 72 hours of the construction contractor's submittal.
- Instrument test piling and production piling (when deemed necessary by CFX) during initial driving and redrives.
- When monitoring the test pile driving process, determine proper fuel settings, thickness of pile cushions and when they need changing. Record all pertinent information that is needed to determine the driving criteria such as jetting, preforming, predrilling, reference elevation, hammer serial number, hammer cushion material and thickness, pile cushion material and thickness, etc. Submit this information to CFX within 24 hours after the test pile driving process is completed. (In most cases this information will be requested immediately following test pile completion.)
- Perform Case Pile Wave Equation Analysis (CAPWAP) on selected blows, using the latest version. At a minimum, CAPWAPs shall be performed at the end of drive, before and after setchecks, and where the anticipated tip for the production piles is expected to occur. If requested, the end of drive CAPWAP will be performed in the field upon completion of the drive, otherwise it shall be completed within 24 hours of driving each pile.
- Perform all required WEAP analysis, using the latest version, to provide proof of compliance with the plans and specifications for production pile driving. This includes evaluation of all design loads, evaluation of soil parameters, assistance with cushion selection and stroke selection for driving stress control. The final wave equation analysis required for production driving shall be provided to CFX within 72 hours after the test pile program is completed, unless requested sooner.
- Analyze the test data and available soils data as required to establish production pile lengths and driving criteria. Submit a preliminary report recommending lengths and criteria to CFX for approval within 72 hours after the test pile program is completed, unless requested sooner. The preliminary report shall include CAPWAP and WEAP printed & plotted outputs, and all raw data obtained by the PDA and CAPWAP solutions (i.e. file 18's) on CD computer disks.

- Furnish final written letters, signed and sealed, in the agreed format for production pile lengths and the driving criteria which are in compliance with most current data, analysis, and report submittal requirements.

#### 1. Personnel

The Consultant must have personnel with the following minimum qualifications:

- Registered Professional Engineer to control the geotechnical work:

Registered as a Professional Engineer in the state of Florida and acceptable to CFX.

In responsible charge of the geotechnical work on at least two highway bridges constructed by CFX or FDOT.

Knowledgeable in the use and provisions of the PDA system, WEAP and CAPWAP computer programs to analyze concrete/steel/timber piling in conjunction with dynamic load tests on at least two highway bridges constructed by CFX or FDOT.

- Designer to perform dynamic testing in the field:

Proficient in the use and provisions of the PDA system, WEAP and CAPWAP computer programs to analyze concrete/steel/timber piling in conjunction with dynamic load tests on at least two highway bridges constructed by CFX or FDOT.

#### 2. Minimum Field Equipment Required

- PAK model Pile Driving Analyzer with clicker and all other necessary hardware (i.e. gauges, cable, etc.). PDA-pak shall be capable of performing CAPWAP and WEAP analysis in the field. Otherwise a portable computer with these capabilities shall be present on-site.
- Survey level and equipment necessary to mark inches and record blows per inch.
- Equipment/software/hardware to transfer PDA files to CFX personnel.
- CD Disk Drive for transfer of data.
- Mobile Phone is required during business hours for PDA field personnel.

#### F. DRILLED SHAFTS

When requested, the Consultant shall provide the following services in support of Drilled Shaft Construction:

- Drilled Shaft Plans review.
- Provide CTQP Certified Drilled Shaft Inspector on site during the drilled shaft installation operations (excavation, stabilization, cleaning, steel insertion, and concrete placement, etc.).

- Shaft installation shall be documented using the following FDOT approved forms: DRILLED SHAFT LOG, Form no. 700-010-84, DRILLED SHAFT ROCK EXCAVATION LOG, Form no. 700-010-86, DRILLED SHAFT CONCRETE PLACEMENT LOG, Form 700-010-89, and DRILLED SHAFT CONSTRUCTION & PAY SUMMARY, Form no. 700-010-91.
- Detailed shaft excavation procedures are required by Section 455 of the technical Specifications including alignment, logging of excavated material, over-reaming and shaft cleanliness. The construction contractor should have an CFX approved Drilled Shaft Installation Plan (DSIP) for the dry and wet method of construction, as applicable.
- Document activities and note problems in the Daily Report of Construction. The first production drilled shaft shall be closely monitored and scrutinized to make sure the Drilled Shaft Installation Plan (DSIP) process is demonstrating satisfactory field performance. Any process or site condition issues (including different soils encountered, etc.) shall be reported to CFX for review and comment.
- Perform required slurry testing, shaft bottom cleanliness checks; rebar inspections, and concrete testing.
- Upon completion of the Drilled Shaft Installation, issue a Certification Letter, signed and sealed by a Professional Engineer, that the installed drilled shaft(s) met all applicable plan and specifications.

#### G. PAVEMENT CORING AND EVALUATION

The Consultant shall provide CFX with personnel that are qualified, trained and thoroughly familiar with CFX's rules, policies, procedures in pavement coring and evaluation. Activities generally include:

- Preliminary site visit and Coring Plan with drawing
- Pavement Survey & Evaluation Report with CD of all photos (including core photos) with hyperlinked PECD sheets.
- The report shall present and analyze the data collected, and make pavement rehabilitation recommendations
- Pavement Coring Reporting (PCR) system data entry
- Obtain samples for design LBR values as requested.
- Recommend design LBR based on the most conservative value from either the 90% Method or the  $\pm 2\%$  of Optimum LBR Method
- Other pavement coring and evaluation related services as requested.

The Consultant shall collect all necessary information needed for the Pavement Survey & Evaluation Report and Pavement Coring Reporting (PCR) system input

All core holes shall be filled immediately after the core sample is extracted. The equipment, materials and procedure used for filling the holes shall be subject to approval by CFX.

## H. SPECIALTY ASPHALT EVALUATION

Specialty Asphalt Evaluations: Including, but not limited to pavement distress (rutting, cracking, etc.) evaluations, aggregate forensic evaluations, moisture susceptibility, field permeability testing, pavement slice sampling, etc. The Specialty Asphalt Evaluations should be performed by specialists and engineers with at least five (5) years of experience performing these types of evaluations.

## I. STRUCTURAL CONCRETE EVALUATION

Structural Concrete Evaluations: Including, but not limited to calculation and evaluation of form removal, release strength and member handling of cast-in-place or precast concrete structures; evaluation of cracks and determination of structural adequacy; evaluation of structural concrete repair proposals; development and review of mass concrete temperature control plans and evaluation of mass concrete temperature problems.

## IV. PROJECT REQUIREMENTS AND PROVISIONS OF WORK

The Consultant team shall have in its employ at least two Professional Engineers currently registered in the State of Florida that have the expertise in the discipline (i.e. Materials Testing, Geotechnical, etc.) covered in this Scope of Services. The Consultant shall have sufficient qualified staff, equipment, and laboratory and field apparatus in order to provide the services requested in time to meet schedules. For Preliminary Contamination Assessment (PCA) and Contamination Assessment (CA), field personnel and supervisor shall have proper OSHA training.

CFX reserves the right to remove Consultant personnel if they do not meet CFX qualifications or are not performing to CFX standards.

### A. LETTER OF AUTHORIZATION

For each work order requested by CFX, the Consultant shall prepare an estimate of work and price based on approved rates. Once acceptable rates and the maximum amount have been agreed upon by the Consultant and CFX, a "Letter(s) of Authorization" will be issued by the Director of Construction.

The maximum amount will be the total compensation required to accomplish the work. Should any additional services be required due to some unforeseen circumstance in excess of this authorization, a separate letter of authorization will be negotiated and issued by CFX before the additional services can begin.

Unit estimates may vary and additional items in the Contract may be used to meet the project requirements. Prices will adhere to the negotiated fees in the approved proposal and shall not exceed the maximum amount. Work shall be billed at the rates in the approved proposal. All work authorizations shall be completed within the terms of the Contract.

## B. SUBMITTALS

Upon completion of a work order, the Consultant shall deliver to CFX, in an organized manner, all project or work order files, maps, sketches, worksheets, plans, data and test reports, summary sheets, daily inspection reports, and other materials used or generated during the sampling, testing, and reporting of construction materials.

## C. PROJECT RELATED CORRESPONDENCE

The Consultant shall furnish copies of all written correspondence between the Consultant and any party pertaining specifically to a work order to CFX within one week of the receipt or mailing of said correspondence.

The Consultant shall record and distribute the minutes of all meetings pertaining to this Scope of Services.

## D. LEGAL PROCEEDINGS

The Consultant shall serve as an expert witness in any legal proceeding if required by CFX. The fee for these services shall be established if, and when, they are needed.

## E. PROFESSIONAL ENDORSEMENT

The Consultant shall furnish to CFX upon completion of a work order all original plan sheets, two sets of record prints, one set of special provisions and all reference and support documents utilized in the preparation of the contract plans package (when applicable). Record prints, special provisions, and/or reference and support documents shall be professionally endorsed by the Consultant's Professional Engineer in responsible charge of the work order.

## F. SUBCONTRACTUAL SERVICES

Services assigned to subconsultants must be approved in writing in advance by CFX. The subconsultants shall be qualified to perform all work assigned to them. Information on proposed subconsultants shall be included in the Consultant's proposal indicating which work items are to be performed by the subconsultants.

## G. COOPERATION AND PERFORMANCE OF THE CONSULTANT

During the term of the Contract, CFX will conduct reviews of the various phases of the Consultant's operations. Reviews will be conducted in accordance with established CFX policy on work phases to determine compliance with the Contract and the sufficiency with which procedures are being effectively applied to assure that the activities are performed in reasonable conformity with CFX policies, plans, specifications and Contract provisions. The Consultant shall cooperate and assist CFX's representatives in conducting the reviews.



When deficiencies are indicated they will be recorded and after review, remedial action shall be immediately implemented by the Consultant in conformance with CFX's recommendations. CFX's remedial recommendations and the Consultant's actions are to be properly documented by the Consultant's Project Managers. In general, remedial action shall be required commensurate with the degree and nature of the deficiencies cited. Additional compensation will not be allowed for remedial action taken to correct deficiencies by the Consultant. Remedial actions may include any or all of, but are not necessarily limited to, the following actions:

1. Further subdivide assigned responsibilities, reassign personnel or assign additional personnel. The Consultant shall comply with this action within one week of notification.
2. In any case of lost, damaged, or destroyed materials verification testing samples, the Consultant shall be responsible for any cost incurred to CFX and construction contractors for remediation. When this occurs CFX will request a written remediation plan from the Consultant. If the plan is accepted the Consultant shall implement the plan at no cost to CFX. If the plan is rejected CFX will ask an alternate consulting firm to submit a plan. The Consultant responsible for the lost, damaged, or destroyed samples shall pay for all damages suffered as a result thereof and those damages may be deducted from future invoice payments.
3. Replace personnel whose performance has been determined by CFX to be inadequate. When directed by CFX, any person whose performance has been determined to be unsatisfactory shall be immediately removed.
4. Some work items covered by this contract are Federal-Aid supported and are subject to review by representatives of the FHWA or FDOT. The Consultant shall fully cooperate with and assist in making such reviews.
5. Deficiencies incurred by the consultant will be recorded, and after review by CFX and mitigation by the consultant, may adversely affect CFX's evaluation of the Consultant's performance.

**V. METHOD OF COMPENSATION**

See Exhibit "B", Method of Compensation.

**END OF SCOPE**

EXHIBIT "B"  
MATERIALS TESTING AND GEOTECHNICAL SERVICES  
CONTRACT NO. 0001434

METHOD OF COMPENSATION

I. PURPOSE:

This Exhibit defines the limits of compensation to be made to the Consultant for the services set forth in Exhibit "A", Scope of Services, and the method by which payments shall be made.

II. ASSIGNMENT OF WORK:

For satisfactory completion of the services authorized under the Agreement, CFX will pay the Consultant a Total Maximum Limiting Amount not to exceed \$2,500,000.00 for the initial three (3) year term of the Agreement.

This is a task assignment type of agreement. CFX will furnish the Consultant a task work order specifying the services to be performed and the fees to be paid for each assignment based on the Unit Fees for Defined Tasks and Hourly Rates for Various Classifications negotiated with the Consultant and included Exhibit "C", Details of Costs and Fees. Services to be provided on each task assignment will be initiated and completed as directed by CFX's Director of Construction or his designee.

Once the task has been identified and the maximum limiting amount has been agreed upon, a "Letter of Authorization" will be issued by the Director of Construction specifying the work to be done and the agreed compensation.

No work shall commence by the Consultant on a task assignment until the Consultant has received a letter of authorization from CFX and has accepted the authorization in writing.

III. NEGOTIATIONS:

- A. CFX and the Consultant shall establish a maximum limiting amount for each task assignment. The Unit Fees for Defined Tasks and the Hourly Rates for Various Classifications shown in Exhibit "C", shall be used for establishing compensation. In the event a personnel classification is required by the Consultant for performance of the services and such classification is not set forth in Exhibit "C", such personnel classification may be added to Exhibit "C" by written amendment if mutually agreed to by both parties.

- B. The basis for establishing the maximum limiting amount for each task assignment shall consist of identifying the appropriate task/test required and applying the corresponding rate(s) for Unit Fees for Defined Tasks established in Exhibit "C". If CFX determines that certain personnel classifications also identified in Exhibit "C" will be required for a specific task, an estimated manhour effort required for performance of the services at the approved hourly rates, shall be included in the maximum limiting amount.
- C. It shall be the responsibility of the Consultant to ensure at all times that sufficient funding remains within the maximum limiting amounts established for each assigned task to complete authorized services. Changes in the Maximum Limiting Amount will require execution of an amendment of a Letter of Authorization. The Consultant shall not be obligated to perform services or incur costs which would result in exceeding the Maximum Limiting Amount for each assigned task, nor shall CFX be obligated to reimburse the Consultant for costs or make fee payments which result in exceeding the Maximum Limiting Amount, except to the extent said amount is, by mutual agreement, increased by an amendment.

#### IV. COMPENSATION:

All costs are subject to approval by CFX who will reimburse the Consultant for all reasonable, allocable and allowable costs. The reasonableness, allowability and allocability of reimbursements sought under this Agreement are expressly made subject to the terms of (1) the Agreement; (2) Federal Acquisitions Regulation sub-part 31-2; (3) Office of Management and Budget (OMB) Circular A-87 (46FR9548, January 28, 1981) and A-102 (45FR55086, August 18, 1980), and (4) other applicable federal and state regulations. By reference hereto, said sub-part of Federal Acquisition Regulations, OMB circulars and Federal Procurement Regulations are hereby incorporated in and made a part of this Agreement.

The Consultant will be compensated based on the Unit Fees for Defined Tasks in Exhibit "C". For specific task assignments, CFX may require the use of the various personnel classifications identified in Exhibit "C". In such cases, the negotiated straight time and overtime rates shown shall be used.

Straight time costs shall be the negotiated hourly rate paid for an employee's services on a task assignment. Unless otherwise agreed to by CFX, CFX will not compensate the Consultant for overtime for any position. All overtime must be approved in advance by CFX and will be paid at negotiated rates.

The Consultant shall not invoice for vacation, holiday and sick time used by its personnel on the project.

All material sampling and testing of materials and components incorporated into the work shall be reimbursed to the Consultant as set forth in the maximum allowance in Exhibit "C".

The Consultant shall be reimbursed for subconsultant costs incurred at the Unit Fees for Defined Tasks and the Hourly Rates for Various Classifications shown in Exhibit "C".

The Contract does not contain any rate escalation provision. Unless otherwise agreed to by CFX, the established billable rates of compensation shall remain in force throughout the term of the Contract. However, CFX will review pertinent published relevant cost / price indexes and market conditions in December of each year to determine if an increase is appropriate. Likewise, if it is apparent that a given negotiated rate is not serving the intended purpose, renegotiation of that rate may occur if both parties agree to do so. Any adjustment of Billable Rates will become effective only after execution of a contract amendment by CFX.

V. PROVISIONS FOR PAYMENT:

For each project authorized by a work authorization, the Consultant shall prepare and submit two (2) copies of a progress payment invoice no later than the fifth day of each month to assure Authority approval at the regularly scheduled Board meeting. Progress payment invoices shall be supported by such detail cost information as may be required by CFX to substantiate the charges being invoiced, and in a format acceptable to CFX.

Bills for compensation for services or expenses shall be submitted to CFX in detail sufficient for a proper pre-audit and post audit thereof.

The Consultant shall promptly pay all subconsultant(s) their proportionate share of payments received from CFX.

VI. RETAINAGE:

No retainage will be withheld from payments to the Consultant.

VII. PROJECT CLOSEOUT:

A. Final Audit:

CFX may perform or have performed, a final audit of the records of the Consultant and any or all subconsultants to support the compensation paid the Consultant. The audit would be performed as soon as practical after completion and acceptance of the contracted services. In the event funds paid to the Consultant under the Agreement

are subsequently properly disallowed by CFX because of accounting error or changes not in conformity with the Agreement, the Consultant agrees that such disallowed amounts are due to CFX upon demand. Further, CFX shall have the right to deduct from any payment due to Consultant under any contracts between CFX and the Consultant, an amount sufficient to satisfy any amount due and owing CFX by the Consultant under the Agreement. Payment to the Consultant shall be adjusted for audit results.

B. Certificate of Completion:

Subsequent to the completion of the final audit, a Certificate of Completion will be prepared for execution by both parties stating the total compensation due the Consultant, the amount previously paid, and the difference.

Upon execution of the Certificate of Completion, the Consultant shall either submit a termination invoice for an amount due or refund to CFX for the overpayment, provided the net difference is not zero.

END OF METHOD OF COMPENSATION

# **AGREEMENT**

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
AND  
TERRACON CONSULTANTS, INC.**

**SYSTEMWIDE MATERIALS TESTING AND GEOTECHNICAL  
SERVICES**

**CONTRACT NO. 001435**

**CONTRACT DATE: OCTOBER 11, 2018  
CONTRACT AMOUNT: \$2,500,000.00**

**AGREEMENT, SCOPE OF SERVICES, METHOD OF  
COMPENSATION, DETAILS OF COSTS AND FEES,  
AND PROJECT ORGANIZATIONAL CHART**

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**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
AGREEMENT FOR MATERIALS TESTING AND GEOTECHNICAL SERVICES  
CONTRACT NO. 001435**

THIS AGREEMENT, made and entered into this 11<sup>th</sup> day of October, 2018, by and between the CENTRAL FLORIDA EXPRESSWAY AUTHORITY, a corporate body and agency of the State of Florida, created by Chapter 63-573 Laws of Florida, 1963, (Chapter 348, Part V, Florida Statutes) hereinafter called the “CFX” and TERRACON CONSULTANTS, INC., hereinafter called “CONSULTANT”, registered and authorized to conduct business in the State of Florida, carrying on professional practice in engineering with offices located at 1675 Lee Road, Winter Park, FL 32789.

WITNESSETH:

WHEREAS, CONSULTANT represents that it is fully qualified and authorized to render the professional services contracted herein.

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

1.0. DEFINITIONS.

Reference herein to the Project Manager shall mean CFX’s Director of Construction or his authorized designee. The Project Manager shall provide the management and technical direction for this Agreement on behalf of CFX. All technical and administrative provisions of this Agreement shall be managed by the Project Manager and the CONSULTANT shall comply with all of the directives of the Project Manager that are within the purview of this Agreement. Decisions concerning Agreement amendments and adjustments, such as time extensions and supplemental agreements shall be made by the Project Manager.

2.0. SERVICES TO BE PROVIDED

CFX does hereby retain the CONSULTANT to furnish materials testing and geotechnical services required by CFX. CFX is engaging the CONSULTANT to provide support personnel on an as-needed, per project basis for soil exploration, geotechnical exploration testing, highway materials testing, foundations studies, construction materials sampling, testing and reporting, pavement evaluation and reporting.

The work covered by this Agreement includes providing materials testing and geotechnical services for a variety of CFX projects including, but not necessarily limited to, roadway and bridge construction, signing construction, roadway lighting construction, drainage modifications/construction, utility construction, and toll facility renovations/modifications/construction.

The CONSULTANT and CFX mutually agree to furnish, each to the other, the respective services, information and items as described in **Exhibit “A”**, Scope of Services, attached hereto and made a part hereof.



Before any additions or deletions to the work described in **Exhibit "A"**, and before undertaking any changes or revisions to such work, the parties shall negotiate any necessary cost changes and shall enter into a Supplemental Amendment covering such modifications and the compensation to be paid therefore.

Reference herein to this Agreement shall be considered to include any Supplemental Agreement thereto.

This Agreement is considered a non-exclusive Agreement between the parties.

### 3.0. TERM OF AGREEMENT AND RENEWALS

Unless otherwise provided herein or by Supplemental Agreement, the provisions of this Agreement will remain in full force and effect for a three year term from the date of the Notice to Proceed for the first task assignment. Renewal of this Agreement for up to two renewals periods may be exercised by CFX at its sole discretion. Renewals will be based, in part, on a determination by CFX that the value and level of service provided by the CONSULTANT are satisfactory and adequate for CFX's needs. If a renewal option is exercised, CFX will provide CONSULTANT with written notice of its intent at least thirty (30) days prior to the expiration of the original term and subsequent renewal, if any.

The CONSULTANT agrees to commence the scheduled services for each assigned project within ten (10) calendar days from the date specified in the written Notice to Proceed from the Project Manager, which notice to proceed will become part of this Agreement. The CONSULTANT shall complete scheduled project services within the timeframe(s) agreed to by the parties or as may be modified by subsequent Supplemental Agreement.

### 4.0. PROJECT SCHEDULE

It shall be the responsibility of the CONSULTANT to ensure at all times that sufficient time remains within the project schedule within which to complete the services on the project. In the event there have been delays which would affect the scheduled project completion date, the CONSULTANT shall submit a written request to CFX which identifies the reason(s) for the delay, the amount of time related to each reason and specific indication as to whether or not the delays were concurrent with one another. CFX will review the request and make a determination as to granting all or part of the requested extension.

In the event the scheduled project completion date is reached, and the CONSULTANT has not requested, or if CFX has denied, an extension of the completion date, partial progress payments will be stopped when the scheduled project completion date is met. No further payment for the project will be made until a time extension is granted or all work has been completed and accepted by CFX.

### 5.0. PROFESSIONAL STAFF

The CONSULTANT shall maintain an adequate and competent professional staff to enable the CONSULTANT to timely perform under this Agreement. The CONSULTANT shall continue to be authorized to do business within the State of Florida. In the performance of these professional services, the CONSULTANT shall use that degree of care and skill ordinarily exercised by other similar

professionals in the field under similar conditions in similar localities. The CONSULTANT shall use due care in performing the required services and shall have due regard for acceptable standards of construction engineering and inspection principles. The CONSULTANT may associate with it such specialists, for the purpose of its services hereunder, without additional cost to CFX, other than those costs negotiated within the limits and terms of this Agreement. Should the CONSULTANT desire to utilize specialists, the CONSULTANT shall be fully responsible for satisfactory completion of all subcontracted work. The CONSULTANT, however, shall not sublet, assign or transfer any work under this Agreement to other than the associate consultants listed below without the written consent of CFX. It is understood and agreed that CFX will not, except for such services so designated herein, permit or authorize the CONSULTANT to perform less than the total contract work with other than its own organization.

Prior to retaining a subconsultant, or assigning any work to a subconsultant, the CONSULTANT shall verify that the subconsultant does not have any conflicts and acknowledges its duty to comply with CFX's Code of Ethics. The CONSULTANT shall ensure that each subconsultant adheres to, and cause all subconsultants to be bound by, all requirements, conditions, and standards set forth herein. The CONSULTANT shall collect and maintain the necessary subconsultant compliance and acknowledgement documentation and remove any subconsultant immediately, if the necessary said documentation is unavailable or the subconsultant is not adhering to the requirements and standards herein. The CONSULTANT shall provide subconsultant compliance and acknowledgement documentation to CFX upon request.

The approved subconsultants are:

Page One Consultants, Inc.  
Elipsis Engineering and Consulting, LLC  
Blue Marlin LLC

CONSULTANT shall not further sublet, sell, transfer, assign, delegate, subcontract, or otherwise dispose of this Contract or any portion thereof, or of the CONSULTANT'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 CONSULTANT 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, CONSULTANT desires to subcontract any portion(s) of the work to a subconsultant that was not disclosed by the CONSULTANT 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 subconsultant, equal or exceed twenty five thousand dollars (\$25,000.00), the CONSULTANT 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 the CONSULTANT until it has been approved by CFX Board. In the event of a designated emergency, the CONSULTANT 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.

#### 6.0. COMPENSATION

CFX agrees to pay the CONSULTANT compensation as detailed in **Exhibit "B"**, Method of Compensation, attached hereto and made a part hereof, in a not-to-exceed amount of \$2.5 million. Bills for fees or other compensation for services or expenses shall be submitted to CFX in detail sufficient for a proper pre-audit and post audit thereof.

The CONSULTANT may be liable for CFX costs resulting from negligent, reckless or intentionally wrongful errors or deficiencies in designs furnished under this Agreement. CFX may enforce such liability and collect the amount due if the recoverable cost will exceed the administrative cost involved or is otherwise in CFX's best interest. Records of costs incurred by the CONSULTANT under terms of this Agreement shall be maintained and made available upon request to CFX 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 CFX upon request. The CONSULTANT agrees to incorporate the provisions of this paragraph in any subcontract into which it might enter with reference to the work performed. Records of costs incurred includes the CONSULTANT's general accounting records and the project records, together with supporting documents and records, of the CONSULTANT and all subconsultants performing work on the project, and all other records of the CONSULTANT and subconsultants considered necessary by CFX for a proper audit of project costs. The obligations in this paragraph survive the termination of the Agreement and continue in full force and effect.

The general cost principles and procedures for the negotiation and administration, and the determination or allowance of costs under this Agreement shall be as set forth in the Code of Federal Regulations, Titles 23, 48, 49, and other pertinent Federal and State Regulations, as applicable, with the understanding that there is no conflict between State and Federal regulations in that the more restrictive of the applicable regulations will govern. Whenever travel costs are included in **Exhibit "B"**, the provisions of Section 112.061, Florida Statutes, shall govern as to reimbursable costs.

Payments shall be made in accordance with the Local Government Prompt Payment Act in part VII, Section 218, Florida Statutes.

#### 7.0. DOCUMENT OWNERSHIP AND RECORDS

All plans, documents, reports, studies, and/or other data prepared or obtained under this Agreement shall be considered instruments made for services and shall become the property of CFX without restriction or limitation on their use on this project; and shall be made available, upon request, to CFX at any time. CFX will have the right to visit the site for inspection of the work and the drawings of the CONSULTANT at any time. Unless changed by written agreement of the parties, said site shall be 1675 Lee Road, Winter Park, FL 32789.

Notwithstanding Section 17, entitled "Communications, Public Relations, and Use of Logos," CONSULTANT 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 CONSULTANT is in the possession of documents that fall within the definition of public records

subject to the Public Records Act, which public records have not yet been delivered to CFX, CONSULTANT agrees to comply with Section 119.0701, Florida Statutes.

**IF THE CONSULTANT HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONSULTANT'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT Phone: 407-690-5000, e-mail: publicrecords@cfxway.com, and address: Central Florida Expressway Authority, 4974 ORL Tower Road, Orlando, FL. 32807.**

An excerpt of Section 119.0701, Florida Statutes is below.

Per Section 119.0701(1), "Contractor" means an individual, partnership, corporation, or business entity that enters into a contract for services with a public agency and is acting on behalf of the public agency as provided under s. 119.011(2).

Per Section 119.0701(b). The contractor shall comply with public records laws, specifically 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 the contractor 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 the contractor or keep and maintain public records required by the public agency to perform the service. If the contractor transfers all public records to the public agency upon completion of the contract, the contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the contractor keeps and maintains public records upon completion of the contract, the contractor 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.

The CONSULTANT shall allow public access to all documents, papers, letters, or other material as approved and authorized by CFX and subject to the provisions of Chapter 119, Florida Statutes, and made or received by the CONSULTANT in conjunction with this Agreement. Failure by the CONSULTANT to grant such public access shall be grounds for immediate unilateral cancellation of this Agreement by CFX.

The obligations in Section 7.0, Document Ownership and Records, shall survive the expiration or termination of this Agreement and continue in full force and effect.

#### 8.0. COMPLIANCE WITH LAWS

The CONSULTANT shall comply with all federal, state and local laws and ordinances applicable to the work or payment for work thereof, and shall not discriminate on the grounds of race, color, religion, sex, or national origin in the performance of work under this contract.

The CONSULTANT shall keep fully informed regarding and shall fully and timely comply with all current laws and future laws that may affect those engaged or employed in the performance of this Agreement.

#### 9.0. WAGE RATES AND TRUTH-IN-NEGOTIATIONS CERTIFICATE

The CONSULTANT hereby certifies, covenants and warrants that wage rates and other factual unit costs as shown in attached **Exhibit "C"**, Details of Costs and Fees, supporting the compensation provided in Paragraph 6.0 are accurate, complete and current as of the date of this Agreement. It is further agreed that said price provided in Paragraph 7.0 hereof 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.

#### 10.0. TERMINATION

CFX may terminate this Agreement in whole or in part at any time the interest of CFX requires such termination.

If CFX determines that the performance of the CONSULTANT is not satisfactory, CFX shall have the option of (a) immediately terminating the Agreement or (b) notifying the CONSULTANT 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.

If CFX requires termination of the Agreement for reasons other than unsatisfactory performance of the CONSULTANT, CFX shall notify the CONSULTANT in writing of such termination, not less than seven (7) calendar days as to the effective date of termination or specify the stage of work at which the Agreement is to be terminated.

If CFX abandons the work or subtracts from the work, suspends, or terminates the Agreement as presently outlined, the CONSULTANT shall be compensated in accordance with **Exhibit "B"**, for work performed by the CONSULTANT prior to abandonment or termination of the Agreement. The

ownership of all engineering documents completed or partially completed at the time of such termination or abandonment, shall be retained by CFX.

CFX reserves the right to cancel and terminate this Agreement in the event the CONSULTANT or any employee, servant, or agent of the CONSULTANT 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 CONSULTANT for or on behalf of CFX, without penalty. It is understood and agreed that in the event of such termination, all tracings, plans, specifications, maps, and data prepared or obtained under this Agreement shall immediately be turned over to CFX. The CONSULTANT shall be compensated for work properly performed rendered up to the time of any such termination in accordance with Paragraph 7.0 hereof. CFX also reserves the right to terminate or cancel this Agreement in the event the CONSULTANT shall be placed in either voluntary or involuntary bankruptcy or an assignment be made for the benefit of creditors. CFX further reserves the right to suspend the qualifications of the CONSULTANT to do business with CFX upon any such indictment or direct information. In the event that any such person against whom any such indictment or direct information is brought shall have such indictment or direct information dismissed or be found not guilty, such suspension on account thereof may be lifted by CFX's Project Manager.

#### 11.0. ADJUSTMENTS

All services shall be performed by the CONSULTANT to the reasonable satisfaction of the Project Manager who shall decide all questions, difficulties and dispute of any nature whatsoever that may arise under or by reason of this Agreement, the prosecution and fulfillment of the services hereunder and the character, quality, amount and value thereof. Adjustments of compensation and term of the Agreement, 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 Supplemental Agreement(s) of such a nature as required may be entered into by the parties in accordance herewith. Disputes between the Project Manager and the CONSULTANT that cannot be resolved shall be referred to CFX's Executive Director whose decision shall be final.

In the event that the CONSULTANT and CFX are not able to reach an agreement as to the amount of compensation to be paid to the CONSULTANT for supplemental work desired by CFX, the CONSULTANT shall be obligated to proceed with the supplemental work in a timely manner for the amount determined by CFX to be reasonable. In such event, the CONSULTANT will have the right to file a claim with CFX for such additional amounts as the CONSULTANT deems reasonable; for consideration by the Executive Director; however, in no event will the filing of the claim or the resolution or litigation thereof, through administrative procedures or the courts, relieve the CONSULTANT from the obligation to timely perform the supplemental work.

#### 12.0. HOLD HARMLESS AND INDEMNIFICATION, SOVEREIGN IMMUNITY

The CONSULTANT shall indemnify and hold harmless CFX, and its officers and employees from liabilities, damages, losses, and costs, including, but not limited to, reasonable attorneys' fees, to the extent caused by the negligence, recklessness, or intentionally wrongful conduct of the CONSULTANT and other persons employed or utilized by the design professional in the performance of the Agreement.

Subject to the provisions and limitations set forth in law, the CONSULTANT expressly agrees to indemnify, defend, and hold harmless CFX, and its officers, and employees, from any claim, liabilities, losses, damages, and costs, including, but not limited to, reasonable attorneys' fees, arising from any act, error or omission of the CONSULTANT and other persons employed or utilized by the CONSULTANT in the performance of the Agreement, except that the CONSULTANT will not be liable under this paragraph for claims of, or damages resulting from, gross negligence, or willful, wanton or intentional misconduct of CFX, its officers, or employees during the performance of the Agreement.

When CFX receives a notice of claim for damages that may have been caused by the CONSULTANT in the performance of services required by the CONSULTANT under this Agreement, CFX will immediately forward the notice of claim to the CONSULTANT. The CONSULTANT and the AUTHORITY will evaluate the notice of claim and report their findings to each other within fourteen (14) calendar days.

In the event a lawsuit is filed against CFX alleging negligence or wrongdoing by the CONSULTANT, CFX and the CONSULTANT will jointly discuss options in defending the lawsuit. After reviewing the lawsuit, CFX will determine whether to request the participation of the CONSULTANT in the defense of the lawsuit or to request that the CONSULTANT defend CFX in such lawsuit as described in this section. CFX's failure to notify the CONSULTANT of a notice of claim will not release the CONSULTANT from any of the requirements of this section upon subsequent notification by CFX to the CONSULTANT of the notice of claim or filing of a lawsuit. CFX and the CONSULTANT will pay their own cost for the evaluation, settlement negotiations and trial, if any. However, if only one party participates in the defense of the claim at trial, that party is responsible for all of its costs, but if the verdict determines that there is joint responsibility, the costs of defense and liability for damages will be shared in the same percentage as that judicially established, provided that CFX's liability does not exceed the limits and limitations arising from Section 768.28, Florida Statutes, the doctrine of sovereign immunity, and law.

CFX is an agency of the State of Florida whose limits of liability are set forth in Section 768.28, Florida Statutes, and nothing herein shall be construed to extend the limits of liability of CFX beyond that provided in Section 768.28, Florida Statutes. Nothing herein is intended as a waiver of CFX's sovereign immunity under Section 768.28, Florida Statutes, or law. Nothing hereby shall inure to the benefit of any third party for any purpose, which might allow claims otherwise barred by sovereign immunity or operation of law. Furthermore, all of CFX's obligations are limited to the payment of no more than the amount limitation per person and in the aggregate contained in Section 768.28, Florida Statutes, except for payments for work properly performed, even if the sovereign immunity limitations of that statute are not otherwise applicable to the matters as set forth herein.

The obligations in Section 12.0, Hold Harmless and Indemnification, Sovereign Immunity shall survive the expiration or termination of this Agreement and continue in full force and effect.

### 13.0. INFRINGEMENT OF PATENTS AND COPYRIGHTS

The CONSULTANT shall pay all royalties and assume all costs arising from the use of any invention, design, process materials, equipment, product or device which is the subject of patent rights or copyrights. The CONSULTANT shall, at its expense, hold harmless and defend CFX against any claim, suit or proceeding brought against CFX which is based upon a claim, whether rightful or otherwise, that

the goods or services, or any part thereof, furnished under this Agreement, constitute an infringement of any patent or copyright of the United States. The CONSULTANT shall pay all damages and costs awarded against CFX. The obligations in Section 13.0, Infringement of Patents and Copyrights, shall survive the expiration or termination of this Agreement and continue in full force and effect.

#### 14.0. THIRD PARTY BENEFICIARY

The CONSULTANT warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the CONSULTANT to solicit or secure this Agreement, and that the CONSULTANT has not paid or agreed to pay any person, company, corporation, individual or firm, other than a bona fide employee working solely for the CONSULTANT any fee, commission, percentage, gift or any other consideration, contingent upon or resulting from the award or making of this Agreement. It is understood and agreed that the term "fee" shall also include brokerage fee, however denoted. For the breach or violation of this paragraph, CFX shall have the right to terminate this Agreement without liability, and, at its discretion, to deduct from the contract price, or otherwise recover, the full amount of such fee, commission percentage, gift or consideration.

#### 15.0. INSURANCE

The CONSULTANT, at its own expense, shall keep in force and at all times maintain during the term of this Agreement all insurance of the types and to the limits specified herein.

The CONSULTANT shall require and ensure that each of its subconsultants providing services hereunder procures and maintains, until the completion of the services, insurance of the requirements, types and to the limits specified herein. Upon request from CFX, the CONSULTANT shall furnish copies of certificates of insurance and endorsements evidencing coverage of each subconsultant.

The CONSULTANT shall require all insurance policies in any way related to the work and secured and maintained by the CONSULTANT to include clauses stating each underwriter shall waive all rights of recovery, under subrogation or otherwise, against CFX. The CONSULTANT shall require of subconsultants, by appropriate written agreements, similar waivers each in favor of all parties enumerated in this section. When required by the insurer, or should a policy condition not permit an endorsement, the CONSULTANT agrees to notify the insurer and request that the policy(ies) be endorsed with a Waiver of Transfer of Rights of Recovery Against Others, or an equivalent endorsement. This Waiver of Subrogation requirement shall not apply to any policy, which includes a condition that specifically prohibits such an endorsement or voids coverage should the CONSULTANT enter into such an agreement on a pre-loss basis. At the CONSULTANT's expense, all limits must be maintained.

15.1 Commercial General Liability coverage shall be on an occurrence form policy for all operations including, but not limited to, Contractual, Products and Completed Operations, and Personal Injury. The limits shall be not less than One Million Dollars (\$1,000,000) per occurrence, Combined Single Limits (CSL) or its equivalent. The general aggregate limit shall apply separately to this Agreement (with the ISO CG 25 01 or insurer's equivalent endorsement provided to CFX) or the general aggregate limit shall be twice the required occurrence limit. CFX shall be listed as an additional insured. ISO Form CG 20 10 11 85 or if not available, ISO Forms CG 20 10 10 01 and CG 20 37 10 01, or if not available, their equivalent acceptable to CFX, shall be used to meet these requirements and a photocopy



of same shall be provided with the Certificate. The CONSULTANT further agrees coverage shall not contain any endorsement(s) excluding or limiting Product/Completed Operations, Independent Consultants, Broad Form Property Damage, X-C-U Coverage, Contractual Liability, or Severability of Interests. The Additional Insured Endorsement included on all such insurance policies shall state that coverage is afforded the additional insured with respect to claims arising out of operations performed by or on behalf of the insured. If the additional insureds have other insurance which is applicable to the loss, such other insurance shall be excess to any policy of insurance required herein. The amount of the insurer's liability shall not be reduced by the existence of such other insurance.

15.2 Business Automobile Liability coverage shall be on an occurrence form policy for all owned, non-owned and hired vehicles issued on ISO form CA 00 01 or its equivalent. The limits shall be not less than One Million Dollars (\$1,000,000) per occurrence, Combined Single Limits (CSL) or its equivalent. In the event the CONSULTANT does not own automobiles the CONSULTANT shall maintain coverage for hired and non-owned auto liability, which may be satisfied by way of endorsement to the Commercial General Liability policy or separate Business Auto Liability policy.

Each of the above insurance policies shall include the following provisions: (1) The standard severability of interest clause in the policy and when applicable the cross liability insurance coverage provision which specifies that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured; (2) The stated limits of liability coverage for Commercial/Comprehensive General Liability, and Business Automobile Liability, assumes that the standard "supplementary payments" clause will pay in addition to the applicable limits of liability and that these supplementary payments are not included as part of the insurance policies limits of liability.

15.3 Workers' Compensation and Employer's Liability Insurance shall be provided as required by law or regulation (statutory requirements). Employer's Liability insurance shall be provided in amounts not less than \$100,000 per accident for bodily injury by accident, \$100,000 per employee for bodily injury by disease, and \$500,000 policy limit by disease. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of CFX for all work performed by the CONSULTANT, its employees, agents and subconsultants.

15.4 Professional Liability Coverage shall have limits of not less than One Million Dollars (\$1,000,000) Combined Single Limit (CSL) or its equivalent, protecting the selected firm or individual against claims of CFX for negligence, errors, mistakes or omissions in the performance of services to be performed and furnished by the CONSULTANT.

The CONSULTANT shall provide CFX with Certificate(s) of Insurance with required endorsements on all the policies of insurance and renewals thereof in a form(s) acceptable to CFX. CFX 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 who are acceptable to CFX and licensed to do business under the laws of the State of Florida. Each Insurance company shall minimally have an A.M. Best rating of A-:VII. If requested by CFX, CFX shall have the right to examine copies and relevant provisions of the insurance policies required by this Agreement, subject to the appropriate confidentiality provisions to safeguard the proprietary nature of CONSULTANT manuscript policies.

In the event any of the aforementioned insurance policies provide greater coverage or greater limits than the minimum requirements set forth herein, then CFX shall be entitled to the full coverage and

limits of such policies, and these insurance requirements will be deemed to require such greater coverage and greater limits.

Any deductible or self-insured retention must be declared to and approved by CFX. At the option of CFX, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as requests CFX, or the CONSULTANT shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

All such insurance required by the CONSULTANT shall be primary to, and not contribute with, any insurance or self-insurance maintained by CFX.

Compliance with these insurance requirements shall not relieve or limit the CONSULTANT's liabilities and obligations under this Agreement. Failure of CFX to demand such certificate or evidence of full compliance with these insurance requirements or failure of CFX to identify a deficiency from evidence provided will not be construed as a waiver of the CONSULTANT's obligation to maintain such insurance.

The acceptance of delivery by CFX of any certificate of insurance evidencing the required coverage and limits does not constitute approval or agreement by CFX that the insurance requirements have been met or the insurance policies shown in the certificates of insurance are in compliance with the requirements.

#### 16.0. COMMUNICATIONS, PUBLIC RELATIONS, AND USE OF LOGOS

The CONSULTANT agrees that it shall make no statements, press releases or publicity releases concerning this Agreement or its subject matter or otherwise disclose or permit to be disclosed any of the data or other information obtained or furnished in compliance with this Agreement, or any particulars thereof, during the period of the Agreement, without first notifying CFX and securing its consent in writing, except as required by law. The CONSULTANT also agrees that it shall not publish, copyright or patent any of the data, documents, reports, or other written or electronic materials furnished in compliance with this Agreement, it being understood that, under Section 7.0 hereof, such data or information is the property of CFX.

Regarding the use of logos, printed documents and presentations produced for CFX shall not contain the name or logo of the CONSULTANT unless approved by CFX's Public Affairs Officer or his/her designee. Prior approval by CFX's Public Affairs Officer or his/her designee is required if a copy of the CFX logo or any CFX mark, including trademarks, service marks, or any other mark, collectively referred as "Marks," is to be used in a document or presentation. The Marks shall not be altered in any way. The width and height of the Marks shall be of equal proportions. If a black and white Mark is utilized, the Mark shall be properly screened to insure all layers of the Mark are visible. The proper presentation of CFX Marks is of utmost importance to CFX. Any questions regarding the use of CFX Marks shall be directed to the CFX Public Affairs Officer or his/her designee.

#### 17.0. STANDARD OF CONDUCT

The CONSULTANT covenants and agrees that it and its employees shall be bound by the standards of conduct provided in Florida Statutes, Chapter 112, Part III, Section 348.753, and Section 104.31 and the CFX Code of Ethics as it relates to work performed under this Agreement, which

standards will by reference be made a part of this Agreement as though set forth in full. The CONSULTANT agrees to complete the Potential Conflict Disclosure Form with contract execution, annually by July 1, and in the event of changed circumstances. If the Disclosure Form is not submitted, or is submitted, but is incomplete, CFX has the right to withhold payments pending receipt of an explanation of such omissions or to terminate the contract for cause. The CONSULTANT agrees to incorporate the provisions of this paragraph in any subcontract into which it might enter with reference to the work performed.

The CONSULTANT acknowledges that it has read CFX's Code of Ethics and the referenced statutes and to the extent applicable to the CONSULTANT, agrees to abide with such policy.

#### 18.0. DOCUMENTED ALIENS

The CONSULTANT warrants that all persons performing work for CFX under this Agreement, regardless of the nature or duration of such work, shall be United States citizens or properly authorized and documented aliens. The CONSULTANT shall comply with all federal, state and local laws and regulations pertaining to the employment of unauthorized or undocumented aliens at all times during the performance of this Agreement and shall indemnify and hold CFX harmless for any violations of the same. Furthermore, if CFX determines that CONSULTANT has knowingly employed any unauthorized alien in the performance of this Agreement, CFX may immediately and unilaterally terminate this Agreement for cause.

The obligations in Section 18.0, Documented Aliens, shall survive the expiration or termination of this Agreement and continue in full force and effect.

#### 19.0. E-VERIFY CLAUSE

CONSULTANT 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 CONSULTANT during the term of the contract. CONSULTANT shall require all of its subconsultants to verify the employment eligibility of all new employees hired by the subconsultants during the term of the Agreement.

#### 20.0. CONFLICT OF INTEREST

The CONSULTANT shall not knowingly enter into any other contract with CFX during the term of this Agreement which would create or involve a conflict of interest with the services provided herein. Likewise, subconsultants shall not knowingly enter into any other contract with CFX during the term of this Agreement which would create or involve a conflict of interest with the service provided herein and as described below. Questions regarding potential conflicts of interest shall be addressed to the Executive Director for resolution.

During the term of this Agreement the CONSULTANT is NOT eligible to pursue any advertised construction engineering and inspection projects of CFX as either a prime or subconsultant where the CONSULTANT participated in the oversight of the projects or for any project which the CONSULTANT prepared plans and/or specifications. Subconsultants are also ineligible to pursue construction

engineering and inspection projects where they participated in the oversight of the projects or for any project which the subconsultant was involved in the preparation of plans and/or specifications.

#### 21.0. INSPECTOR GENERAL

CONSULTANT agrees to comply with Section 20.055(5), Florida Statutes, and agrees to cooperate with the inspector general in any investigation, audit, inspection, review, or hearing pursuant to this section. CONSULTANT agree to incorporate in all subcontracts the obligation to comply with Section 20.055(5). The obligations in this paragraph shall survive the expiration or termination of this Agreement and continue in full force and effect.

#### 22.0. PUBLIC ENTITY CRIME INFORMATION AND ANTI-DISCRIMINATION STATEMENT

Pursuant to Section 287.133(2)(a), Florida Statutes, “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, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies 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 s. 287.017 for CATEGORY TWO (\$35,000) for a period of 36 months following the date of being placed on the convicted vendor list.”

Pursuant to Section 287.134(2)(a), Florida Statutes, “an entity or affiliate who has been placed on the discriminatory vendor list may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies 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.”

#### 23.0. COMPANIES PURSUANT TO SECTION 287.135 AND 215.473

CFX may terminate this Agreement for breach of contract if the Consultant:

- 23.1. submitted a false certification as provided under Florida Statute 287.135(5); or
- 23.2. been placed on the Scrutinized Companies with Activities in Sudan List; or
- 23.3. been placed on the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List; or
- 23.4. been engaged in business operations in Cuba or Syria; or

- 23.5. found to have been placed on the Scrutinized Companies that Boycott Israel List or is engaged in a boycott of Israel.

#### 24.0. AVAILABILITY OF FUNDS

CFX's performance and obligation to pay under this Agreement are contingent upon an annual budget appropriation by its Board. The parties agree that in the event funds are not appropriated, this Agreement may be terminated, which shall be effective upon CFX giving notice to the CONSULTANT to that effect.

#### 25.0. AUDIT AND EXAMINATION OF RECORDS

##### 25.1 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 CONSULTANT'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 CONSULTANT 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 CONSULTANT in determining a price.

25.2 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 CONSULTANT or any subcontractor. By submitting a response to the Request for Proposal, CONSULTANT or any subcontractor submits to and agree to comply with the provisions of this section.

25.3 If CFX requests access to or review of any Contract Documents or Proposal Records and CONSULTANT refuses such access or review, or delays such access or review for over ten (10) calendar days, CONSULTANT 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 CONSULTANT. These provisions shall not be limited in any manner by the existence of any CONSULTANT claims or pending litigation relating to the Contract. Disqualification or suspension of the CONSULTANT for failure to comply with this section shall also preclude the CONSULTANT from acting in the future as a subcontractor of another contractor doing work for CFX during the period of disqualification or suspension. Disqualification shall mean the CONSULTANT is not eligible for and shall be precluded from doing future work for CFX until reinstated by CFX.

25.4 Final Audit for Project Closeout: The CONSULTANT shall permit CFX, at CFX's option, to perform or have performed, an audit of the records of the CONSULTANT and any or all subconsultants to support the compensation paid the CONSULTANT. The audit will be performed as soon as practical after completion and acceptance of the contracted services. In the event funds paid to the CONSULTANT 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, the CONSULTANT agrees that such amounts are due to CFX upon demand. Final payment to the CONSULTANT shall be adjusted for audit results.

25.5 CONSULTANT 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.

25.6 The obligations in Section 25.0, Audit and Examination of Records, shall survive the expiration or termination of this Agreement and continue in full force and effect.

## 26.0. GOVERNING LAW AND VENUE

This Agreement shall be governed by and constructed in accordance with the laws of the State of Florida. The parties consent to the exclusive jurisdiction of the courts located in Orange County, Florida. The obligations in Section 26.0, Governing Law and Venue, shall survive the expiration or termination of this Agreement and continue in full force and effect.

## 27.0. NOTICE

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:

To CFX: Central Florida Expressway Authority  
4974 ORL Tower Road  
Orlando, FL 32807  
Attn: Chief of Infrastructure

Central Florida Expressway Authority  
4974 ORL Tower Road  
Orlando, FL 32807  
Attn: General Counsel

To CONSULTANT: Terracon Consultants, Inc.  
1675 Lee Road  
Winter Park, Florida 32789  
Attn: Richard G. Acree, P.E.

Terracon Consultants, Inc.  
1675 Lee Road  
Winter Park, Florida 32789  
Attn: Douglas Baker, P.E.

## 28.0. HEADINGS

Headings are given to the sections of the Agreement solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of the Agreement.

## 29.0. CONTRACT LANGUAGE AND INTERPRETATION

All words used herein in the singular form shall extend to and include the plural. All words used in the plural form shall extend to and include the singular. All words used in any gender shall extend to and include all genders.

References to statutes or regulations shall include all statutory or regulatory provisions consolidating, amending, or replacing the statute or regulation referred to. Words not otherwise defined that have well known technical or industry meanings, are used in accordance with such recognized meanings. References to persons include their respective functions and capacities.

If the CONSULTANT discovers any material discrepancy, deficiency, ambiguity, error, or omission in this Agreement, or is otherwise in doubt as to the meaning of any provision of the Agreement, the CONSULTANT shall immediately notify CFX and request clarification of CFX's interpretation of this Agreement.

The Agreement shall not be more strictly construed against either party hereto by reason of the fact that one party may have drafted or prepared any or all of the terms and provisions hereof.

## 30.0. ASSIGNMENT

This Agreement may not be assigned without the written consent of CFX.

## 31.0. SEVERABILITY

The invalidity or non-enforceability of any portion or provision of this Agreement shall not affect the validity or enforceability of any other portion or provision. Any invalid or unenforceable portion or provision shall be deemed severed from this Agreement and the balance hereof shall be construed and enforced as if this Agreement did not contain such invalid or unenforceable portion or provision.

## 32.0. INTEGRATION

This Agreement constitutes the entire agreement among the parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, negotiations and

discussions of the parties, whether oral or written, and there are no other agreements between the parties in connection with the subject matter hereof. No waiver, amendment, or modification of these terms hereof will be valid unless in writing, signed by all parties and only to the extent therein set forth.

33.0. ATTACHMENTS

- Exhibit "A", Scope of Services
- Exhibit "B", Method of Compensation
- Exhibit "C", Details of Cost and Fees
- Exhibit "D", Project Organization Chart
- Exhibit "E", Project Location Map [Note: Attach if applicable]
- Exhibit "F", Project Schedule [Note: Attach if applicable]

[ SIGNATURES TO FOLLOW ]



IN WITNESS WHEREOF, the CONSULTANT and CFX have caused this instrument to be signed by their respective duly authorized officials, as of the day and year first above written. This Contract was awarded by CFX's Board of Directors at its meeting on October 11, 2018.

**ARDAMAN & ASSOCIATES, INC.**

**CENTRAL FLORIDA  
EXPRESSWAY AUTHORITY**

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

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

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

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

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

*Approved as to form and execution, only.*

*General Counsel for CFX*

\_\_\_\_\_

**EXHIBIT "A"**  
**SCOPE OF SERVICES**

**MATERIALS SAMPLING, TESTING AND REPORTING**

**I. PURPOSE**

The Central Florida Expressway Authority (CFX) requires the services of a Professional Consultant to support CFX in the field of soil exploration, geotechnical exploration testing, highway materials testing, foundations studies, construction materials sampling, testing and reporting, pavement evaluation and reporting for CFX projects.

In the execution of the services, the Consultant shall coordinate its activities with CFX's Director of Construction. (References to CFX's Director of Construction shall be taken to mean his designated representative as well.)

The Consultant shall minimize, to the extent possible, CFX's need to apply its own resources to assignments authorized by CFX. CFX, at its option, may elect to expand, reduce or delete the extent of each work element described in this Scope of Services.

CFX will request Consultant services on an as-needed, per project basis as described below. There is no guarantee that any or all of the services described in this Scope of Services will be assigned during the term of the Agreement. CFX, at its option, may elect to have any of the services performed by other consultants or CFX staff.

**II. STANDARDS**

The services by the Consultant provided in office, field, and lab shall be in compliance with the current edition including updates of all applicable manuals and guidelines as well as State and Federal regulations. This shall include but not limited to the following:

- CFX's General and Technical Specifications
- FDOT Standard Specification for Road and Bridge Construction as may be applicable to specific projects
- FDOT Roadway Plans Preparation Manual
- FDOT Design Standards
- FDOT Structural Design Guidelines
- FDOT Structure Design Office Standard Drawings
- FDOT Materials Manual
- FDOT Manual of Florida Sampling and Testing Methods
- FDOT Manual for Safety and Control of Equipment Containing Radioactive Materials
- FDOT Construction Project Administration Manual (CPAM)
- FDOT Construction Training and Qualification Manual (CTQM)
- FDOT / D5 Pavement Survey Evaluation Report Development Manual
- FDOT Soils and Foundation Handbook

- FDOT Right of Way Procedures Manual
- FDOT Radiation Safety Manual
- FHWA Administration Checklist and Guidelines for Review of Geotechnical Reports and Preliminary Plans and Specifications
- AASHTO Test Methods
- ASTM Standards
- Manual on Uniform Traffic Control Devices
- Code of Federal Regulations (CFRs)
- Safe Work Practices and Compliance Standards Handbook
- American Welding Society Bridge Welding Code (AWS D1.1 Structural Steel Welding Code)
- Occupational Safety and Health Administration (OSHA) 29 CFR 1910.1001 and 1926.58, 49 CFR 171 and 172

### **III. SERVICES TO BE PROVIDED**

Consultant shall provide all transportation, manpower, equipment and materials to perform the appropriate services according to applicable specifications. Consultant shall also provide a means of direct communication between CFX's project personnel and the Consultant Technician.

Work of a specified nature as outlined in this Scope of Services will be assigned to the Consultant based on the needs of CFX and will not necessarily equal the total Contract Amount.

Services may be required at mines, quarries, mills, refineries, processors, producers, fabricators, constructors, laboratories, emergency repair sites, and project construction sites, some of which may be outside the State of Florida.

Work shall include, but is not limited to, the following:

- Acquisition and reporting of subsurface material, hydrological, and environmental information to be used for the construction and performance of transportation facilities.
- Conducting tests on soil and rock according to CFX approved specifications for the purpose of classifying materials and identifying their physical properties.
- Sampling, transporting, and testing various materials and reporting results and recommendations.
- Producing reports which include selection of the type (footings, piles, drilled shafts, etc.) and depth of foundation for bridges and other structures; bearing capacity and the predicted settlement of the selected foundation; slope stability; surcharge or stage construction time schedules for construction over soft ground; pile load tests; soil treatment; stabilization; and direction of field instrumentation installation, including the interpretation of data obtained and other foundation studies.
- Conducting inspections and investigations of various highway materials or products, together with the proper recording, analysis and reporting of results and recommendations.

- Weld Inspection Services, Metals Fabrication Inspection, Welding Procedure and Shop Drawing Reviews.
- Pavement Marking Inspections, and Pavement Marking Distress Evaluations.
- Emergency work such as sinkhole evaluation and mitigation.

#### A. MATERIALS SAMPLING, TESTING, AND REPORTING

The Consultant shall provide CFX with personnel that are qualified, trained and thoroughly familiar with CFX's rules, policies, and procedures in inspection, sampling, testing, and reporting in the following areas:

- Bituminous Construction Materials
- Sand, Coarse Aggregate, Limerock and Cemented Coquina Mine Inspection
- Base, Subgrade and Embankment Materials
- Pavement Marking Materials
- Portland Cement Concrete
- Precast Concrete Products
- Prestressed Concrete Products
- Drilled Shaft Inspection
- Non-Destructive Testing (NDT)
- Laboratory Information Management System (LIMS) Data Entry
- Pavement Coring Reporting (PCR) Data Entry
- Consultant Contract Project Management
- Construction Materials Investigations, Special Studies & Projects
- Miscellaneous Construction Related Activities
- Materials Inspection and Testing Related Maintenance Activities
- GIS Data Input
- CWI Welding Inspection
- Asphalt Concrete Inspection/Evaluation

The Consultant shall provide CTQP (when required) qualified and experienced technicians in the following:

- |                                      |  |
|--------------------------------------|--|
| • Aggregate Field Testing            | • Concrete Laboratory Technician Level I   |
| • Aggregate Laboratory Testing       | • Concrete Laboratory Technician Level II  |
| • Qualified Sampler                  | • Certified Welding Inspection (CWI)   |
| • LBR Technician                     | • CFX and FDOT Specification 450<br>(with Concrete Field Level I for<br>Prestress Inspector) |
| • Aggregate Chemical Analyst         | • CTCI - Concrete Transportation<br>Construction Inspection                                  |
| • Asphalt Paving Level I             | • ECI Level I  |
| • Asphalt Paving Level II            | • ECI Level II   |
| • Asphalt Plant Level I              | • Prestress Inspector  |
| • Asphalt Plant Level II             | • Drilled Shaft Inspector  |
| • Concrete Field Technician Level I  |  |
| • Concrete Field Technician Level II |  |

- Pile Driving Inspector
- FDOT Basic and Intermediate MOT
- IMSA Traffic Signal Level II

For information about Construction Training Qualification Program (CTQP) courses go to:  
<http://www.dot.state.fl.us/construction/training/training.htm>

## B. MATERIALS MODEL

Sampling, Testing, and Reporting may be required on a “project-based” or “on-call” basis.

Project-Based VT refers to verification duties being issued to the Consultant on a per project basis by CFX. The Consultant shall be responsible for staffing, scheduling, and ensuring timely and correct completion of verification technician’s duties for the life of the project. Avoiding conflict-of-interest is primarily the responsibility of the Consultant.

On-Call here refers to using a private industry approach i.e., dispatching testing technicians on an “as-needed” basis.

## C. LABORATORY SERVICES

The Consultant shall have a materials laboratory that is capable as defined by the FDOT’s Laboratory Qualification Program. The Consultant laboratory shall have a Quality Control Program that includes provisions for checking test equipment and lab personnel proficiency. The laboratory shall keep records of calibration checks. Consultant shall be able to process materials testing for any assigned project. Consultant shall assist CFX to make comparison between QC & VT data within 1 day of acceptance testing. Resolution samples shall be delivered to the laboratory designated by CFX within 3 days of resolution procedure initiation. Consultant shall assist as needed to finalize Resolution Procedure.

## D. GEOTECHNICAL SOIL EXPLORATION AND FOUNDATIONS

The Consultant shall be responsible for a complete geotechnical investigation.

When necessary, the Director of Construction will make interpretations regarding CFX’s geotechnical standards, policies and procedures and provide guidance to the Consultant. Prior to beginning the investigation, the Consultant shall meet with the Director of Construction to review the project scope and requirements.

### 1. Field Investigation

The geotechnical investigation for roadway and structural foundations includes bridges, box culverts, retaining walls, sea walls, high-mast lighting, overhead signing, mast arm signals and high embankment fills as required.

If the drilling program expects to encounter artesian conditions, the Consultant shall submit a methodology(s) for plugging the borehole to CFX for approval prior to commencing with the boring program.

The geotechnical investigation for sinkhole activities.

Perform specialized field testing as required by needs of project.

Provide latitude/longitude for all Standard Penetration Tests (SPT) and Cone Penetrometer Test (CPT) Soundings in accordance with CFX's instructions.

### Preliminary Contamination Assessment (PCA)

When required, all work shall be performed in accordance with current DER and OSHA standards. The following work items shall be included but not be limited to:

- A minimum of four borings will be required per site.
- Soil gas analysis will be required by use of a flame ionization detector i.e., Organic Vapor Analyzer, etc.
- Installation of monitoring wells may be required.
- Water sampling and laboratory analysis may be required (Laboratory shall be HRS certified).
- Up to four drafts PCA reports will be required for review and up to six final reports (signed and sealed) will be required.

### 2. Preliminary Roadway Report

Up to four copies of the Preliminary Roadway Report shall be submitted before the 30% plans submittal. This report should include a field reconnaissance report, preliminary estimated seasonal high water table and review of existing data. Existing data to be reviewed and summarized should include but not be limited to: Topographical Maps, Aerial Photographs, Geological Maps and Reports, Soil Conservation Service Surveys (include copies in report), existing construction plans, potentiometric maps, and adjacent projects.

The Preliminary Roadway Report will be provided to the Roadway Designer to assist in setting road grades and locating potential problems.

### 3. Roadway Report

The roadway report shall include, but not be limited to:

- Copies of SCS and USGS maps with project limits.
- A report of tests sheet that summarizes the laboratory test results, the soil stratification (i.e., soils grouped into layers of similar materials) and construction recommendations relative to the current Standard Indices.

- Estimated seasonal high and/or low groundwater levels, and review with respect to proposed pavement grades.
- Recommend type of geosynthetic and A.O.S. for various applications.
- The Design LBR results from the 90% and mean methods.
- Permeability/infiltration parameters for water retention areas/exfiltration trenches/swales.
- A description of the site and subsoil conditions, design recommendations and a discussion of any special considerations (i.e., removal of unsuitable material, recompression of weak soils, estimated settlement time/amount, groundwater control etc.).
- An appendix which contains stratified soil boring profiles, laboratory test data sheets, Design LBR calculations/graphs, and any other pertinent information.

In addition to the roadway report, the Consultant will also provide stratified boring profiles to the Designer and review the entire set of plans for completeness before each submittal as requested by CFX. The Consultant shall assist the Designer with detailing limits on the cross-sections of subsoil excavation. Up to four drafts roadway reports shall be submitted to CFX for each review prior to incorporation of the Consultant's recommendations in the project design.

#### 4. Structures Report

The structure's report shall contain the following discussions as appropriate for the assigned project:

- Summary of structure background data, SCS, USGS and potentiometric data.
- Analysis of structure foundation alternatives including but not limited to the following: Spread footings, Pre-stressed concrete piling, Steel H piles, Steel pipe piles, Sheet piles, Drilled shafts, other feasible foundation types.
- Recommendations for most practical foundations types will be given along with the basis for selection.
- Analysis of allowable and/or ultimate foundation capacity and settlement potential for all feasible alternatives. Foundation capacity analyses shall be performed using the standards listed above or an FDOT approved alternate. For pile foundations, provide graphs of design soil resistance versus estimated minimum/maximum pile tip elevations (Adjusted for scour and/or Pre-drilling/Pre-forming if necessary).
- Provide the Structural Engineer with design soil profile(s), which include the soil model/type of each layer and all soil engineering properties required to run the Florida Pier computer program. For each pier/bent, review lateral analysis of selected foundation for geotechnical compatibility.
- Evaluation of external stability for conventional retaining walls and retained/reinforced earth wall systems (FHWA-RD-89-043, 11/90) and FHWA-SA-96-071, 10/96.
- Evaluation of embankment slope stability (PCSTABL), Reinforced Soil Slopes (RSS; FHWA-SA-96-071, 10/96) and settlement (EMBANK).
- Provide the Structural Engineer with the design soil profile(s), which include the soil model/type of each layer and all soil engineering properties required to run computer

programs for Sheet Pile Analysis (CWALSHT/FHWA DP-68-1 & RD-82-047/USS SSPDM).

- Provide the Structural Engineer with the design soil profile(s), which include the soil model/type of each layer and all soil engineering properties required to run computer programs for Mast Arm Signal, High Mast Light and Overhead Sign Structures.
- Draft of detailed boring/sounding standard sheet, including environmental classification and specialized construction requirements, for inclusion in final construction plans.
- Summary of soil test results including the following: Unit Weight, Consolidation parameters, Cohesion, Friction angle for cohesionless soils, Strain at 50% stress level from UU Triaxial compression, Modulus of subgrade reaction, other pertinent test results.
- Evaluation of lateral earth pressures on underground structures (i.e., box culverts, retaining walls, etc.).
- Shallow foundation bearing capacity (i.e., allowable bearing pressure, minimum footing width, and minimum embedment depth).
- Construction information addressing the following items:
  - A. Estimated maximum driving resistance anticipated for pile foundations.
  - B. Recommendations for footing or shaft installation, or other site preparation soils-related construction considerations with plan sheets as necessary.
  - C. Recommend quantity, location and length of test piles with or without instrumentation and a recommendation on the use of load tests.
- An appendix which includes SCS, USGS maps, SPT and CPT boring/sounding profiles, data from any specialized field tests, laboratory test data sheets, engineering analysis notes, example calculations and any other pertinent information.

Up to six draft structures reports shall be submitted to CFX or as requested prior to incorporation of the Consultant's recommendations in the project design.

## 5. Final Analyses and Reports

Separate final engineering reports will be submitted for roadway and structures. These final reports will contain any additional field or laboratory test results, recommended foundation alternatives along with design parameters and special provisions for the construction plans. These reports will be submitted to CFX for review prior to project completion. After review, the reports will be submitted in final form and will include the following:

- Signed and sealed final structures reports (up to six original reports).
- Two sets of plan sheets, unsigned xerographic bonds (half size and full size).
- Two sets of plan sheets signed and sealed xerographic bonds (half size and full size).
- Four signed and sealed sets of all applicable technical special provisions.
- Signed and sealed final roadway reports (up to six original reports).
- All reference and support documentation used in preparation of contract plans package.

All reports (Roadway, Structures, PCA, etc.), and all plan sheets shall be submitted in electronic format as requested by CFX. CADD files shall be submitted in Microstation (\*.DGN) format. Text files shall be submitted in Microsoft Word, and spreadsheets shall be submitted in Microsoft Excel format.



The final roadway and structures reports, as well as plan sheets, will be signed and sealed by a Professional Engineer registered by the State of Florida.

#### E. PILE DRIVING

The Consultant shall provide qualified personnel for pile driving services. The Consultant shall establish a strong line of communication with CFX's personnel so that all requests will be completed in a timely manner. The Consultant services shall include, but not be limited to, the following:

- Attend preconstruction and/or special meetings for the project.
- Perform WEAP runs to determine suitability of hammer driving system for the project. Provide results (check stresses, design capacity, and ultimate capacity) to CFX within 72 hours of the construction contractor's submittal.
- Review construction contractor's Pile Installation Plan and provide comments to the appropriate construction personnel within 72 hours of the construction contractor's submittal.
- Instrument test piling and production piling (when deemed necessary by CFX) during initial driving and redrives.
- When monitoring the test pile driving process, determine proper fuel settings, thickness of pile cushions and when they need changing. Record all pertinent information that is needed to determine the driving criteria such as jetting, preforming, predrilling, reference elevation, hammer serial number, hammer cushion material and thickness, pile cushion material and thickness, etc. Submit this information to CFX within 24 hours after the test pile driving process is completed. (In most cases this information will be requested immediately following test pile completion.)
- Perform Case Pile Wave Equation Analysis (CAPWAP) on selected blows, using the latest version. At a minimum, CAPWAPs shall be performed at the end of drive, before and after setchecks, and where the anticipated tip for the production piles is expected to occur. If requested, the end of drive CAPWAP will be performed in the field upon completion of the drive, otherwise it shall be completed within 24 hours of driving each pile.
- Perform all required WEAP analysis, using the latest version, to provide proof of compliance with the plans and specifications for production pile driving. This includes evaluation of all design loads, evaluation of soil parameters, assistance with cushion selection and stroke selection for driving stress control. The final wave equation analysis required for production driving shall be provided to CFX within 72 hours after the test pile program is completed, unless requested sooner.
- Analyze the test data and available soils data as required to establish production pile lengths and driving criteria. Submit a preliminary report recommending lengths and criteria to CFX for approval within 72 hours after the test pile program is completed, unless requested sooner. The preliminary report shall include CAPWAP and WEAP printed & plotted outputs, and all raw data obtained by the PDA and CAPWAP solutions (i.e. file 18's) on CD computer disks.

- Furnish final written letters, signed and sealed, in the agreed format for production pile lengths and the driving criteria which are in compliance with most current data, analysis, and report submittal requirements.

#### 1. Personnel

The Consultant must have personnel with the following minimum qualifications:

- Registered Professional Engineer to control the geotechnical work:

Registered as a Professional Engineer in the state of Florida and acceptable to CFX.

In responsible charge of the geotechnical work on at least two highway bridges constructed by CFX or FDOT.

Knowledgeable in the use and provisions of the PDA system, WEAP and CAPWAP computer programs to analyze concrete/steel/timber piling in conjunction with dynamic load tests on at least two highway bridges constructed by CFX or FDOT.

- Designer to perform dynamic testing in the field:

Proficient in the use and provisions of the PDA system, WEAP and CAPWAP computer programs to analyze concrete/steel/timber piling in conjunction with dynamic load tests on at least two highway bridges constructed by CFX or FDOT.

#### 2. Minimum Field Equipment Required

- PAK model Pile Driving Analyzer with clicker and all other necessary hardware (i.e. gauges, cable, etc.). PDA-pak shall be capable of performing CAPWAP and WEAP analysis in the field. Otherwise a portable computer with these capabilities shall be present on-site.
- Survey level and equipment necessary to mark inches and record blows per inch.
- Equipment/software/hardware to transfer PDA files to CFX personnel.
- CD Disk Drive for transfer of data.
- Mobile Phone is required during business hours for PDA field personnel.

#### F. DRILLED SHAFTS

When requested, the Consultant shall provide the following services in support of Drilled Shaft Construction:

- Drilled Shaft Plans review.
- Provide CTQP Certified Drilled Shaft Inspector on site during the drilled shaft installation operations (excavation, stabilization, cleaning, steel insertion, and concrete placement, etc.).

- Shaft installation shall be documented using the following FDOT approved forms: DRILLED SHAFT LOG, Form no. 700-010-84, DRILLED SHAFT ROCK EXCAVATION LOG, Form no. 700-010-86, DRILLED SHAFT CONCRETE PLACEMENT LOG, Form 700-010-89, and DRILLED SHAFT CONSTRUCTION & PAY SUMMARY, Form no. 700-010-91.
- Detailed shaft excavation procedures are required by Section 455 of the technical Specifications including alignment, logging of excavated material, over-reaming and shaft cleanliness. The construction contractor should have an CFX approved Drilled Shaft Installation Plan (DSIP) for the dry and wet method of construction, as applicable.
- Document activities and note problems in the Daily Report of Construction. The first production drilled shaft shall be closely monitored and scrutinized to make sure the Drilled Shaft Installation Plan (DSIP) process is demonstrating satisfactory field performance. Any process or site condition issues (including different soils encountered, etc.) shall be reported to CFX for review and comment.
- Perform required slurry testing, shaft bottom cleanliness checks; rebar inspections, and concrete testing.
- Upon completion of the Drilled Shaft Installation, issue a Certification Letter, signed and sealed by a Professional Engineer, that the installed drilled shaft(s) met all applicable plan and specifications.

#### G. PAVEMENT CORING AND EVALUATION

The Consultant shall provide CFX with personnel that are qualified, trained and thoroughly familiar with CFX's rules, policies, procedures in pavement coring and evaluation. Activities generally include:

- Preliminary site visit and Coring Plan with drawing
- Pavement Survey & Evaluation Report with CD of all photos (including core photos) with hyperlinked PECD sheets.
- The report shall present and analyze the data collected, and make pavement rehabilitation recommendations
- Pavement Coring Reporting (PCR) system data entry
- Obtain samples for design LBR values as requested.
- Recommend design LBR based on the most conservative value from either the 90% Method or the  $\pm 2\%$  of Optimum LBR Method
- Other pavement coring and evaluation related services as requested.

The Consultant shall collect all necessary information needed for the Pavement Survey & Evaluation Report and Pavement Coring Reporting (PCR) system input

All core holes shall be filled immediately after the core sample is extracted. The equipment, materials and procedure used for filling the holes shall be subject to approval by CFX.

## H. SPECIALTY ASPHALT EVALUATION

Specialty Asphalt Evaluations: Including, but not limited to pavement distress (rutting, cracking, etc.) evaluations, aggregate forensic evaluations, moisture susceptibility, field permeability testing, pavement slice sampling, etc. The Specialty Asphalt Evaluations should be performed by specialists and engineers with at least five (5) years of experience performing these types of evaluations.

## I. STRUCTURAL CONCRETE EVALUATION

Structural Concrete Evaluations: Including, but not limited to calculation and evaluation of form removal, release strength and member handling of cast-in-place or precast concrete structures; evaluation of cracks and determination of structural adequacy; evaluation of structural concrete repair proposals; development and review of mass concrete temperature control plans and evaluation of mass concrete temperature problems.

## IV. PROJECT REQUIREMENTS AND PROVISIONS OF WORK

The Consultant team shall have in its employ at least two Professional Engineers currently registered in the State of Florida that have the expertise in the discipline (i.e. Materials Testing, Geotechnical, etc.) covered in this Scope of Services. The Consultant shall have sufficient qualified staff, equipment, and laboratory and field apparatus in order to provide the services requested in time to meet schedules. For Preliminary Contamination Assessment (PCA) and Contamination Assessment (CA), field personnel and supervisor shall have proper OSHA training.

CFX reserves the right to remove Consultant personnel if they do not meet CFX qualifications or are not performing to CFX standards.

### A. LETTER OF AUTHORIZATION

For each work order requested by CFX, the Consultant shall prepare an estimate of work and price based on approved rates. Once acceptable rates and the maximum amount have been agreed upon by the Consultant and CFX, a "Letter(s) of Authorization" will be issued by the Director of Construction.

The maximum amount will be the total compensation required to accomplish the work. Should any additional services be required due to some unforeseen circumstance in excess of this authorization, a separate letter of authorization will be negotiated and issued by CFX before the additional services can begin.

Unit estimates may vary and additional items in the Contract may be used to meet the project requirements. Prices will adhere to the negotiated fees in the approved proposal and shall not exceed the maximum amount. Work shall be billed at the rates in the approved proposal. All work authorizations shall be completed within the terms of the Contract.

## B. SUBMITTALS

Upon completion of a work order, the Consultant shall deliver to CFX, in an organized manner, all project or work order files, maps, sketches, worksheets, plans, data and test reports, summary sheets, daily inspection reports, and other materials used or generated during the sampling, testing, and reporting of construction materials.

## C. PROJECT RELATED CORRESPONDENCE

The Consultant shall furnish copies of all written correspondence between the Consultant and any party pertaining specifically to a work order to CFX within one week of the receipt or mailing of said correspondence.

The Consultant shall record and distribute the minutes of all meetings pertaining to this Scope of Services.

## D. LEGAL PROCEEDINGS

The Consultant shall serve as an expert witness in any legal proceeding if required by CFX. The fee for these services shall be established if, and when, they are needed.

## E. PROFESSIONAL ENDORSEMENT

The Consultant shall furnish to CFX upon completion of a work order all original plan sheets, two sets of record prints, one set of special provisions and all reference and support documents utilized in the preparation of the contract plans package (when applicable). Record prints, special provisions, and/or reference and support documents shall be professionally endorsed by the Consultant's Professional Engineer in responsible charge of the work order.

## F. SUBCONTRACTUAL SERVICES

Services assigned to subconsultants must be approved in writing in advance by CFX. The subconsultants shall be qualified to perform all work assigned to them. Information on proposed subconsultants shall be included in the Consultant's proposal indicating which work items are to be performed by the subconsultants.

## G. COOPERATION AND PERFORMANCE OF THE CONSULTANT

During the term of the Contract, CFX will conduct reviews of the various phases of the Consultant's operations. Reviews will be conducted in accordance with established CFX policy on work phases to determine compliance with the Contract and the sufficiency with which procedures are being effectively applied to assure that the activities are performed in reasonable conformity with CFX policies, plans, specifications and Contract provisions. The Consultant shall cooperate and assist CFX's representatives in conducting the reviews.

When deficiencies are indicated they will be recorded and after review, remedial action shall be immediately implemented by the Consultant in conformance with CFX's recommendations. CFX's remedial recommendations and the Consultant's actions are to be properly documented by the Consultant's Project Managers. In general, remedial action shall be required commensurate with the degree and nature of the deficiencies cited. Additional compensation will not be allowed for remedial action taken to correct deficiencies by the Consultant. Remedial actions may include any or all of, but are not necessarily limited to, the following actions:

1. Further subdivide assigned responsibilities, reassign personnel or assign additional personnel. The Consultant shall comply with this action within one week of notification.
2. In any case of lost, damaged, or destroyed materials verification testing samples, the Consultant shall be responsible for any cost incurred to CFX and construction contractors for remediation. When this occurs CFX will request a written remediation plan from the Consultant. If the plan is accepted the Consultant shall implement the plan at no cost to CFX. If the plan is rejected CFX will ask an alternate consulting firm to submit a plan. The Consultant responsible for the lost, damaged, or destroyed samples shall pay for all damages suffered as a result thereof and those damages may be deducted from future invoice payments.
3. Replace personnel whose performance has been determined by CFX to be inadequate. When directed by CFX, any person whose performance has been determined to be unsatisfactory shall be immediately removed.
4. Some work items covered by this contract are Federal-Aid supported and are subject to review by representatives of the FHWA or FDOT. The Consultant shall fully cooperate with and assist in making such reviews.
5. Deficiencies incurred by the consultant will be recorded, and after review by CFX and mitigation by the consultant, may adversely affect CFX's evaluation of the Consultant's performance.

**V. METHOD OF COMPENSATION**

See Exhibit "B", Method of Compensation.

**END OF SCOPE**

EXHIBIT "B"  
MATERIALS TESTING AND GEOTECHNICAL SERVICES  
CONTRACT NO. 0001435

METHOD OF COMPENSATION

I. PURPOSE:

This Exhibit defines the limits of compensation to be made to the Consultant for the services set forth in Exhibit "A", Scope of Services, and the method by which payments shall be made.

II. ASSIGNMENT OF WORK:

For satisfactory completion of the services authorized under the Agreement, CFX will pay the Consultant a Total Maximum Limiting Amount not to exceed \$2,500,000.00 for the initial three (3) year term of the Agreement.

This is a task assignment type of agreement. CFX will furnish the Consultant a task work order specifying the services to be performed and the fees to be paid for each assignment based on the Unit Fees for Defined Tasks and Hourly Rates for Various Classifications negotiated with the Consultant and included Exhibit "C", Details of Costs and Fees. Services to be provided on each task assignment will be initiated and completed as directed by CFX's Director of Construction or his designee.

Once the task has been identified and the maximum limiting amount has been agreed upon, a "Letter of Authorization" will be issued by the Director of Construction specifying the work to be done and the agreed compensation.

No work shall commence by the Consultant on a task assignment until the Consultant has received a letter of authorization from CFX and has accepted the authorization in writing.

III. NEGOTIATIONS:

- A. CFX and the Consultant shall establish a maximum limiting amount for each task assignment. The Unit Fees for Defined Tasks and the Hourly Rates for Various Classifications shown in Exhibit "C", shall be used for establishing compensation. In the event a personnel classification is required by the Consultant for performance of the services and such classification is not set forth in Exhibit "C", such personnel classification may be added to Exhibit "C" by written amendment if mutually agreed to by both parties.

- B. The basis for establishing the maximum limiting amount for each task assignment shall consist of identifying the appropriate task/test required and applying the corresponding rate(s) for Unit Fees for Defined Tasks established in Exhibit "C". If CFX determines that certain personnel classifications also identified in Exhibit "C" will be required for a specific task, an estimated manhour effort required for performance of the services at the approved hourly rates, shall be included in the maximum limiting amount.
- C. It shall be the responsibility of the Consultant to ensure at all times that sufficient funding remains within the maximum limiting amounts established for each assigned task to complete authorized services. Changes in the Maximum Limiting Amount will require execution of an amendment of a Letter of Authorization. The Consultant shall not be obligated to perform services or incur costs which would result in exceeding the Maximum Limiting Amount for each assigned task, nor shall CFX be obligated to reimburse the Consultant for costs or make fee payments which result in exceeding the Maximum Limiting Amount, except to the extent said amount is, by mutual agreement, increased by an amendment.

IV. COMPENSATION:

All costs are subject to approval by CFX who will reimburse the Consultant for all reasonable, allocable and allowable costs. The reasonableness, allowability and allocability of reimbursements sought under this Agreement are expressly made subject to the terms of (1) the Agreement; (2) Federal Acquisitions Regulation sub-part 31-2; (3) Office of Management and Budget (OMB) Circular A-87 (46FR9548, January 28, 1981) and A-102 (45FR55086, August 18, 1980), and (4) other applicable federal and state regulations. By reference hereto, said sub-part of Federal Acquisition Regulations, OMB circulars and Federal Procurement Regulations are hereby incorporated in and made a part of this Agreement.

The Consultant will be compensated based on the Unit Fees for Defined Tasks in Exhibit "C". For specific task assignments, CFX may require the use of the various personnel classifications identified in Exhibit "C". In such cases, the negotiated straight time and overtime rates shown shall be used.

Straight time costs shall be the negotiated hourly rate paid for an employee's services on a task assignment. Unless otherwise agreed to by CFX, CFX will not compensate the Consultant for overtime for any position. All overtime must be approved in advance by CFX and will be paid at negotiated rates.



The Consultant shall not invoice for vacation, holiday and sick time used by its personnel on the project.

All material sampling and testing of materials and components incorporated into the work shall be reimbursed to the Consultant as set forth in the maximum allowance in Exhibit "C".

The Consultant shall be reimbursed for subconsultant costs incurred at the Unit Fees for Defined Tasks and the Hourly Rates for Various Classifications shown in Exhibit "C".

The Contract does not contain any rate escalation provision. Unless otherwise agreed to by CFX, the established billable rates of compensation shall remain in force throughout the term of the Contract. However, CFX will review pertinent published relevant cost / price indexes and market conditions in December of each year to determine if an increase is appropriate. Likewise, if it is apparent that a given negotiated rate is not serving the intended purpose, renegotiation of that rate may occur if both parties agree to do so. Any adjustment of Billable Rates will become effective only after execution of a contract amendment by CFX.

V. PROVISIONS FOR PAYMENT:

For each project authorized by a work authorization, the Consultant shall prepare and submit two (2) copies of a progress payment invoice no later than the fifth day of each month to assure Authority approval at the regularly scheduled Board meeting. Progress payment invoices shall be supported by such detail cost information as may be required by CFX to substantiate the charges being invoiced, and in a format acceptable to CFX.

Bills for compensation for services or expenses shall be submitted to CFX in detail sufficient for a proper pre-audit and post audit thereof.

The Consultant shall promptly pay all subconsultant(s) their proportionate share of payments received from CFX.

VI. RETAINAGE:

No retainage will be withheld from payments to the Consultant.

VII. PROJECT CLOSEOUT:

A. Final Audit:

CFX may perform or have performed, a final audit of the records of the Consultant and any or all subconsultants to support the compensation paid the Consultant. The audit would be performed as soon as practical after completion and acceptance of the contracted services. In the event funds paid to the Consultant under the Agreement

are subsequently properly disallowed by CFX because of accounting error or changes not in conformity with the Agreement, the Consultant agrees that such disallowed amounts are due to CFX upon demand. Further, CFX shall have the right to deduct from any payment due to Consultant under any contracts between CFX and the Consultant, an amount sufficient to satisfy any amount due and owing CFX by the Consultant under the Agreement. Payment to the Consultant shall be adjusted for audit results.

B. Certificate of Completion:

Subsequent to the completion of the final audit, a Certificate of Completion will be prepared for execution by both parties stating the total compensation due the Consultant, the amount previously paid, and the difference.

Upon execution of the Certificate of Completion, the Consultant shall either submit a termination invoice for an amount due or refund to CFX for the overpayment, provided the net difference is not zero.


END OF METHOD OF COMPENSATION

**CONSENT AGENDA ITEM  
#4**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: Aneth Williams   
Director of Procurement

DATE: September 25, 2018

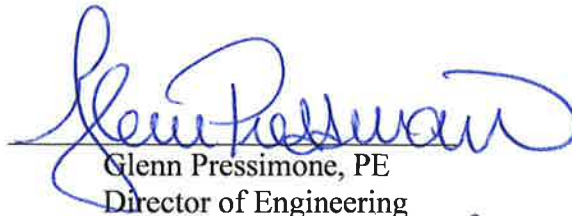
SUBJECT: Authorization to Advertise for Construction Bids for  
SR 408 West Bound Exit to Old Winter Garden Road Traffic Signals  
Project 599-156, Contract No. 001478

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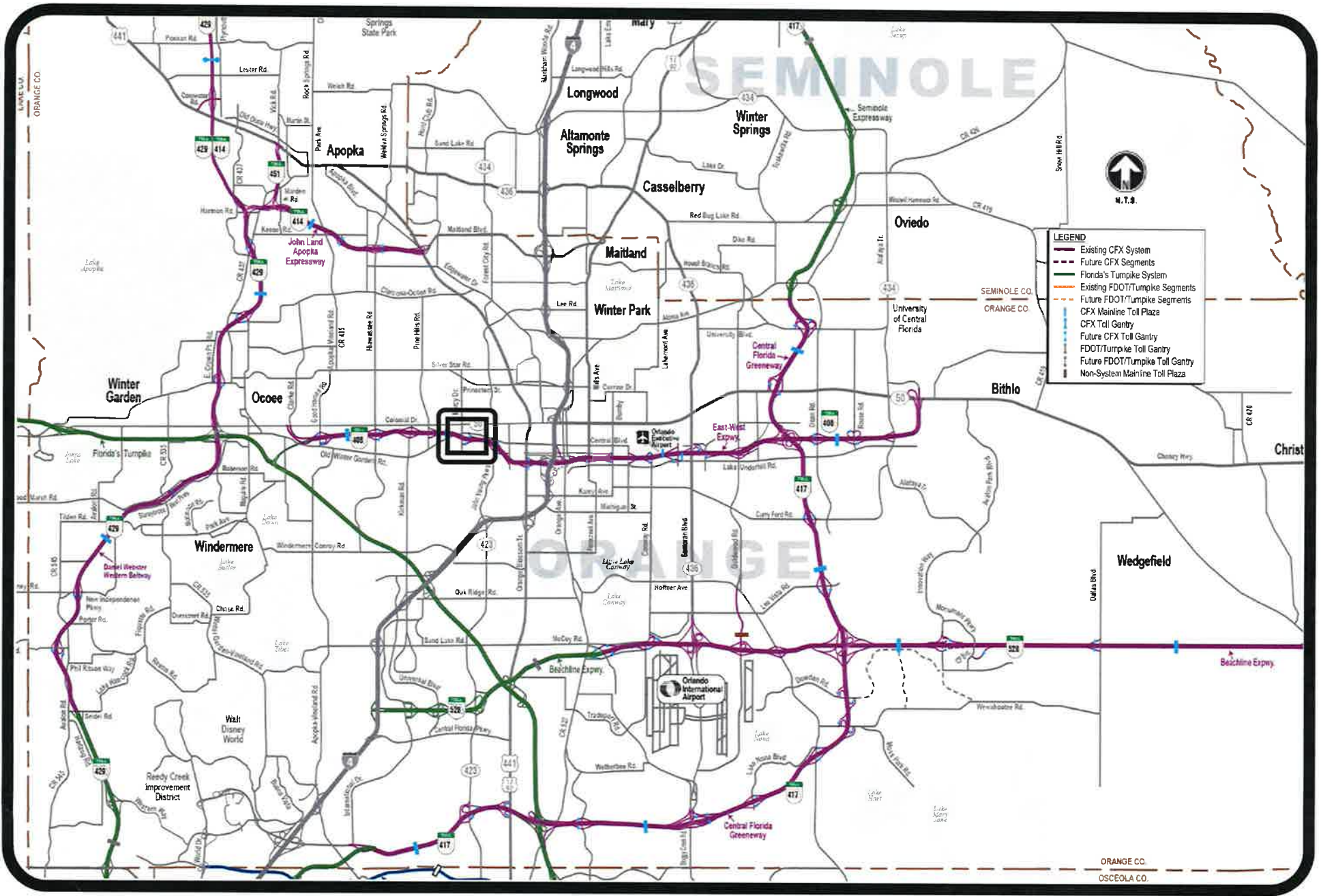
Board authorization is requested to advertise for construction bids for the SR 408 West Bound Exit to Old Winter Garden Road Traffic Signals. This project includes the construction and installation of traffic signals to improve traffic operations.

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

Reviewed by:

  
Glenn Pressimone, PE  
Director of Engineering






Project Location Map for  
 SR 408 West Bound Exit to Old Winter Garden Road Traffic Signals (599-156)

**CONSENT AGENDA ITEM  
#5**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: Aneth Williams   
Director of Procurement

DATE: September 25, 2018

SUBJECT: Authorization for the Executive Director to execute a Joint Participation Agreement with the Orange County Board of County Commissioners for SR 429 New Independence Parkway Interchange Improvements & Traffic Signals Project 429-158, Contract No. 001479

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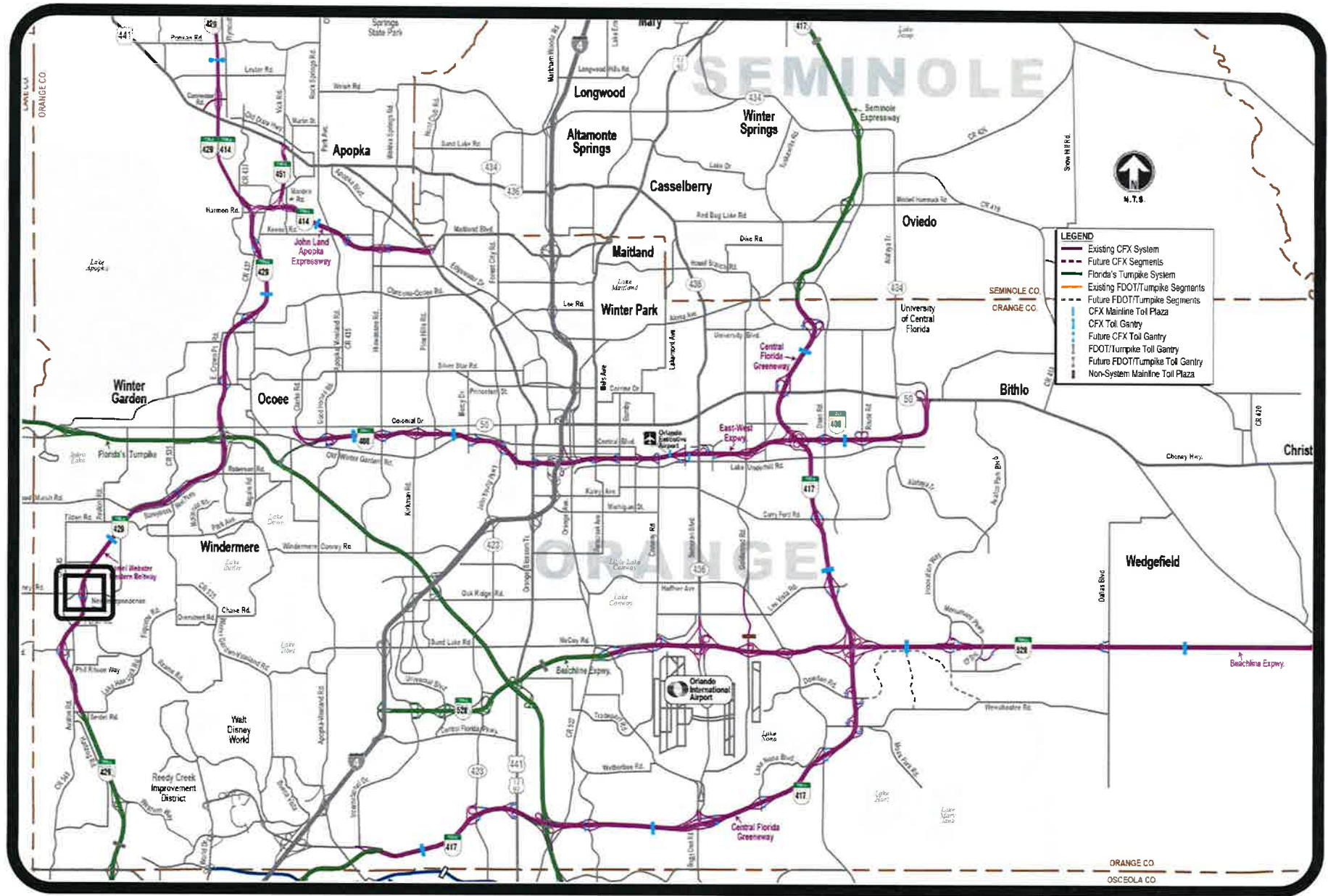
Board approval is requested to authorize the Executive Director to execute a Joint Participation Agreement (JPA) with the Orange County Board of County Commissioners (Orange County BCC) to share in the cost of designing, permitting and constructing traffic signals at the SR 429 Ramps to New Independence Parkway.

The JPA contemplates that the traffic signal work will be completed by CFX and outlines the terms by which the Orange County BCC will participate in 50% of the project costs associated with such work.

The total project cost outlined in the JPA is estimated to be \$818,180.00.

Reviewed by:   
Glenn Pressimone, PE  
Director of Engineering





Project Location Map for  
 SR 408 West Bound Exit to Old Winter Garden Road Traffic Signals (599-156)



**JOINT PARTICIPATION AGREEMENT  
BETWEEN ORANGE COUNTY, FLORIDA AND CENTRAL FLORIDA  
EXPRESSWAY AUTHORITY FOR NEW INDEPENDENCE PARKWAY AND S.R. 429  
RAMPS TRAFFIC SIGNALS PROJECT**

***THIS AGREEMENT***, effective as of the last date of execution (the “Effective Date”), is entered into by and among **Orange County**, a charter county and political subdivision of the State of Florida, hereinafter called “County,” and **Central Florida Expressway Authority**, an agency of the state, hereinafter called “CFX.” County and CFX are sometimes collectively referred to as the “Parties” or individually referred to as a “Party.”

**WITNESSETH**

***WHEREAS***, County and CFX jointly wish to improve traffic safety and operations at the S.R. 429 Interchange with New Independence Parkway; and

***WHEREAS***, County has conducted a traffic signal warrant analysis for the S.R. 429 Interchange Ramps at New Independence Parkway, which has been reviewed by CFX; and

***WHEREAS***, the traffic signal warrant analysis concluded that traffic signals are warranted on New Independence Parkway at the two (2) ramp terminals with S.R. 429; and

***WHEREAS***, the Parties have agreed that CFX shall permit, design, and construct traffic signals on New Independence Parkway at the two (2) ramp terminals with S.R. 429 (“Traffic Signals”); and

***WHEREAS***, the Parties are currently negotiating and finalizing a traffic signal maintenance agreement, which shall govern both operation and maintenance of the Traffic Signals; and

***WHEREAS***, County and CFX shall each be responsible for one-half (1/2) of the total project cost for permitting, design, and construction of the aforementioned signals.

***NOW, THEREFORE***, in consideration of the mutual covenants and promises of the Parties hereto, County and CFX agree as follows:

1. The above recitations are true and correct and are incorporated herein as fully as if set forth hereafter.
2. Subject to the provisions of Section 3, herein below, CFX shall utilize a professional engineering firm (“Design Consultant”) to design the Traffic Signals in accordance with CFX and County requirements for road and traffic signal design. County shall provide CFX with any utility “As-builts” or surveys along New Independence Parkway for the proposed Traffic Signals, if such information is in their possession, upon reasonable request from CFX or CFX’s Design Consultant. County shall have the right to review and approve the Traffic Signals design as described herein and in Section 3 below; such approval shall not be unreasonably withheld or delayed. Review of the design plans shall occur within thirty (30) days of submittal of the plans to County. For purpose of this

Agreement, the term "Traffic Signals" shall include, but is not limited to, the following: electronic cabinets, poles, mast arms, signal heads, video detection equipment, signal interconnect, pedestrian signals, and pavement markings.

3. Design Cost.

- (a) CFX has procured the Design Consultant in accordance with CFX's procurement process.
- (b) The agreed upon design cost is \$76,000.00 as shown by **Attachment A hereto** ("Design Cost") and the agreed upon contingency is ten percent (10%) of the Design Cost ("Design Contingency") or \$7,600.00. County agrees to pay one-half (1/2) of the Design Cost plus one-half (1/2) of the Design Contingency, which amounts to **\$41,800.00**, to CFX within forty-five (45) days of the Effective Date of this Agreement.
- (c) The Design Contingency may only be used for mutually-approved increases in the Design Cost of the Traffic Signals. Prior to using any of the Design Contingency, CFX will notify County for its review and approval, said approval not to be unreasonably withheld.
- (d) Upon completion of the design of the Traffic Signals, CFX shall provide such final design to County together with a statement setting forth the actual design costs ("Actual Design Costs") of the Traffic Signals. If County approves the final design and the Actual Design Costs exceed the amount that CFX and County have already paid, as previously approved by County, then CFX will invoice County who shall pay for one-half (1/2) of said excess amount. County shall pay such amount to CFX within forty-five (45) days of its receipt of the invoice(s); provided, however, any such additional requested payment that exceeds ten percent (10%) of the Design Cost plus the Design Contingency shall be subject to approval by the Orange County Board of County Commissioners, and therefore will be reimbursed to CFX as soon as reasonably possible. If the Orange County Board of County Commissioners does not approve the additional requested payment, CFX has the right to terminate this Agreement. In the event the Design Costs are less than the amount already paid by County to CFX, then CFX shall refund one-half (1/2) of such overage amount to County within thirty (30) days of the statement date.

4. CFX shall incorporate its standard insurance and Public Construction Bond requirements in the construction contract documents for the Traffic Signals. The general liability insurance policy provided by CFX's contractor shall name Orange County and CFX as additional insureds. The Public Construction Bond shall remain in full force and effect until one (1) year after substantial completion of the Traffic Signals.

5. Construction Costs.

- (a) CFX will procure the construction contractor ("Contractor") in accordance with CFX's procurement process. Construction of the Traffic Signals is estimated to cost Six Hundred Thirty Thousand and 00/100 dollars (\$630,000.00) ("Construction Estimate") as shown by **Attachment B**.
- (b) Upon receipt of bids, and prior to authorizing construction of the Traffic Signals, CFX shall provide County with the Traffic Signals construction low bid (the "Construction Cost").
- (c) If the Construction Cost is less than or equal to the Construction Estimate, County agrees to pay one-half (1/2) of the Construction Cost plus one-half (1/2) of the agreed upon contingency of ten percent (10%) of the Construction Cost ("Construction Contingency") plus one-half (1/2) of the agreed upon construction, engineering and inspection cost ("CEI Cost") of six percent (6%) of the Construction Cost plus Construction Contingency, subject to completion of the procurement process, change orders and claims as discussed below.
- (d) If the Construction Cost is greater than the Construction Estimate, County may accept or reject the Construction Cost within ten (10) business days of receipt. If County rejects the Construction Cost, then County shall reimburse CFX's portion of the Actual Design Costs as provided for in Section 3, and either Party may then terminate the Agreement upon thirty (30) days written notice to the other Party.
- (e) The Construction Contingency may only be used for mutually agreed-upon increases in the Construction Cost of the Traffic Signals, including any change orders, as set out in Section 6 below. Prior to using any of the Construction Contingency, CFX will notify County for review and approval, said approval not to be unreasonably withheld. If the Construction Contingency is insufficient to cover the cost of a mutually agreed-upon increase in the Construction Cost, then County may obtain the necessary approvals to increase the Construction Contingency to cover the increased cost. If County does not obtain the necessary approvals, then CFX is under no obligation to accept the change order, perform additional work, or incur additional costs.
- (f) Upon completion of the Traffic Signals, CFX shall provide to County a statement setting forth the actual total permitting and construction costs ("Final Construction Costs"), including all change orders, of the Traffic Signals. County shall pay one-half (1/2) of the Final Construction Costs to CFX within forty-five (45) days of its receipt of the statement; provided, however, any such additional requested payment that exceeds ten percent (10%) of County's total previous payment obligation (which is one-half (1/2) of the Construction Cost plus the Construction Contingency plus the CEI Cost plus approved increases) shall be subject to

approval by the Orange County Board of County Commissioners, and therefore will be reimbursed to CFX as soon as reasonably possible.

6. During the course of the Traffic Signals work, if either of CFX or County observes, or otherwise become aware of, any defects, conflicts, or necessary changes to the Traffic Signals, that Party shall immediately notify the other Party of such defect(s), conflict(s), or necessary change(s). County and CFX agree that time is of the essence in making any decisions, interpretations, or changes with respect to design, materials, and other matters pertinent to the work covered by the construction contract so as to not materially delay the work of the Contractor.
  - a. If County determines that a change is necessary to the construction contract in order to complete the Traffic Signals, then County shall provide such proposed change to CFX for review and approval, which approval shall not be unreasonably withheld or denied. Upon CFX's approval of such change, CFX shall inform County of the cost for the change order, which County shall review and approve/reject within ten (10) business days, said approval not to be unreasonably withheld. Upon County's approval of the cost, CFX shall process a change order with the Contractor.
  - b. If CFX determines that a change is necessary to the construction contract in order to complete the Traffic Signals, then CFX shall provide to County a copy of the proposed change order for review and approval, which approval shall not be unreasonably withheld or delayed. County shall notify CFX within ten (10) business days of receipt of the proposed change order of their approval or rejection. Upon County's approval of such change order, CFX shall inform County of the cost for the change order, which County shall review and approve/reject within ten (10) business days, said approval not to be unreasonably withheld.
  - c. If the Parties reach an impasse over any change order, the objection shall be heard by a committee ("Committee") composed of a CFX representative, a County representative, and a third member selected by the other two, which Committee shall make the final determination as to whether the change order shall be implemented. Such Committee shall make a good faith effort to resolve any such issues as expeditiously as possible and any such issues shall be resolved within three (3) days from the time the Committee first considers it, unless a majority of the Committee (2/3) agrees otherwise.
7. During construction, County may inspect the Traffic Signals. Any deficiencies in the Traffic Signals observed by County shall be reported to CFX's construction representative. All such identified deficiencies in the construction of the Traffic Signals shall be corrected or otherwise resolved by the Contractor as County and CFX agree. The County shall pay one-half (1/2) of any and all Contractor's or subcontractor's delay claims resulting from construction of the Traffic Signals, or any claims resulting from activities or

representations of the County, if such claims are payable pursuant to arbitration or court order, and provided that County was first afforded the reasonable opportunity to participate in any arbitration, dispute, and/or settlement process, with counsel of its choice. Said payment(s) shall be made within forty-five (45) days of CFX's written request and will be subject to Board of County Commissioners approval for any amount that exceeds ten percent (10%) of County's total previous payment obligation. Upon completion of the Traffic Signals, County and CFX shall jointly conduct a final inspection. Any deficiencies in work shall be set forth on a "punch list." Upon completion or correction of all outstanding issues listed on the punch list to County's satisfaction, County shall promptly notify CFX in writing of its acceptance of the Traffic Signals. Any costs incurred by the Parties under the terms of this Section are not subject to the limitations referenced in paragraph 5 above and will be mutually negotiated among the two Parties.

8. The Parties anticipate that construction of the Traffic Signals can be performed completely within existing County or CFX right-of-way and no additional real property is required.
9. This Agreement is solely for the benefit of the Parties herein, and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third party that is not a party hereto.
10. County will issue a right-of-way utilization permit, as necessary, for CFX's Design Consultant and Contractor to design and construct the Traffic Signals. County and CFX agree to waive all permit fees required by their respective jurisdictions for the Traffic Signals. In the alternative, either CFX or County may itself pay a permit fee required by its respective jurisdiction. Said payment shall not be reimbursable under this Agreement. To the extent permit fees are required by any other agency with jurisdiction, County shall reimburse CFX one-half (1/2) of such permit fees for the Traffic Signals within forty-five (45) days of receipt of an invoice from CFX.
11. Unless terminated earlier by one or both of the Parties, the term of this Agreement shall be eighteen (18) months, which is anticipated to be the period necessary to complete the Traffic Signals, subject to one (1) automatic renewal of 6 months.
12. Any notice required or allowed to be delivered pursuant to Sections 3, 4, 5, 6, or 7 may be delivered via electronic mail and shall be acknowledged by the recipient upon receipt. The electronic mail shall be addressed to the Party at the email address set forth opposite the Party's name below, or at such other address as the Party shall have specified in written notice to the other Party in accordance herewith.

**COUNTY:** Traffic Engineering Division Manager  
Email: [Christine.Lofye@ocfl.net](mailto:Christine.Lofye@ocfl.net)

With a copy to: Public Works Director  
Email: [Mark.Massaro@ocfl.net](mailto:Mark.Massaro@ocfl.net)

County Traffic Engineer  
Email: [Humberto.Castillero@ocfl.net](mailto:Humberto.Castillero@ocfl.net)

**CFX:** Chief of Infrastructure  
Email: [Joseph.Berenis@CFXway.com](mailto:Joseph.Berenis@CFXway.com);

With a copy to: Director of Engineering  
Email: [Glenn.Pressimone@CFXway.com](mailto:Glenn.Pressimone@CFXway.com);

13. Except as set forth in Section 13, any formal notice required or allowed to be delivered hereunder shall be in writing and be deemed to be delivered (a) when hand delivered to the official hereinafter designated, or (b) upon receipt of such notice when deposited in the United States mail, postage prepaid, certified mail return receipt requested, addressed to a Party at the address set forth opposite the Party's name below, or at such other address as the Party shall have specified in written notice to the other Party in accordance herewith.

**COUNTY:** Orange County Traffic Engineering  
Attention: Manager, Traffic Engineering Division  
Public Works Complex – Building 1  
4200 John Young Parkway  
Orlando, Florida 32839

With copy to: County Administrator  
201 South Rosalind Avenue, 5<sup>th</sup> Floor  
Orlando, Florida 32801

**CFX:** Central Florida Expressway Authority  
Attention: Chief of Infrastructure  
4974 ORL Tower Road  
Orlando, Florida 32807

14. Each of the Parties hereto shall give the other Party written notice of any alleged defaults hereunder and shall allow the defaulting Party thirty (30) days from the date of receipt to cure such defaults.

15. If any court finds part of this Agreement invalid or unenforceable, such invalidity or unenforceability shall not affect the other parts of the Agreement (i) if the rights and obligations of the Parties contained therein are not materially prejudiced and, (ii) if the intentions of the Parties can continue to be effected. To that end, this Agreement is declared severable.
16. No right or remedy herein conferred upon or reserved to either Party hereto is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy given hereunder, or now or hereafter legally existing upon the occurrence of a default hereunder. The failure of any Party hereto to insist, at any time, upon the strict observance or performance of any of the provisions of this Agreement, or to exercise any right or remedy as provided in this Agreement, shall not impair any such right or remedy nor be construed as a waiver or relinquishment thereof with respect to subsequent defaults. Every right and remedy given by this Agreement to the Parties hereof may be exercised from time to time and as often as may be deemed expedient by the Parties hereto, as the case may be.
17. Time is hereby declared of the essence to the lawful performance of the duties and obligations contained in this Agreement.
18. This Agreement and the provisions contained herein shall be construed, controlled and interpreted according to the laws of the State of Florida.
19. This instrument constitutes the entire agreement between the Parties and supersedes all previous discussions, understandings, and agreements between the Parties relating to the subject matter of this agreement. Amendments to the provisions herein, shall be made by the Parties in writing by formal amendment.

[SIGNATURES APPEAR ON FOLLOWING PAGES]

***IN WITNESS WHEREOF***, the Parties have caused this Joint Participation Agreement to be executed as of the day and year written below.

**Orange County, Florida**

By: Board of County Commissioners

By: \_\_\_\_\_  
Teresa Jacobs, Mayor

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

ATTEST: Phil Diamond, CPA, County Comptroller  
As Clerk of the Board of County Commissioners

By: \_\_\_\_\_  
Deputy Clerk

**SIGNATURES CONTINUE NEXT PAGE**



**Central Florida Expressway Authority**

By: \_\_\_\_\_  
Laura Kelley  
Executive Director

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

ATTEST:

\_\_\_\_\_  
Mimi Lamaute, Executive Secretary

Approved as to Form and Legality  
for the use and reliance of the  
Central Florida Expressway Authority only.

\_\_\_\_\_, 20\_\_\_\_

\_\_\_\_\_  
General Counsel

## ATTACHMENT A

<b>DESIGN COST</b>	
<b>429 NEW INDEPENDENCE PKWY SIGNALS</b>	
Pegasus (Tasks 21 & 22)	\$43,996
Southeastern Surveying (Tasks 27.10 (Partial) & 27.18)	\$8,415
STV	\$10,077
Ardaman (75%)	\$13,512
Sub-Total	\$76,000
10% Contingency	\$7,600
Total	\$83,600

## ATTACHMENT B


CONSTRUCTION ESTIMATE				
429 NEW INDEPENDENCE PKWY SIGNALS				
ITEM	QUANTITY	UNIT	UNIT PRICE	TOTAL
<b>** SIGNALIZATION **</b>				
50' STEEL MAST ARM	2	EA	\$ 35,000.00	\$70,000
70' STEEL MAST ARM	4	EA	\$ 50,000.00	\$200,000
3-SECTION SIGNAL HEADS	13	AS	\$ 1,000.00	\$13,000
4-SECTION SIGNAL HEADS	2	AS	\$ 1,300.00	\$2,600
VIDEO DETECTION CABINET EQUIPMENT	2	EA	\$ 5,500.00	\$11,000
VIDEO DETECTION CAMERAS	6	EA	\$ 4,400.00	\$26,400
CONTROLLER CABINETS	2	EA	\$ 30,000.00	\$60,000
CONDUIT	600	LF	\$ 18.00	\$10,800
PULL BOXES	8	EA	\$ 600.00	\$4,800
SIGNAL CABLE	2	PI	\$ 6,000.00	\$12,000
ELECTRIC POWER SERVICE	1	AS	\$ 6,000.00	\$6,000
INTERNALLY ILLUMINATED STREET NAME SIGNS	6	EA	\$ 3,700.00	\$22,200
<b>PEDESTRIAN ITEMS</b>				
PED SIGNALS	16	AS	\$ 700.00	\$11,200
PED DETECTORS	14	EA	\$ 250.00	\$3,500
<b>SIGNAL INTERCONNECT</b>				
CONDUIT	1120	LF	\$ 18.00	\$20,160
FIBER-OPTIC CABLE	1395	LF	\$ 3.00	\$4,185
SPLICE ENCLOSURE	2	EA	\$ 675.00	\$1,350
SPLICE TRAY	2	EA	\$ 40.00	\$80
PATCH PANEL	2	EA	\$ 1,700.00	\$3,400
PULL & SPLICE BOXES SMALL	4	EA	\$ 1,400.00	\$5,600
PULL & SPLICE BOXES LARGE	2	EA	\$ 3,000.00	\$6,000
<b>CROSSWALKS ACROSS NEW INDEPENDENCE</b>				
6" CONC. SW (FOR PED CROSSING)	55	SY	\$ 59.64	\$3,280
TYPE E CURB & GUTTER	48	LF	\$ 20.00	\$960
DETECTABLE WARNING SURFACE	48	SF	\$ 30.00	\$1,440
12" WHITE THERMOPLASTIC CROSS WALKS	208	LF	\$ 2.50	\$520
18" WHITE THERMOPLASTIC CROSS WALKS	240	LF	\$ 3.16	\$757
24" WHITE THERMOPLASTIC STOP BARS	120	LF	\$ 5.00	\$600
6" WHITE SKIP THERMOPLASTIC	160	LF	\$ 1.00	\$160
<b>SUB-TOTAL</b>				<b>\$501,992</b>
EROSION CONTROL / TEMPORARY DRAINAGE (0.5%)				\$2,510
MAINTENANCE OF TRAFFIC (15%)				\$75,299
MOBILIZATION (10%)				\$50,199
<b>SUB-TOTAL CONSTRUCTION</b>				<b>\$630,000</b>
CONSTRUCTION CONTINGENCY (10%)				\$63,000
<b>SUB-TOTAL (2018 CONSTRUCTION COST)</b>				<b>\$693,000</b>
CONSTRUCTION, ENGINEERING & INSPECTION (6% of SUB-TOTAL)				\$41,580.00
<b>TOTAL (2018 CONSTRUCTION COST + CEI)</b>				<b>\$734,580</b>

**CONSENT AGENDA ITEM  
#6**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: Evelyn Wilson   
Director of Human Resources

DATE: September 28, 2018

SUBJECT: Approval of Revised Performance Based Pay Policy and Resolution

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Board approval is requested to adopt the attached revised Performance Based Pay Policy and Resolution. The noted revisions provide clarification.

Reviewed by:   
Michelle Maiktsch  
Chief of Staff

**A RESOLUTION OF CENTRAL FLORIDA  
EXPRESSWAY AUTHORITY AMENDING THE  
PERFORMANCE BASED PAY POLICY**

**WHEREAS**, the Central Florida Expressway Authority (“CFX”) previously adopted a “Performance Based Pay Policy” on July 9, 2015 establishing the protocol for issuance and management of pay based performance; and

**WHEREAS**, the governing Board of CFX wishes to amend the Performance Based Pay Policy to move parts to the Performance Based Pay Procedures and delete irrelevant statements.

**NOW, THEREFORE, BE IT RESOLVED BY THE CENTRAL FLORIDA EXPRESSWAY AUTHORITY** as follows:

Section 1. ADOPTION. The current “Performance Based Pay Policy” shall be amended in accordance with the attached “Policy” attached hereto as Exhibit “A”.

Section 2. EFFECTIVE DATE. This policy shall take effect upon adoption by the CFX governing board.

**ADOPTED** this \_\_\_\_\_ day of October 2018.

\_\_\_\_\_  
Fred Hawkins, Jr.  
Chairman

ATTEST:

\_\_\_\_\_  
Regla (Mimi) Lamaute  
Board Services Coordinator

Approved as to form and legality

\_\_\_\_\_  
Joseph L. Passiatore  
General Counsel

DRAFT

Central Florida Expressway Authority  
Performance Based Pay Policy

Definition and Purpose

Performance based pay is defined as a financial reward system for employees. Monetary compensation (merit adjustment) is related to performance and obtaining goals set for the fiscal year.

The purpose of establishing a Performance Based Pay policy is to compensate our staff in line with the market and industry. This will help increase retention of top talent and productivity.

Policy

A Performance Based Pay Policy will compensate employees on their performance based on an evaluation tool. Merit adjustments will be determined utilizing the scores from the evaluation tool which will then be categorized by a performance scale. Below average performers will not receive an increase and will either receive coaching or be placed on a Performance Improvement Plan (PIP). The Executive Director or designee will determine the merit adjustment based on the fiscal year OM&A budget set by the Board. Additionally, a Cost of Living Adjustment (COLA) may be considered by the Board. The merit pay is subject to change based on the approved budget and will be reassessed annually.

Central Florida Expressway Authority  
Performance Based Pay Policy

Definition and Purpose

Performance based pay is defined as a financial reward system for employees, ~~where the Monetary compensation (merit adjustment) is related to how their performance and obtaining goals set for the fiscal year is assessed relative to stated criteria.~~

The purpose of establishing a Performance Based Pay policy is to compensate our staff in line with the market ~~and industry. This will help, increase retention of top talent and, improve internal communication, and productivity, motivation, and accountability.~~

~~There are four factors to be taken into consideration when determining merit adjustments.~~

~~-Performance based pay allows for quantifiable justification of a merit adjustment and motivation for employees to perform. It should be fair and the goals need to be reasonable and attainable.~~

~~-A performance based pay plan may provide a merit adjustment based upon an employee's rating of their work performance.~~

~~-Supervisors will evaluate each of their employees on performance amount of responsibilities and expectations. These factors are a reflection of an employee's work ethic, team player ability, and their future success.~~

~~-A merit adjustment is an investment in an employee and therefore CFX's future success. Future items to consider when determining the kind of adjustment an employee should receive include their responsibilities in the coming year, anticipated workload, possible promotion, and longevity of retention.~~

Commented [RV1]: Moved to procedures

Policy

A Performance Based Pay Policy will compensate employees on their performance based on an ~~approved~~ evaluation tool. ~~There are three types of performance reviews that will be used depending upon the type of employee being evaluated – employees or supervisors one for the supervisor and another for the employee to complete.~~

Commented [RV2]: Certain parts deleted because not relevant

MA merit adjustments will be determined utilizing the scores from the evaluation tool which will then be categorized by a performance scale, designated for each category



~~above-average and average performers. Below average performers will not receive an increase and will either receive coaching a warning or be placed on a Performance Improvement Plan (PIP). A PIP is a formal process used by supervisors to help employees improve performance or change a behavior. It is a written action plan that provides guidance for improvement of deficiencies. The Executive Director or designee will determine the merit adjustment for the two eligible categories based on the fiscal year OM&A budget set by the Board set by the board. Additionally a The highest supervisor in each department will make the merit adjustment recommendation to the Executive Director. Merit adjustments will be approved by the Executive Director after careful examination of the reviews for compliance, consistency, and fairness. The Executive Director will provide approvals in writing to the supervisors. At which time the supervisors will notify their employee of any merit adjustments during individual performance review meetings. During the performance review meeting, the supervisor will discuss and review the employee's performance and provide merit adjustment information if applicable. Annually a Cost Of Living Adjustment (COLA) may be considered by the Board. The merit pay is subject to change based on the approved budget and will be reassessed annually.~~


**Commented [RV3]:** Certain parts deleted because not relevant


**CONSENT AGENDA ITEM  
#7**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: Central Florida Expressway Authority Board Members  
Laura Kelley, Executive Director

FROM:  Joseph L. Passiatore, General Counsel

DATE:  October 1, 2018

RE: ISDAfix Instruments Litigation

---

CFX has received Notice of Proposed Settlement of Class Action in the case of *Alaska Electrical Pension Fund, et al. vs. Bank of America, N.A.* et al. Lead Case No. 14-cv-7126 (JMF) pending in the United States District Court for the Southern District of New York.

## PARTIES

The lawsuit was brought by and on behalf of certain persons who transacted in ISDA fix instruments known as the Class Plaintiffs. These entities are Alaska Electrical Pension Fund; Erste Abwicklungsanstalt; Genesee County Employees Retirement System; Pennsylvania Turnpike Commission; Portigon AG; City of New Britain, Connecticut; County of Montgomery, Pennsylvania, and County of Washington, Pennsylvania.

The Settling Defendants are Bank of America; Barclays, Citigroup; Credit Suisse; Deutsche Bank; Goldman Sachs; HSBC; JPMorgan; Royal Bank of Scotland; UBS; BNP Paribas; ICAP Capital Markets LLC; Morgan Stanley & Co. LLC; Nomura Securities International, Inc.; and Wells Fargo Bank, N.A.

## ALLEGATIONS

The lawsuit alleges that the Defendants engaged in anticompetitive acts that affected the market for ISDAfix Instruments in violation of the Sherman Act, 15 U.S. C. Section 1.

Specifically, Plaintiffs allege, among other things, that Defendants colluded to manipulate USD ISDAfix, a global benchmark reference rate used in the interest rate derivatives market. In general, Plaintiffs allege Defendants rigged the ISDAfix rates to secure supra-competitive profits on their derivative positions.

### **SETTLEMENT CLASS**

The settlement Class consists of “all Persons or entities who entered into, received or made payments on, settled, terminated, transacted in, or held an ISDA fix Instrument during the Settlement Class Period.” The Settlement Class Period is January 1, 2006 to January 31, 2014.

CFX currently has 5 Swap issues remaining which represent 18% of its debt portfolio and approximately \$490 million dollars.

PFM Swaps Advisors, LLC is CFX Swaps advisor. Although it is unable to give legal advice, PFM has indicated that “clients that had a Constant Maturity Swaps during the specified period . . . would be able to participate in the settlement.”

### **SETTLEMENT FUND**

The settlement fund is divided into various pools. CFX would fall under Pool A. There are two proposed settlements of \$408.5 million and 96 million for an approximate total settlement fund of \$505 million dollars of which 45% is allocated to Pool A. Thus, the net amount for Pool A claimants is roughly \$227,250,000.

A two-page transcript is attached to this memo which provides Plaintiff’s remarks to the Court in favor of approving the settlement.

The formula for determining a participant’s share of the recovery is calculated as (a) the amount of the Net Settlement Fund for Pool A multiplied by (b) the ratio of all your Pool A Transaction Claim Amounts as compared to the total of all Settlement Class Members’ Pool A Transaction Claim Amounts.

Expenses in this case include a commodities manipulation expert who is being compensated at the rate of \$900 an hour and the legal fees for the class action lawyers which amount has been deferred by the Court until the end of the case.

### **CFX’s POTENTIAL SHARE**

There is no sure way to project CFX’s potential share of the settlement fund. We have asked the Claims Administrator for the amount of claims filed under Pool A, but they are unable to disclose this amount until the claims period closes and the Court approves the distribution plan.

As previously stated, CFX owns \$490 million dollars of swap transactions. Hypothetically speaking, if there were \$49 billion of claims, CFX would be entitled to 1% of the net settlement fund, or roughly \$2.27 million dollars.

From a historical perspective, in 2012 CFX’s predecessor agency participated in the Attorneys General settlements achieved against J.P. Morgan, UBS and Wachovia Bank for alleged unfair trade practices on municipal derivatives during the settlement period between January 1, 1998 and December 31, 2004. The total recovery was \$2,462,231.80.

### **OPTIONS**

CFX has three options. It may either:

- 1) Participate in the settlement and file the Proof of Claim and Release;
- 2) Opt out as a class participant and preserve our potential cause of action for the claims being resolved by the settlements; or
- 3) Do nothing and fail to share in any recovery and lose the potential cause of action for the claims resolved by the settlements.

### **RECOMMENDATION**

CFX Legal and Finance departments recommend that CFX participate in the settlement and file the Proof of Claim and Release. Cases of this nature are extremely complex, technical and costly to litigate, and the actions complained of in this case would not typically be the subject of litigation by a single Plaintiff. By participating CFX gains the benefit of a recovery without incurring the expenses or risk of prosecuting the case. Time is of the essence and the Proof of Claim and Release must be filed with supporting transaction data by October 13, 2018.

On October 1, 2018 the CFX Finance Committee reviewed the matter and recommended that CFX participate in the settlement.

### **REQUESTED ACTION**

CFX staff seeks approval from the CFX governing Board authorizing the Executive Director to execute the necessary documents to participate in the settlement.

JLP/mi

Attachment: Court transcript

I5u5alaC

1 Well, we are here for the fairness hearing, I'm not  
2 sure that's a proper name for it, in any event, in connection  
3 with the settlement of this matter with respect to 10 of the  
4 defendants. I did put out two orders, one yesterday and one  
5 earlier today. I apologize for the last minute nature of both  
6 them with just a series of things that I wanted you to address.  
7 I think if, unless you have a better idea, my inclination would  
8 be to sort of address the issues relating to the settlement  
9 itself first and then to turn, at some point, and discuss  
10 issues relating to the fee application.

11 So, with that order in mind, and maybe taking the  
12 order that I issued earlier today as the starting point, if you  
13 want to address those things or I could pose the questions to  
14 you Mr. Brockett and we can proceed that way?

15 MR. BROCKETT: Yes.

16 THE COURT: Whatever you think is easiest.

17 MR. BROCKETT: Thank you, your Honor.

18 Yes. I will address each of the questions that the  
19 Court raised in its orders yesterday, first as they pertain to  
20 final approval of the settlements. But before I get to those  
21 may I just make two quick points about the settlement here?

22 First, I think it does merit emphasis again that not a  
23 single objection has been filed to any aspect of the  
24 settlement, and the opt-outs about which I am going to give a  
25 report are *de minimis*. So we have a record where not a single

I5u5alaC

1 class member has objected to the monetary component of the  
2 settlement, the nonmonetary component of the settlement, the  
3 plan of distribution, the scope of the releases, or any other  
4 term. And the essence of objections is a powerful testament to  
5 the fairness and adequacy of the settlement. This is  
6 particularly true given that hedge funds and other  
7 sophisticated institutions make up a significant portion of the  
8 class so I just want to put that point on record.

9 The second point I wanted to state is that the  
10 settlement amount of \$408 million here represents approximately  
11 28 to 59 percent of what we currently estimate the plaintiff  
12 class could have recovered had we gone to trial and this is  
13 just the trial demand. The actual recovery at trial could have  
14 been a lot lower given the many risks that we face in this  
15 case. So, this type of recovery in a class action is an  
16 outstanding recovery for the class and it far exceeds what  
17 plaintiff classes recover in the majority of class actions.  
18 So, I just wanted to address those two points.

19 Now, with respect to the Court's questions, let me  
20 take up the questions that came in today's order which largely  
21 go to the question of the underlying settlement. So, the first  
22 question, the Court asks for us to explain the meaning of  
23 certain concepts in the plan of distribution. First the notion  
24 of --

25 THE COURT: Let me clarify it was less, and maybe this


**CONSENT AGENDA ITEM  
#8**



# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM:  Joseph L. Passiatore, General Counsel

DATE: October 1, 2018

RE: Quit Claim of Innovation Way Water and Reclaimed Water Utility Lines

---

## INTRODUCTION

In conjunction with the State Road 528/Innovation Way interchange project, the Central Florida Expressway Authority, (“CFX”) partnered with Suburban Land Reserve, Inc., (“SLR”) on the construction of the Innovation Way Extension south to Aerospace Parkway. Water and reclaimed water utility lines were constructed as part of the project.

SLR is now in the process of transferring the road to Orange County and is required to transfer ownership of the utility lines. Because CFX was the project owner for the construction of these utility lines, SLR is requesting a bill of sale stating that CFX has no ownership claim.

CFX has no ownership interest. The extension portion of the project was paid for by SLR. Accordingly, we request approval for the Chairman to sign the attached Quit Claim Bill of Sale in favor of SLR.

## REQUESTED ACTION

Approval and authorizing the Chairman to execute the attached Quit Claim bill of sale.

Attachment: Quit Claim Bill of Bill of Sale.

JLP/mi  
cc: Laura Kelley, Executive Director

**QUIT CLAIM BILL OF SALE**

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY**, successor-in-interest to Orlando-Orange County Expressway Authority, a body politic and corporate and an agency of the State of Florida established pursuant to Part V of Chapter 348, Florida Statutes ("CFX"), located at 4974 ORL Tower Road, Orlando, Florida, 32807, in consideration for sufficient and valuable consideration, hereby grants, sells, transfers, conveys, and delivers, absolutely and unconditionally, to **SUBURBAN LAND RESERVE, INC.**, a Utah corporation, its successors and assigns, ("SLR") located at 79 South Main Street, Suite 500, Salt Lake City, Utah, all right, title, claim, and interest of CFX to all pipes, lines, valves, valve boxes, fittings, thrust blocks, hydrants, equipment, and other goods (collectively, "Equipment") which comprise the water and reclaimed water system located on or in the following easements or right-of-ways:

**See Exhibit "A" attached hereto and incorporated herein by reference.**

CFX constructed and installed the Equipment on land then belonging to SLR. This Bill of Sale is given to ensure CFX retains no, and SLR holds all, right, title, claim, and interest in the Equipment. Accordingly, this Bill of Sale transfers the Equipment to SLR only to the extent CFX holds any right, title, claim or interest in the Equipment.

CFX warrants it has not previously assigned or otherwise transferred to any third-party any right, title, claim, or interest of CFX in the Equipment.

IN WITNESS WHEREOF, CFX has executed this Agreement at Orlando, Florida on

\_\_\_\_\_, 2018.

**CENTRAL FLORIDA  
EXPRESSWAY AUTHORITY,**  
a body politic and corporate and an  
agency of the State of Florida

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

Print name: \_\_\_\_\_

As its Chairman

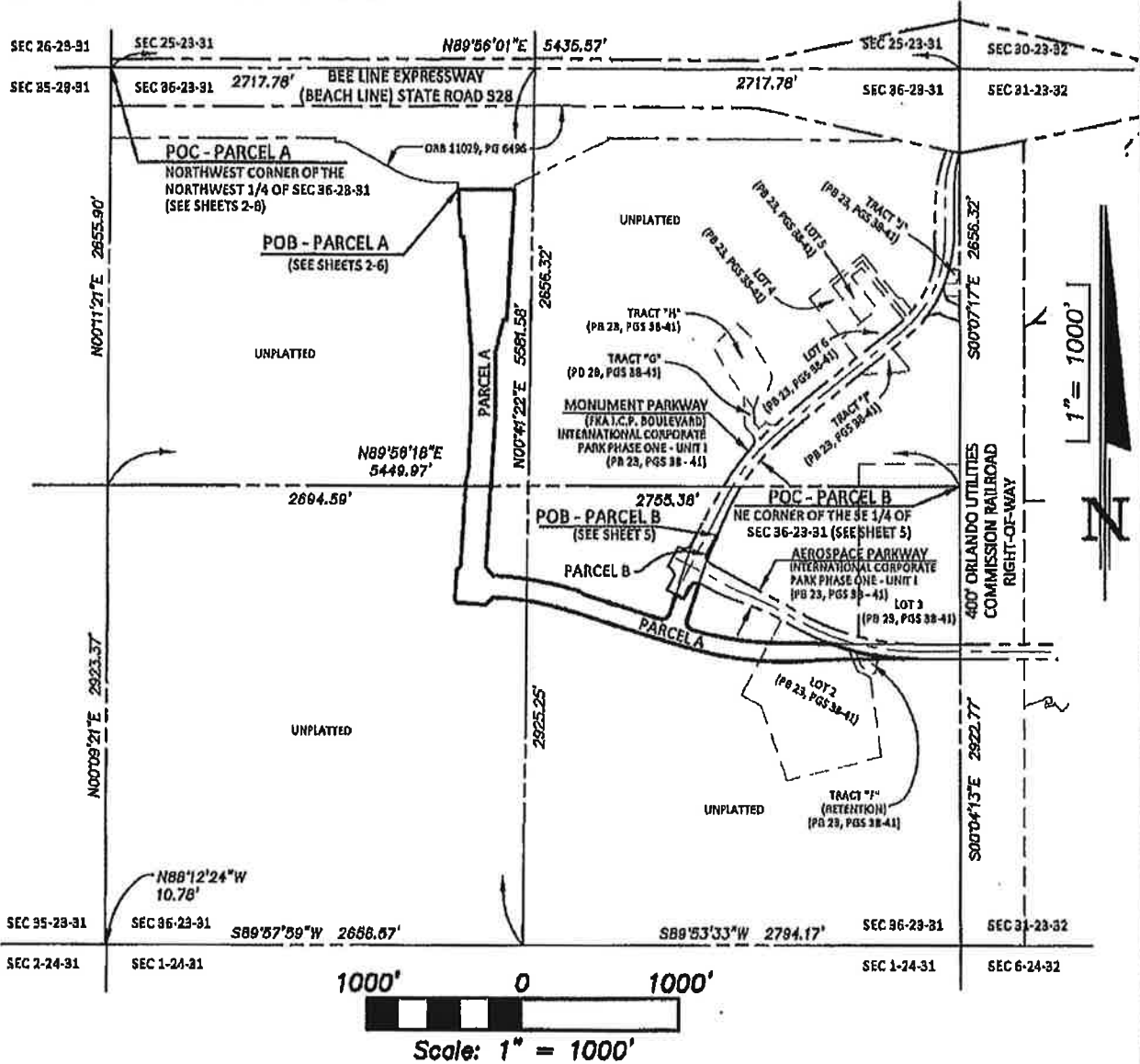
Date: \_\_\_\_\_, 2018

ATTEST:  
Mimi Lamaute, Board Service Coordinator

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

# SKETCH OF DESCRIPTION

- SEE SHEET 7 FOR NOTES AND LEGEND
- SEE SHEETS 7 & 8 FOR DESCRIPTIONS



PREPARED FOR:  
**Suburban Land Reserve, Inc.**

INNOVATION WAY PHASE 1 RIGHT-OF-WAY DEDICATION

DATE	BY	DESCRIPTION



**DONALD W. McINTOSH ASSOCIATES, INC.**  
ENGINEERS PLANNERS SURVEYORS  
2200 PARK AVENUE NORTH, WINTER PARK, FLORIDA 32789 (407) 644-4068  
CERTIFICATE OF AUTHORIZATION NO. LB88

REVISIONS

DONALD W. McINTOSH ASSOCIATES, INC.  
CERTIFICATE OF AUTHORIZATION NO. LB88

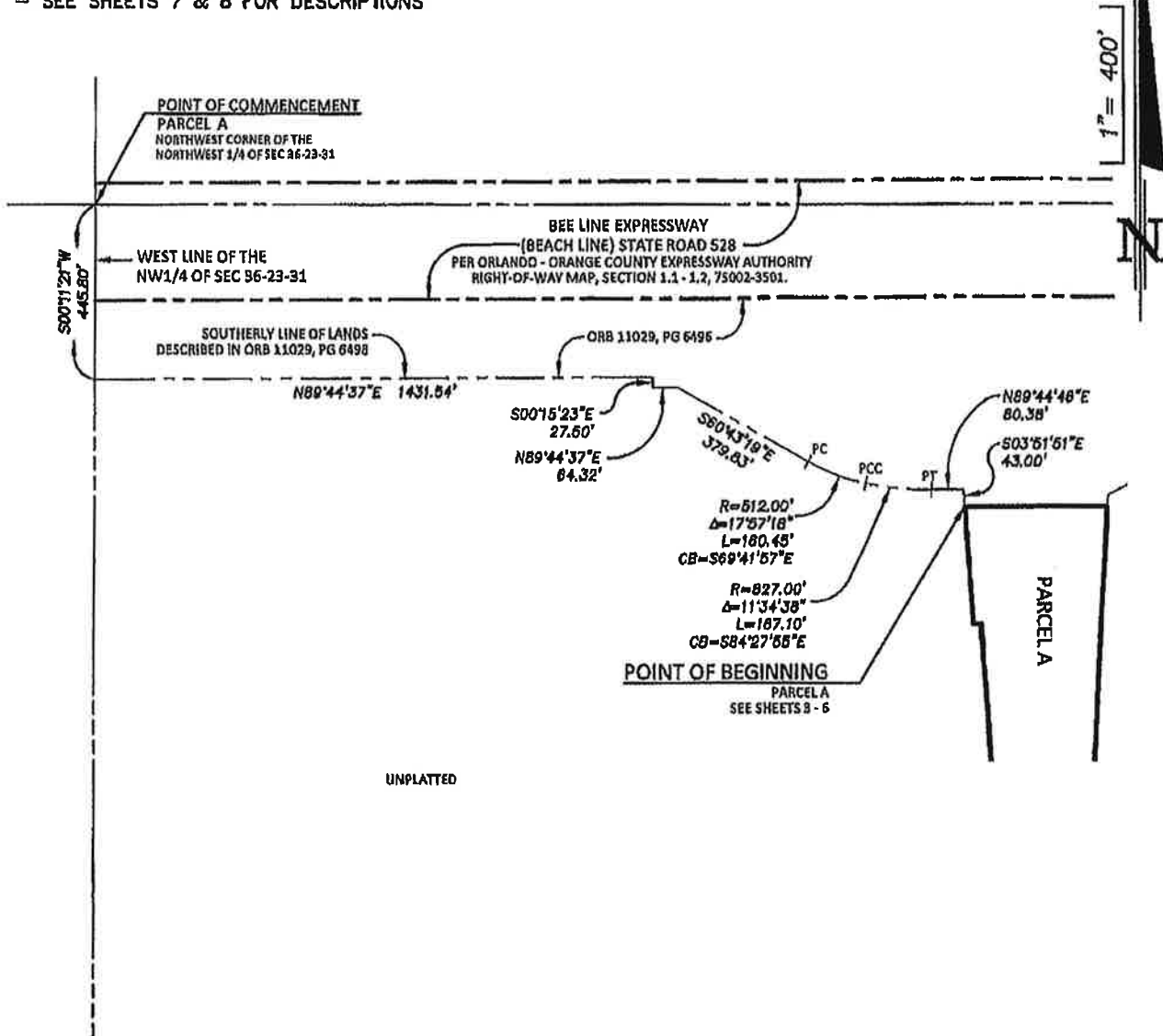
Rocky L. Cooper, January 18, 2016  
Florida Registered Surveyor and Mapper  
Certificate No. 4285

NOT VALID WITHOUT THE SIGNATURE AND THE ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER.

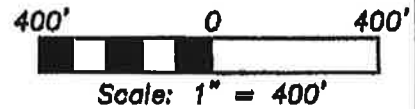
DRAWN BY: <u>DLL</u>	CHECKED BY: <u>RLC</u>	JOB NO. <u>14205.006</u>	SCALE <u>1"=1000'</u>	SHEET <u>1</u> OF <u>8</u>
DATE: <u>1/2016</u>				

# SKETCH OF DESCRIPTION

- SEE SHEET 7 FOR NOTES AND LEGEND
- SEE SHEETS 7 & 8 FOR DESCRIPTIONS



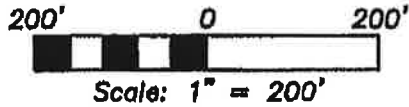
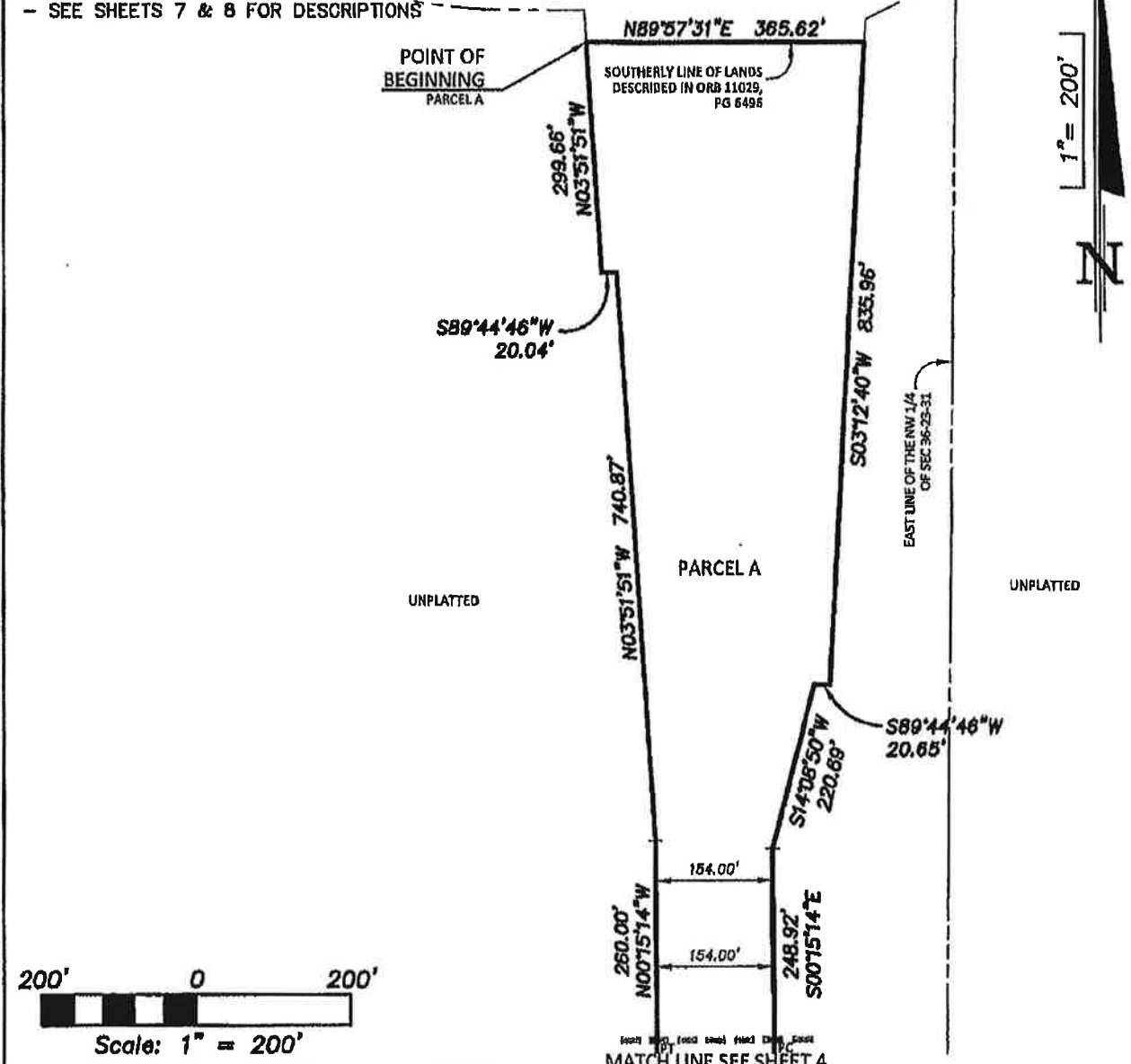
PREPARED FOR:  
**Suburban Land Reserve, Inc.**  
INNOVATION WAY PHASE 1 RIGHT-OF-WAY DEDICATION



	<b>DONALD W. McINTOSH ASSOCIATES, INC.</b>		
	ENGINEERS	PLANNERS	SURVEYORS
2200 PARK AVENUE NORTH, WINTER PARK, FLORIDA 32789 (407) 844-4088			CERTIFICATE OF AUTHORIZATION NO. LB68
DRAWN BY: <u>OLL</u>	CHECKED BY: <u>RLC</u>	JOB NO. <u>14205.006</u>	SCALE <u>1"=400'</u>
DATE: <u>1/2016</u>			SHEET <u>2</u> OF <u>8</u>

# SKETCH OF DESCRIPTION

- SEE SHEET 7 FOR NOTES AND LEGEND
- SEE SHEETS 7 & 8 FOR DESCRIPTIONS



PREPARED FOR:  
**Suburban Land Reserve, Inc.**  
INNOVATION WAY PHASE 1 RIGHT-OF-WAY DEDICATION

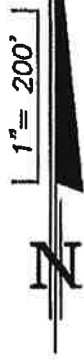
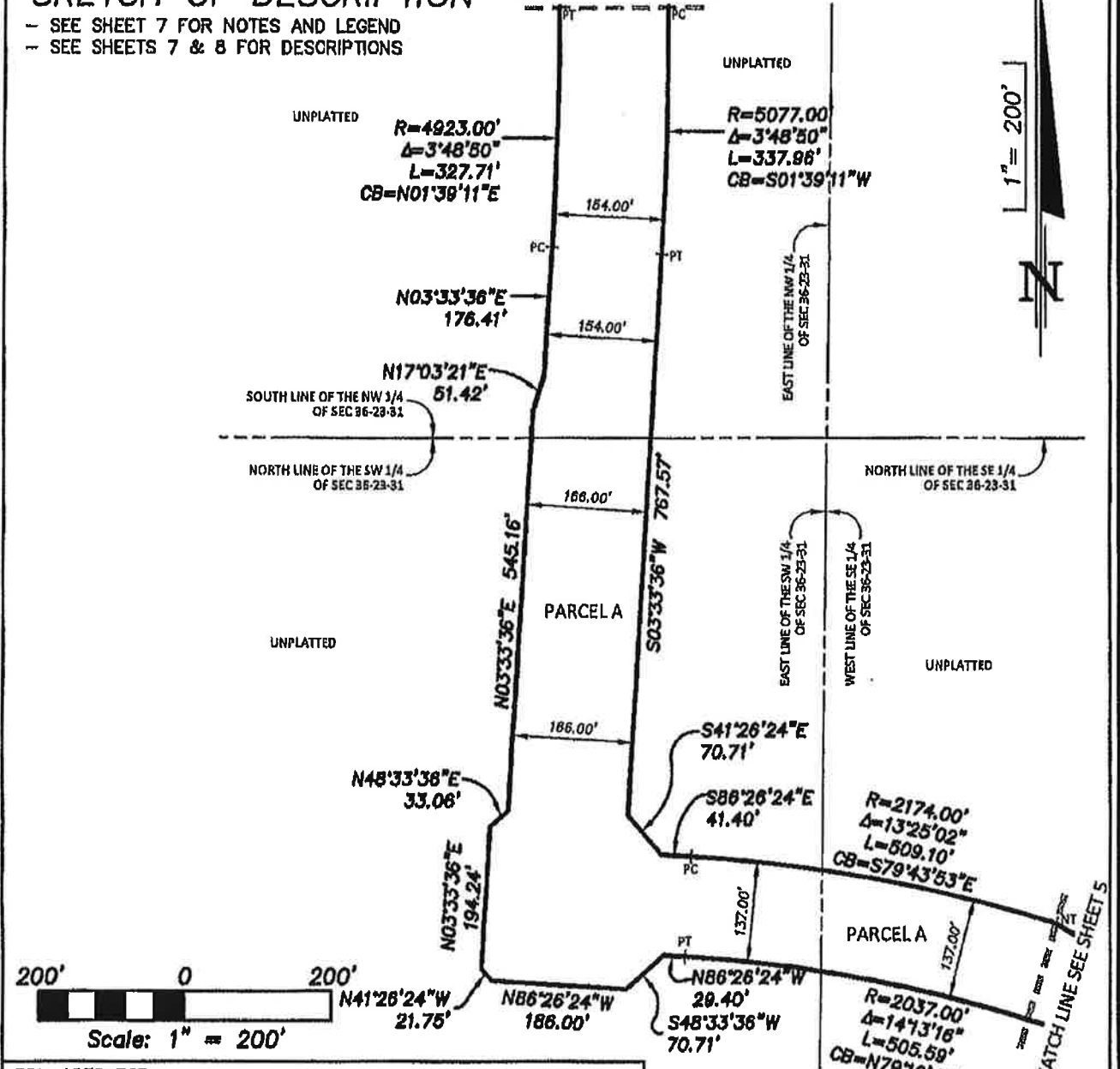
**DONALD W. McINTOSH ASSOCIATES, INC.**  
ENGINEERS PLANNERS SURVEYORS  
2200 PARK AVENUE NORTH, WINTER PARK, FLORIDA 32789 (407) 644-4088  
CERTIFICATE OF AUTHORIZATION NO. LB88

DRAWN BY: <u>DLL</u>	CHECKED BY: <u>RLC</u>	JOB NO. <u>14205.006</u>	SCALE <u>1"=200'</u>	SHEET <u>3</u>
DATE: <u>1/2018</u>				OF <u>8</u>

# SKETCH OF DESCRIPTION

- SEE SHEET 7 FOR NOTES AND LEGEND
- SEE SHEETS 7 & 8 FOR DESCRIPTIONS

MATCH LINE SEE SHEET 3



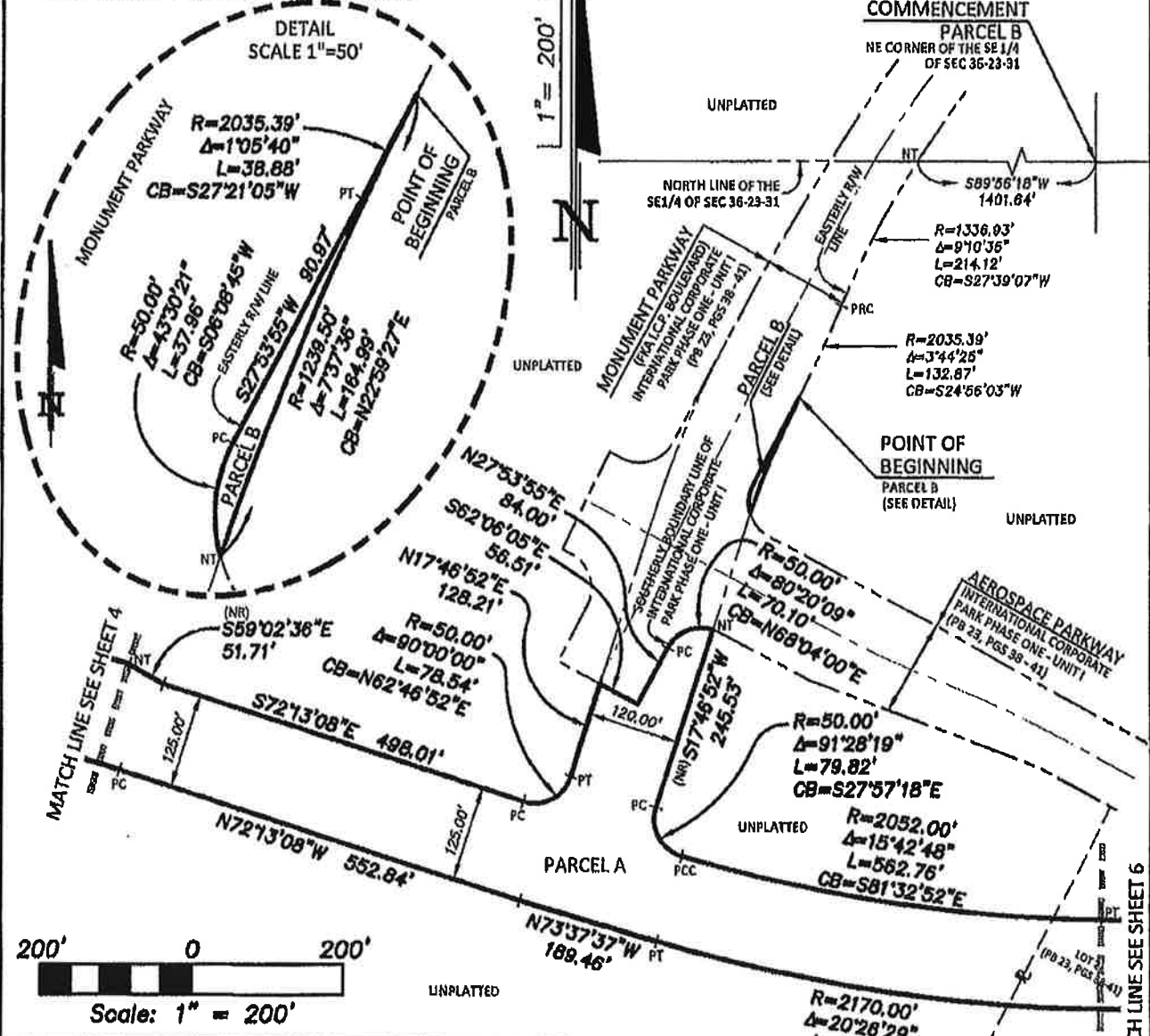
PREPARED FOR:  
**Suburban Land Reserve, Inc.**  
INNOVATION WAY PHASE 1 RIGHT-OF-WAY DEDICATION

**DONALD W. McINTOSH ASSOCIATES, INC.**  
ENGINEERS PLANNERS SURVEYORS  
2200 PARK AVENUE NORTH, WINTER PARK, FLORIDA 32789 (407) 644-4068  
CERTIFICATE OF AUTHORIZATION NO. LB88

DRAWN BY: DLL	JOB NO. 14205.006	SCALE 1"=200'	SHEET 4
DATE: 1/2016	CHECKED BY: RLC		OF 8

# SKETCH OF DESCRIPTION

- SEE SHEET 7 FOR NOTES AND LEGEND
- SEE SHEETS 7 & 8 FOR DESCRIPTIONS



PREPARED FOR:  
**Suburban Land Reserve, Inc.**

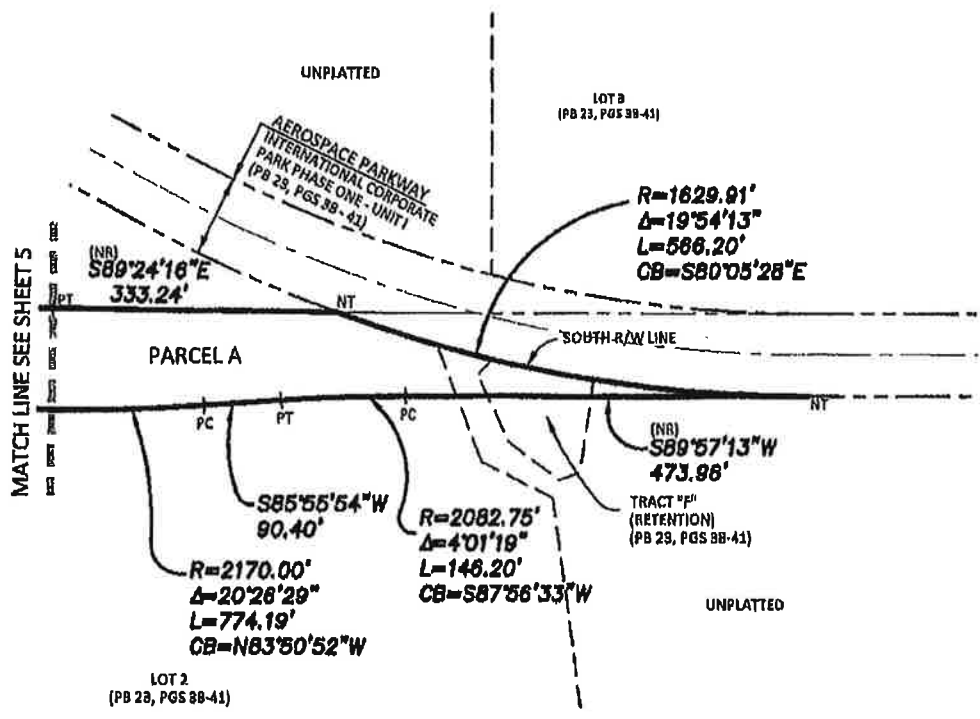
INNOVATION WAY PHASE 1 RIGHT-OF-WAY DEDICATION

**DONALD W. McINTOSH ASSOCIATES, INC.**  
**ENGINEERS PLANNERS SURVEYORS**  
 2200 PARK AVENUE NORTH, WINTER PARK, FLORIDA 32789 (407) 644-4068  
 CERTIFICATE OF AUTHORIZATION NO. LB68

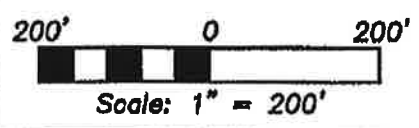
DRAWN BY: <u>DLL</u>	JOB NO. <u>14205.006</u>	SCALE <u>1"=200'</u>	SHEET <u>5</u>
DATE: <u>1/2016</u>	CHECKED BY: <u>BLC</u>		OF <u>8</u>

# SKETCH OF DESCRIPTION

- SEE SHEET 7 FOR NOTES AND LEGEND
- SEE SHEETS 7 & 8 FOR DESCRIPTIONS



MATCH LINE SEE SHEET 5



PREPARED FOR:  
**Suburban Land Reserve, Inc.**

INNOVATION WAY PHASE 1 RIGHT-OF-WAY DEDICATION

	<b>DONALD W. McINTOSH ASSOCIATES, INC.</b>		
	ENGINEERS	PLANNERS	SURVEYORS
	2200 PARK AVENUE NORTH, WINTER PARK, FLORIDA 32789 (407) 644-4068 CERTIFICATE OF AUTHORIZATION NO. LB68		

DRAWN BY: <u>DLL</u>	CHECKED BY: <u>RLC</u>	JOB NO. <u>14205.006</u>	SCALE <u>1"=200'</u>	SHEET <u>6</u> OF <u>8</u>
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# SKETCH OF DESCRIPTION

- SEE SHEETS 1 THROUGH 6 FOR SKETCH

## PARCELA

DESCRIPTION (prepared by Donald W. McIntosh Associates, Inc.):

That part of Section 36, Township 23 South, Range 31 East, Orange County, Florida, described as follows:

Commence at the Northwest corner of the Northwest 1/4 of said Section 36; thence S00°11'21"W along the West line of said Northwest 1/4, a distance of 445.80 feet to the Southerly line of lands described in Official Records Book 11029, page 6496, of the Public Records of Orange County, Florida; thence run the following nine (9) courses and distances along said Southerly line: N89°44'37"E, 1431.54 feet; thence S00°15'23"E, 27.50 feet; thence N89°44'37"E, 64.32 feet; thence S60°43'19"E, 379.83 feet to the point of curvature of a curve concave Northerly having a radius of 512.00 feet and a chord bearing of S69°41'57"E; thence Easterly along the arc of said curve through a central angle of 17°57'18" for a distance of 160.45 feet to the point of compound curvature of a curve concave Northerly having a radius of 827.00 feet and a chord bearing of S84°27'55"E; thence Easterly along the arc of said curve through a central angle of 11°34'38" for a distance of 167.10 feet to the point of tangency; thence N89°44'46"E, 80.98 feet; thence S03°51'51"E, 43.00 feet to the POINT OF BEGINNING; thence N89°57'31"E along said Southerly line, a distance of 865.62 feet; thence departing said Southerly line run S03°12'40"W, a distance of 835.96 feet; thence S89°44'46"W, 20.65 feet; thence S14°08'50"W, 220.69 feet; thence S00°15'14"E, 248.92 feet to the point of curvature of a curve concave Westerly having a radius of 5077.00 feet and a chord bearing of S01°39'11"W; thence Southerly along the arc of said curve through a central angle of 03°48'50" for a distance of 337.96 feet to the point of tangency; thence S03°33'36"W, 767.57 feet; thence S41°26'24"E, 70.71 feet; thence S86°26'24"E, 41.40 feet to the point of curvature of a curve concave Southerly having a radius of 2174.00 feet and a chord bearing of S79°43'53"E; thence Easterly along the arc of said curve through a central angle of 13°25'02" for a distance of 509.10 feet to a non-tangent line; thence S59°02'36"E, 51.71 feet; thence S72°13'08"E, 498.01 feet to the point of curvature of a curve concave Northwesterly having a radius of 50.00 feet and a chord bearing of N62°46'52"E; thence Northeasterly along the arc of said curve through a central angle of 90°00'00" for a distance of 78.54 feet to the point of tangency; thence N17°46'52"E, 128.21 feet to the Southerly boundary line of INTERNATIONAL CORPORATE PARK, PHASE ONE - UNIT 1, according to the plat thereof, as recorded in Plat Book 23, Pages 38 through 41, of the Public Records of Orange County, Florida; thence run the following three (3) courses and distances along said Southerly boundary line: S62°06'05"E, 56.51 feet; thence N27°53'55"E, 84.00 feet to the point of curvature of a curve concave Southeasterly having a radius of 50.00 feet and a chord bearing of N68°04'00"E; thence Northeasterly along the arc of said curve through a central angle of 80°20'09" for a distance of 70.10 feet to a non-tangent line; thence departing said Southerly boundary line run S17°46'52"W, 245.53 feet to the point of curvature of a curve concave Northeasterly having a radius of 50.00 feet and a chord bearing of S27°57'18"E; thence Southeasterly along the arc of said curve through a central angle of 91°28'19" for a distance of 79.82 feet to the point of compound curvature of a curve concave Northerly having a radius of 2052.00 feet and a chord bearing of S81°32'52"E; thence Easterly along the arc of said curve through a central angle of 15°42'48" for a distance of 562.76 feet to the point of tangency; thence S89°24'16"E, 333.24 feet to the Southerly right-of-way line of Aerospace Parkway, INTERNATIONAL CORPORATE PARK, PHASE ONE - UNIT 1, according to said plat and a non-tangent curve concave Northerly having a radius of 1629.91 feet and a chord bearing of S80°05'28"E; thence Easterly along said Southerly right-of-way line and the arc of said curve through a central angle of 19°54'13" for a distance of 566.20 feet to a non-tangent line; thence departing said Southerly right-of-way line run S89°57'13"W, a distance of 479.96 feet to the point of curvature of a curve concave Southerly having a radius of 2082.75 feet and a chord bearing of S87°56'33"W; thence Westerly along the arc of said curve through a central angle of 04°01'19" for a distance of 146.20 feet to the point of tangency; thence S85°55'54"W, 90.40 feet to the point of curvature of a curve concave Northerly having a radius of 2170.00 feet and a chord bearing of N83°50'52"W; thence Westerly along the arc of said curve through a central angle of 20°26'29" for a distance of 774.19 feet to the point of tangency; thence N73°37'37"W, 189.46 feet; thence N72°13'08"W, 552.84 feet to the point of curvature of a curve concave Southerly having a radius of 2037.00 feet and a chord bearing of N79°19'46"W; thence Westerly along the arc of said curve through a central angle of 14°13'16" for a distance of 505.59 feet to the point of tangency; thence N86°26'24"W, 29.40 feet; thence S48°33'36"W, 70.71 feet; thence N86°26'24"W, 186.00 feet; thence N41°26'24"W, 21.75 feet; thence N03°33'36"E, 194.24 feet; thence N48°33'36"E, 33.06 feet; thence N03°33'36"E, 545.16 feet; thence N17°03'21"E, 51.42 feet; thence N03°33'36"E, 176.41 feet to the point of curvature of a curve concave Westerly having a radius of 4923.00 feet and a chord bearing of N01°39'11"E; thence Northerly along the arc of said curve through a central angle of 03°48'50" for a distance of 327.71 feet to the point of tangency; thence N00°15'14"W, 260.00 feet; thence N03°51'51"W, 740.87 feet; thence S89°44'46"W, 20.04 feet; thence N03°51'51"W, 299.66 feet to the POINT OF BEGINNING. This description and acreage are based on Florida State Plane Coordinate System East Zone, reciprocal grid factor of 1.000055212684272, NAD 83 Datum (2007 adjustment).

Containing 20.204 acres more or less, and being subject to any rights-of-way, restrictions and easements of record.

NOTES:

- This is not a survey.
- Not valid without the signature and the original raised seal of a Florida licensed surveyor and mapper.
- Bearings and coordinates shown hereon are based on the Florida State Plane Coordinate System, North American Datum of 1983/2007 adjustment, deriving a bearing of South 00°04'13" East along the East line of the Southeast 1/4 of Section 36, Township 23 South, Range 31 East. Derived from National Geodetic Survey monument "GIS 211 BOB DUNDON"; PID AK7928; Northing = 1492842.8490, Easting = 604464.1616, combined scale factor of 0.99994500371.
- This Sketch of Description does not depict any easements of record that may be within or adjoining the lands described hereon.

LEGEND

SEC 36--23--31	SECTION 36, TOWNSHIP 23 SOUTH, RANGE 31 EAST
FKA	FORMALLY KNOWN AS
ORB	OFFICIAL RECORDS BOOK
POB	POINT OF BEGINNING
POC	POINT OF COMMENCEMENT
PG	PAGE
PC	POINT OF CURVATURE
PCO	POINT OF COMPOUND CURVATURE
FRC	POINT OF REVERSE CURVATURE
PT	POINT OF TANGENCY
NT	NON-TANGENT
(NR)	NON-RADIAL
(R)	RADIAL
PB	PLAT BOOK
PGS	PAGES
R/W	RIGHT-OF-WAY
N/A	NOT APPLICABLE

PREPARED FOR:  
**Suburban Land Reserve, Inc.**  
INNOVATION WAY PHASE 1 RIGHT-OF-WAY DEDICATION



**DONALD W. MCINTOSH ASSOCIATES, INC.**  
ENGINEERS PLANNERS SURVEYORS  
2200 PARK AVENUE NORTH, WINTER PARK, FLORIDA 32789 (407) 644-4068  
CERTIFICATE OF AUTHORIZATION NO. LB68

DRAWN BY: DLL	CHECKED BY: RLC	JOB NO. 14205.008	SCALE N/A	SHEET 7
DATE: 1/2016				OF 8

# SKETCH OF DESCRIPTION

- SEE SHEETS 1 THROUGH 6 FOR SKETCH

## PARCEL B

That part of Section 96, Township 29 South, Range 31 East, Orange County, Florida, described as follows:

Commence at the Northeast corner of the Southeast 1/4 of said Section 96; thence S89°56'18"W along the North line of the Southeast 1/4 of said Section 96, a distance of 1401.64 feet to the Easterly right-of-way line of Monument Parkway (formerly known as I.C.P. Boulevard), INTERNATIONAL CORPORATE PARK, PHASE ONE - UNIT 1, according to the plat thereof, as recorded in Plat Book 23, Pages 38 through 41, of the Public Records of Orange County, Florida, and a point on a non-tangent curve concave Southeasterly having a radius of 1386.93 feet and a chord bearing of S27°39'07"W; thence run the following five (5) courses and distances along said Easterly right-of-way line: Southwesterly along the arc of said curve through a central angle of 09°10'35" for a distance of 214.12 feet to the point of reverse curvature of a curve concave Northwesterly having a radius of 2035.39 feet and a chord bearing of S24°56'03"W; thence Southwesterly along the arc of said curve through a central angle of 03°44'25" for a distance of 132.87 feet to the POINT OF BEGINNING; thence continue along said curve concave Northwesterly having a radius of 2035.39 feet and a chord bearing of S27°21'05"W; thence Southwesterly along said Easterly right-of-way line and the arc of said curve through a central angle of 01°05'40" for a distance of 38.88 feet to the point of tangency; thence S27°53'55"W, 90.97 feet to the point of curvature of a curve concave Easterly having a radius of 50.00 feet and a chord bearing of S06°08'45"W; thence Southerly along the arc of said curve through a central angle of 43°30'21" for a distance of 37.96 feet to a non-tangent curve concave Southeasterly having a radius of 1239.50 feet and a chord bearing of N22°59'27"E; thence departing said Easterly right-of-way line run Northeasterly along the arc of said curve through a central angle of 07°37'38" for a distance of 164.99 feet to the POINT OF BEGINNING. This description and acreage are based on Florida State Plane Coordinate System East Zone, reciprocal grid factor of 1.000055212684272, NAD 83 Datum (2007 adjustment).

Containing 0.015 acres (653 square feet) more or less, and being subject to any rights-of-way, restrictions and easements of record.

PREPARED FOR:

**Suburban Land Reserve, Inc.**

INNOVATION WAY PHASE 1 RIGHT-OF-WAY DEDICATION



**DONALD W. McINTOSH ASSOCIATES, INC.**  
ENGINEERS PLANNERS SURVEYORS  
2200 PARK AVENUE NORTH, WINTER PARK, FLORIDA 32789 (407) 644-4068  
CERTIFICATE OF AUTHORIZATION NO. LB88

DRAWN BY: DL  
DATE: 1/2016

CHECKED BY: RLC

JOB NO.  
14205.008

SCALE  
N/A


SHEET 8  
OF 8

**CONSENT AGENDA ITEM  
#9**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: Aneth Williams   
Director of Procurement

DATE: September 28, 2018

SUBJECT: Approval of Revised Procurement Policy, Procurement Procedures Manual and Resolution

---

Board approval is requested to adopt the attached revised Procurement Policy and Resolution. These noted revisions will provide savings and efficiencies to CFX.

Reviewed by: 

Lisa Lumbard  
CFO

**A RESOLUTION OF THE  
CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
AMENDING THE PROCUREMENT POLICY  
AND THE PROCUREMENT PROCEDURE MANUAL**

WHEREAS, the Central Florida Expressway (“CFX”), is empowered by Chapter 348, Part III, Florida Statutes, to acquire, hold, construct, improve, maintain, and operate the Central Florida Expressway System, and is further authorized to make contracts and to execute all instruments necessary or convenient for conducting its business; and

WHEREAS, CFX has previously adopted a Procurement Policy establishing governing rules and guidelines for purchases of goods and services; and

WHEREAS, the governing Board of CFX wishes to amend the Procurement Policy and Procurement Procedures Manual as shown in **Composite Exhibit “A”** for the following reasons: (1) to create exemptions to the requirement that the Board approve advertising of certain procurements for projects in the Five-Year Work Plan or projects in the Operations, Maintenance and Administration (OM&A) Budget and (2) to incorporate a rapid response contract to be utilized for minor public construction projects that require expedited procurement and construction in order to protect the public health, safety and welfare or to further the mission and interests of CFX; and

WHEREAS, pursuant to section 255.20 of the Florida Statutes, procedures for conducting the bidding process should be established by resolution; and

WHEREAS, CFX’s governing Board concurs with the amendments to the Procurement Policy and the revisions to the Procurement Procedures Manual.

NOW, THEREFORE, BE IT RESOLVED BY THE CENTRAL FLORIDA EXPRESSWAY AUTHORITY, IN A REGULAR PUBLIC MEETING, AS FOLLOWS:

1. ADOPTION: The current Procurement Policy and Procurement Procedures Manual shall be amended as reflected in **Composite Exhibit “A”** attached hereto.

2. EFFECTIVE DATE: This Resolution shall take effect immediately upon adoption by the CFX governing Board.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2018

ATTEST: \_\_\_\_\_  
Regla (Mimi) Lamaute  
Board Service Coordinator

\_\_\_\_\_  
Fred Hawkins, Jr., Chairman

\_\_\_\_\_  
Approved as to form and legality

\_\_\_\_\_  
Joseph L. Passiatore, General Counsel

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
PROCUREMENT POLICY**

I.	Purpose and Definitions	Page 2
II.	Application	Page 4
III.	Responsibility and Function	Page 4
IV.	Governing Rules	Page 5
V.	Procurement Levels	Page <del>87</del>
VI.	Procurement Processes	Page <del>98</del>
VII.	Contract Amendments and Renewals	Page <del>108</del>
VIII.	Termination of Contract	Page <del>109</del>
IX.	Purchasing Card Program	Page <del>119</del>
X.	Owner Direct Purchase (ODP) Option	Page <del>119</del>
XI.	Small Sustainable Business Enterprise Program	Page <del>110</del>
XII.	Exemptions from Competitive Procurement Process	Page <del>110</del>
XIII.	Disqualification of Contractors	Page <del>1232</del>
XIV.	Standard of Conduct	Page <del>132</del>
XV.	Environmental Procurement	Page <del>1342</del>

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
PROCUREMENT POLICY**

**Effective Date: ~~April 12, 2018~~ ~~May 12, 2017~~ ~~September 13, 2018~~ October 11, 2018**

The Procurement Department shall be responsible for the implementation and administration of this Policy. Subject to the provisions of this Policy, the Director of Procurement shall serve as the principal officer for the procurement of all goods and services required by the Central Florida Expressway Authority (CFX).

All changes to this Policy require approval of the CFX's Board of Directors. This Policy supersedes all previously adopted procurement policies.

**I. PURPOSE AND DEFINITIONS**

This Policy establishes a centralized procurement system for the Central Florida Expressway Authority the purpose of which is to:

1. Establish the rules governing procurement by CFX;
2. Promote public confidence in the integrity and transparency of the procedures followed to procure the goods and services required by CFX;
3. Ensure fair and equitable treatment of all persons who participate in the procurement system;
4. Maximize economy in procurement activities and, to the fullest extent possible, the purchasing value of CFX funds.

Wherever used in this Policy or in the Procurement Procedures Manual, the following terms have the meanings indicated which are applicable to both the singular and plural thereof and all genders:

*Bid:* A formal written price offer by a vendor to CFX to furnish goods, products or services.

*Contractor:* Any person or entity (including officers, directors, executives and shareholders who are active in the management of a person or entity) who bids or applies to bid on any work of CFX, or who provides (or solicits to provide) goods or professional services to CFX. For purposes of this Policy, Contractor and Vendor may be used interchangeably.

*Contractual Services:* The rendering by a contractor of its time and effort rather than the furnishing of specific commodities. The term applies only to those services rendered by individuals and firms who are independent contractors, and such services may include, but not be limited to, evaluations; consultations; accounting; security; management systems; management consulting; educational training programs; research and development studies or reports; and technical and social services. Contractual Services does not include any contract for furnishing of services, labor or materials for the

construction, renovation, repair, modification, or demolition of any roadway or bridge, building, portion of building, utility, or structure.

*Cooperative Purchasing:* Procurement conducted by or on behalf of more than one public procurement unit or agency.

*Design Professional Services:* Services within the scope of the practice of architecture, professional engineering, landscape architecture, or registered surveyor and mapper in connection with their professional employment or practice.

*Emergency:* A reasonably unforeseen breakdown in machinery, damage, destruction or obstruction of machinery or roadway or any property owned or operated by CFX; a threatened termination of an essential service; the development of a dangerous condition; the development of a circumstance causing the stoppage or slowdown of an essential service; a threat to the public health, welfare or safety; or the opportunity to secure significant financial gain, or avoid significant financial loss, through immediate or timely action.

*Emergency Purchase:* A purchase of goods or services with limited or no competitive process when such purchase is necessary to remedy or lessen the harmful effects of an Emergency.

*Procurement:* Buying, purchasing, renting, leasing or otherwise acquiring any goods or services for public purposes in accordance with the law, rules, regulations and procedures intended to provide for the economic expenditure of public funds. It includes, but is not limited to, all functions which pertain to the obtaining of any supplies, materials, equipment and/or services, including Contractual Services, Design Professional Services and Professional Services, construction projects and capital improvement projects, required by CFX regardless of the source of funds.

*Professional Services:* Services the value of which are substantially measured by professional competence of the firm performing them and which are not susceptible to realistic evaluation/assessment by cost of services alone. Professional Services shall include, but are not limited to, services customarily rendered by attorneys, certified public accountants and insurance, financial, personnel, public relations firms, legislative advisors, systems, planning and management advisors. For purposes of this Policy, Professional Services shall not include services customarily rendered by architects, landscape architects, professional engineers and registered surveyors and mappers.

*Rapid Response Contract:* A Rapid Response Contract is a task-order based contract that is utilized for minor public construction and maintenance projects that require expedited procurement and construction in order to protect the public's health, safety and welfare or to further the mission and interests of CFX. The goal for expedited procurement and construction from identification of the project to commencement of construction is less than sixty (60) days.



*Single Source:* A procurement in which, although two or more vendors supply the goods or services, one is selected for substantial reasons, eliminating the competitive bidding process.

*Sole Source:* A procurement in which only one vendor is capable of supplying the goods or services. This may occur when the goods or services are specialized or unique in character as determined by a reasonably thorough analysis of the marketplace.

*Vendor:* See "Contractor".

Additional terms are included and defined in the Procurement Procedures Manual.

## **II. APPLICATION**

- A. This Policy applies only to contracts for procurement by CFX of goods and services and to amendments, extensions and renewals thereof, solicited or entered into after the effective date of this Policy. Nothing in this Policy shall prevent CFX from complying with the terms and conditions of any grant, gift, bequest, or loan, or for any cooperative agreement with any local, state or federal agency, and to the extent this Policy or the Procurement Procedures Manual is inconsistent with any such terms and conditions, such terms and conditions shall take precedence.
- B. Notwithstanding anything in this Policy to the contrary, in connection with any procurement by CFX of services related to a potential capital markets transaction to which CFX may be a party, including, without limitation, the issuance of bonds or other debt instruments or the entry by CFX into derivative financial arrangements, the Chairman of the Board or the Executive Director may direct, as he or she deems it to be in the best interests of CFX, that CFX procure such services in a manner customarily employed by state and other local governmental entities. The Executive Director shall ensure that any such alternate means of procurement is done in a fair and objective manner and in as competitive a manner as is practicable under the circumstances. Services that may be procured by such alternate means include, without limitation, credit enhancement or reserve sureties and other similar services.

## **III. RESPONSIBILITY AND FUNCTION**

The responsibility for the administration of procurement activities covered by this Policy is vested in the Procurement Department who shall at all times and in all situations follow the requirements set forth in the Procurement Procedures Manual. Should a procurement issue arise that is not covered by this Policy or the Procedures Manual, the Director of Procurement shall resolve the issue, to the best of his or her ability, in a manner that is consistent with the purpose and intent of this Policy and the best interests of CFX. The Procurement Procedures Manual shall be reviewed annually and revised as necessary to reflect the current business needs of CFX. The Executive Director is authorized to approve revisions to the Procedures Manual unless the revisions result in, or require a

revision to the Procurement Policy. If such is the case, prior Board approval of the revisions to the Policy will be required before revisions to the Procedures Manual can be implemented.

Specific responsibilities and functions of the Procurement Department include:

1. Developing purchasing objectives, policies, and procedures to purchase and contract for all materials, supplies, equipment, and services including construction, maintenance, architectural, engineering and other professional and contractual services required by CFX;
2. Working with other CFX departments to establish standardization of materials, supplies, equipment and services where practical within a competitive environment;
3. Promoting and maintaining good will between CFX and its vendors, suppliers and contractors, including encouraging full and open competition wherever possible, assuming fair and equitable business dealings with all vendors and contractors, and providing equal opportunity to quote and compete in public bidding;
4. Ensuring that all purchases are made in compliance with the applicable statutes, rules, regulations and policies;
5. Handling complaints and warranties regarding purchases, and negotiating the return of merchandise and/or other settlements;
6. Training CFX personnel regarding purchasing and contracts procedures as needed, and;
7. Managing the operational procedures for the Purchasing Card Program as established below.

#### **IV. GOVERNING RULES**

The following rules shall govern the procurement of goods and services for CFX:

- A. All purchases or procurement initiations in excess of five thousand dollars (\$5,000.00) that are not included in the currently approved Operations, Maintenance and Administration budget or Five-Year Work Plan shall be reviewed and approved, in advance, by the Chief Financial Officer or his or her designee~~Finance Department~~ for fiscal sufficiency.
- B. The procurement of goods or services shall be in accordance with this Policy and the Procurement Procedures Manual.

- C. Except for Emergency Purchases, and procurements made under the Small Sustainable Business Enterprise Program, all contracts, supplemental agreements, amendments, purchase orders and contract renewals obligating CFX to an amount of fifty thousand dollars (\$50,000.00) or more shall have the prior approval of CFX's Board of Directors.
- D. Unless otherwise required by law, or as specifically exempted in the following paragraph E, CFX contracts for goods and services shall not exceed an initial term of three years. A renewal clause extending the term for up to two one-year periods may be provided.
- E. Contracts for the following services may be entered into for an initial term of up to five years. With the exception of Design Professional Services Consultants contracts and Motor Assistance Service Patrol contracts, a renewal clause, or a limited time extension as appropriate, extending the term for up to five one-year periods may be provided. For Design Professional Services Consultants contracts, the time extensions or renewals shall not exceed two one-year periods. For Motor Assistance Service Patrol contracts, the renewal shall not exceed one five (5) year period:
- Toll Collection Services
  - Toll Collection Systems Maintenance (Hardware and Software)
  - Asset Management Services (Roadway, Bridge and Facilities Maintenance)
  - Landscape Maintenance Services
  - General Engineering Consultant Services
  - Right of Way Counsel Services
  - Motor Assistance Service Patrol
  - Maintenance of ITS Infrastructure
  - General Systems Consultant
  - System Software Maintenance
  - Records Security and Management
  - Construction Management Consultant
  - Design Professional Services Consultants

F. Rapid Response Contracts will be procured through Competitive Sealed Bids (also known as Invitation to Bid) for specific types of work based upon unit prices to provide a pool of contractors who meet the specified qualifications and are able to provide expedited work. A minimum number of at least three (3) contractors would be preferred for each type of work and would be awarded separate unit-priced, task-order based Rapid Response Contracts. The task orders issued under a Rapid Response Contract shall only be used for minor construction or improvements to a public building, structure, or other public construction works with a cost of less than \$300,000 or \$75,000 for electrical work (as adjusted by the percentage change in the Engineering News-Record's Building Cost Index from January 1, 2009 to the year in which the project is scheduled to begin per FS 255.20(2)). Rapid Response Task Orders for specific projects will be competitively bid among the pool of contractors

with Rapid Response Contracts for the designated type of work. The Director of Procurement is authorized to approve all Rapid Response Task Orders. Each Rapid Response Contract will not exceed \$2,000,000 per contractor per year.

Rapid Response contracts may be established for services for which the nature of work is specific to the assignment and requires immediate attention. Selected pre-qualified contractors shall be issued a not-to-exceed task order-based contract and be eligible to submit quotes/bids for tasks that are issued throughout the term of the Agreement. Quotes/bids may range from procurement level 2 thru procurement level 5. Award shall be based on lowest responsive and responsible quote/bid received from amongst qualified contractors that are under an active systemwide rapid response contract. Due to the urgency of the task, a minimum of three quotes/bids is desired but not required to award a task. When two or more quotes/bids are received, CFX may either award, cancel quote/bid and reissue, or cancel quote/bid with no award. When only one (1) quote/bid is received, CFX may either award, negotiate a lower price, cancel quote/bid and reissue, or cancel quote/bid with no award. Participants are required to maintain bonding and insurance throughout the term of the Agreement with no guarantee of task being awarded.

GF. Unless otherwise stated in this Policy, all requests for goods and services and all purchases shall be made through or by the Procurement Department. Except for purchases made under the Purchasing Card program (as established below), CFX employees are prohibited from purchasing any materials, supplies, equipment, or services, or entering into any contract without specific authorization from the Director of Procurement or higher authority. Individuals responsible for unauthorized purchases or obligations shall be in violation of this Policy and shall be disciplined accordingly. Such disciplinary action may include reimbursement by the individual to CFX for unauthorized purchases or obligations. Depending on the severity of the violation, further disciplinary action may be warranted.

HG. All contracts for Contractual Services, Design Professional Services, and Professional Services shall contain a provision in substantially the following form:

“If, during the term of this Contract and any renewals hereof, Contractor/Consultant desires to subcontract any portion(s) of the work to a subcontractor/subconsultant that was not disclosed by the Contractor/Consultant to CFX at the time this Contract was originally awarded, and such subcontract would, standing alone or aggregated with prior subcontracts awarded to the proposed subcontractor/subconsultant, equal or exceed twenty five thousand dollars (\$25,000.00), Contractor/Consultant shall first submit a request to the 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/Consultant until it has been approved by the CFX Board. In the event of a designated emergency, the Contractor/Consultant 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.”

IH. No employee of CFX shall obligate CFX in any transactions whereby the employee may derive income or benefits other than those provided as compensation from CFX.

JI. Standard CFX forms for contracts, amendments, supplemental agreements, renewals and similar documents shall be developed and used whenever possible. It is recognized that, due to their specialized nature, agreements with other governmental agencies, certain service providers and financial institutions may preclude the use of standard CFX forms. In such instances, review and approval of such non-standard documents by the General Counsel must be received prior to their execution.

## **V. PROCUREMENT LEVELS**

The following procurement levels are hereby established. Procurements covered by this Policy shall not be divided into more than one purchase order, project or contract solely for the purpose of avoiding the process required by these levels. Additionally, quotes received that would result in a purchase at a higher Procurement Level than originally estimated shall be discarded and the process shall begin again according to the requirements of the higher level. The procurement process for each level is detailed in the Procurement Procedures Manual.

1. Level 1 - Purchases up to \$999.99: Items at this level may be procured from any available sources without seeking competitive pricing although competition shall be used to the maximum extent practical. The user department may secure the necessary pricing on its own or request the assistance of the Procurement Department. The Director of Procurement is authorized to approve all purchases at this level.
2. Level 2 - Purchases between \$1,000.00 and \$9,999.99: Items at this level require at least three quotes, either written or verbal, before the purchase is made. The user department may secure the necessary pricing on its own or request the assistance of the Procurement Department. The Director of Procurement is authorized to approve all purchases at this level.
3. Level 3 - Purchases between \$10,000 and \$24,999.99: Items at this level require at least three written quotes before the purchase is made. The user department may secure the necessary pricing on its own or request the assistance of the Procurement Department. The Director of Procurement is authorized to approve all purchases at this level.
4. Level 4 - Purchases between \$25,000.00 and \$49,999.99: Items at this level require three formal quotes. The request for quotes shall only be issued through and received

by the Procurement Department. The Director of Procurement is authorized to approve all purchases at this level.

5. Level 5 - Purchases of \$50,000.00 and up: Except in the case of emergency purchases and selection of Design Professional Services Consultants, both as described elsewhere in this Policy, items at this level shall follow either the competitive sealed bid or competitive sealed proposal process as determined by the Director of Procurement. Board authorization is required to advertise procurements at this level if they were not approved in the Five-Year Work Plan or Operations, Maintenance and Administration (OM&A) Budget. Board award of any ~~subsequent~~ contract ~~resulting from the at this level~~ procurement is ~~also~~ required. For solicitations under the Small Sustainable Business Enterprise Program, the Executive Director can authorize advertisement and award of small contracts between \$50,000.00 and \$200,000.00 each without prior Board action in order to expedite the bidding and award process.

## VI. PROCUREMENT PROCESSES

Unless otherwise exempt from the competitive procurement process as identified in Article XII below, procurement of Level 5 goods and services shall be made using the appropriate procurement process as follows. The specifics of each process are included in the Procurement Procedures Manual.

### A. Competitive Sealed Bids

An invitation to bid shall be issued which shall include the specifications and appropriate contract terms and conditions applicable to the procurement.

### B. Competitive Sealed Proposals

When it is determined by the Director of Procurement that the use of competitive sealed bidding is either not practical or not advantageous to CFX due to the technical or specialized nature of the goods or services being procured, the competitive sealed proposal process may be used.

### C. Selection of Design Professional Services Consultants

Design Professional Services, as governed by F.S. § 287.055 (known as the Consultants' Competitive Negotiation Act or "CCNA"), shall be acquired through the Procurement Department in accordance with the procedures detailed in the Procurement Procedures Manual.

### D. Rapid Response Contracts

Rapid Response Contracts shall be acquired through the Procurement Department in accordance with the procedures detailed in the Procurement Procedures Manual.

**VII. CONTRACT AMENDMENTS AND RENEWALS; CHANGE ORDERS TO RAPID RESPONSE TASK ORDERS**

- A. The Director of Procurement is authorized to approve and execute contract amendments for Level 1 through 4 procurements. Amendments to Level 5 procurements shall be reviewed and approved by the General Counsel prior to their execution. The Director of Procurement is authorized to execute contract amendments to Level 5 procurements after Board approval.

The Director of Procurement is authorized to approve and execute amendments for extensions of contract time at all procurement Levels that do not include an increase in compensation to the contractor.

The Director of Procurement is authorized to approve and execute Change Orders to Rapid Response Task Orders for extensions of time or additional compensation, provided that the total amount of compensation does not exceed the limits set for a Rapid Response Task Order. In the event that a proposed Change Order exceeds those limits, the Director of Procurement is authorized to execute Change Orders to Rapid Response Task Orders after Board approval.

- B. The option to renew a contract is at the sole discretion and election of the appropriate Division Chief, or designee, in consultation with the Director of Procurement. Renewals shall be based, in part, on a determination that the value and level of service provided by the contractor are satisfactory and adequate for CFX's needs. The Director of Procurement is authorized to approve and execute contract renewals for Level 1 through 4 amounts. Renewals at Level 5 shall be reviewed and approved by the General Counsel prior to their execution. The Director of Procurement is authorized to execute Level 5 renewals after Board approval.

**VIII. TERMINATION OF CONTRACT**

The Executive Director, Chief of Technology/Operations, Chief of Infrastructure, Chief of Staff/Public Affairs Officer, and the Chief Financial Officer are authorized to terminate any contract entered into by CFX with any vendor/contractor. The necessary actions shall be coordinated with the General Counsel and the Director of Procurement. A termination can either be for convenience or default as described and detailed in the Procurement Procedures Manual.

In a breach of contract where the vendor/contractor has willfully failed or refused to perform according to the terms of the contract, CFX may determine that the breach does not warrant that the contract be terminated. In such cases, with the concurrence of the General Counsel, the Director of Procurement will advise the vendor/contractor citing the finding of breach as detailed in the Procurement Procedures Manual. At the discretion of the Executive Director, a contractor terminated for default, or a contractor with multiple

breach of contract notifications, may be disqualified from bidding or proposing on CFX contracts.

**IX. PURCHASING CARD PROGRAM**

A Purchasing Card Program is hereby established to provide authorized CFX employees with the ability to make purchases on behalf of CFX using a CFX charge card. All goods and services purchased under this Program shall be in accordance with the requirements of the Procurement Procedures Manual. The Procurement Department shall be responsible for managing the Purchasing Card Program and ensuring compliance with the Procurement Procedures Manual

**X. OWNER DIRECT PURCHASE (ODP) OPTION**

For all roadway, bridge and facilities construction projects with an estimated cost of \$5 million or more, it shall be the policy of CFX, whenever practical and appropriate, to include in the project specifications for such projects language that gives CFX the option to make direct purchases of certain materials from a contractor's vendors at prices quoted to the contractor (with applicable Florida State Sales Tax) and included in the contractor's bid. This option will allow CFX to take advantage of its exempt status from payment of Florida State Sales Tax, resulting in a cost reduction to CFX. CFX's Director of Construction and the Director of Procurement shall be responsible for determining the practicality and appropriateness of the direct purchase option on a project by project basis. If the ODP option is not exercised for a project, a memo, signed by the Director of Construction and the Director of Procurement, shall be placed in the project file giving the specific reasons why the ODP option was not exercised.

Board approval of an ODP is not required since the Board would have previously approved the award of the construction or other contract from which the funds to pay for the ODP will be taken. The Director of Procurement is authorized to approve an ODP regardless of the amount.

**XI. SMALL SUSTAINABLE BUSINESS ENTERPRISE PROGRAM**

A Small Sustainable Business Enterprise Program is hereby established as a procurement method to expedite the bidding and award process for small contracts between \$50,000.00 and \$200,000.00 each. The Procurement Procedures Manual includes the process and guidelines for administering the Program.

**XII. EXEMPTIONS FROM COMPETITIVE PROCUREMENT PROCESSES**

To the extent indicated, the following are exempt from the competitive requirements of this Policy.



- A. Regulated Services: Telephone, electricity, natural gas and water, or similar services where rates or prices are fixed by legislation or by federal, state, county or municipal regulations.
- B. Maintenance Agreements: Includes maintenance of computers and related equipment, software, copiers, faxes and other related office equipment, servers, network switches and firewalls, when there is reasonable basis to conclude that such agreements are in CFX's best interest or when maintenance from other contractors will void an equipment warranty.
- C. P-Card Purchases up to the limit for Procurement Level 1.
- D. Petty cash purchases made in accordance with established CFX procedures.
- E. Dues and memberships in trade or professional organizations.
- F. Subscriptions for periodicals, advertisements and postage.
- G. Paralegal services, appraisal services, mediator, hearing officer, expert witnesses, court reporters and attorney engagement letters up to the limit for Procurement Level 4.
- H. Abstracts of titles for real property; title insurance for real property; real property.
- I. Copyrighted materials; patented materials.
- J. Artistic Services – The rendering by a contractor of its time and effort to create or perform an artistic work in the fields of music, dance, drama, folk art, creative writing, painting, sculpture, photography, graphic arts, craft arts, industrial design, costume design, fashion design, motion pictures, television, radio, or tape and sound recording.
- K. Job-related travel; seminars; tuition; registration fees and training.
- L. Purchase orders issued on an annual basis wherein the exact quantity of items or identification of specific items cannot be determined in advance.
- M. Single Source and Sole Source Purchases.
- N. Emergency Purchases: The Director of Procurement (or higher authority in the absence of the Director of Procurement) is authorized to approve emergency purchases up to the limit for Procurement Level 4. Emergency Purchases at Procurement Level 5 require approval by the Executive Director (or his designee). All Emergency Purchases at Procurement Level 5 shall be submitted to the Board for confirmation and approval at the next scheduled Board meeting, if possible.

- O. Cooperative Purchases (“Piggybacking”): The Director of Procurement is authorized to purchase goods and services through a vendor/contractor under contract with the federal, state, county or municipal governments (or any other governmental agency or political subdivision), and state colleges and universities providing the vendor/contractor extends substantially the same terms and conditions of the contract to CFX. Cooperative purchases at Procurement Level 5 require prior Board approval.
- P. Small Sustainable Business Enterprise Program to the extent the Executive Director can authorize advertisement and award of small contracts valued between \$50,000.00 and \$200,000.00 each in order to expedite the bidding and award process. Each award by the Executive Director shall be submitted to the Board for ratification and approval at the next regularly scheduled Board meeting.
- Q. Direct contracts for goods or services with state, county or municipal governments (and any other governmental agency or political subdivision), and state colleges and universities. Contracts at Procurement Level 5 require prior Board approval.
- R. Food related to an authorized function.
- S. Employment Agreements

The Director of Procurement may authorize the purchases, transactions and expenditures listed above subject to the stated limitations. Certain procurements within the above categories shall be obtained via competitive means when it is determined that adequate sources for the goods or services required are available. Exemption for the competitive procurement process does not grant exemption from all procurement procedures. For example, single and sole source purchases, and cooperative purchases shall be subject to the approval process for amendments as described above. All amendments to exempt procurements not otherwise specifically addressed shall be reviewed in advance by the Director of Procurement for a determination as to whether or not Board approval is required.

### **XIII. DISQUALIFICATION OF CONTRACTORS**

Contractors who are on the Florida Department of Transportation’s Suspended Contractors List or the State of Florida Department of Management Services’ Suspended Vendors List or Convicted Vendors List are barred from submitting bids for any CFX solicitation. With regard to Design Professional Services, contractors identified in the Florida Department of Transportation’s Design Professional Consultants database as suspended and/or disqualified are barred from submitting proposals for any Design Professional Services projects.

### **XIV. STANDARD OF CONDUCT**

The Standard of Conduct as it relates to this Policy and the Procurement Procedures Manual is promulgated in Rule Chapter 6, Code of Ethics, of CFX’s Permanent Rules.

## **XV. ENVIRONMENTAL PROCUREMENT**

It shall be a provision of this Policy to support the purchase of recycled and environmentally preferred products, when practical, in an effort to minimize environmental impacts of the goods and services procured by CFX. In the context of this provision, "practical" is defined as goods and services that are sufficient in performance and reasonably available at a reasonably competitive cost.

To implement this provision, the Procurement Department shall develop a procedure that:

1. Encourages the use of recycled/recyclable materials through procurement practices with vendors, contractors, businesses and other governmental agencies.
2. Adopts the use of recycled supplies/materials as a priority.
3. Generates less waste material by reviewing how supplies, materials and equipment are manufactured, purchased, packaged, delivered, used and disposed of.
4. Gives preference, where items are of a similar cost, to those that are manufactured with a high recycled content or are environmentally preferable.
5. Provides for training and raising the awareness of CFX employees to ensure they consider environmental issues in procurement decisions.

Nothing in this provision or in the procedure shall be construed as requiring the purchase of products that do not perform adequately and/or are not reasonably available at a reasonable cost.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

AMENDMENT TO PROCUREMENT PROCEDURES MANUAL

FOR

RAPID RESPONSE CONTRACT

Department: Procurement

Date of Board Approval: 10/11/18

*Rapid Response Contract:* A Rapid Response Contract is a task-order based contract that is utilized for minor public construction and maintenance projects that require expedited procurement and construction in order to protect the public's health, safety and welfare or to further the mission and interests of CFX. The goal for expedited procurement and construction from identification of the project to commencement of construction is less than sixty (60) days.

#### Process for Rapid Response Contracts

1. A Rapid Response Contract is procured through a two-step process. The first step is the Invitation to Bid ("ITB") process set forth above with the following additional parameters.
  - a. Multiple, task-order based Rapid Response Contracts for specific types of work will be awarded to provide a pool of contractors who meet the specified qualifications and are able to provide expedited work. A minimum number of at least three (3) contractors would be preferred for each type of work and would be awarded separate unit-priced, task-order based Rapid Response Contracts. CFX has the discretion to expand the pool to include at least one Small Sustainable Business Enterprise or disadvantaged, minority, and women-owned business enterprise in the event that neither are in the pool. Nevertheless, the number of contracts to be awarded will be determined by CFX.
  - b. The ITB will be competitively bid based upon unit prices.
  - c. The task orders issued under a Rapid Response Contract shall only be used for minor construction or improvements to a public building, structure, or other public construction works with a cost of less than \$300,000 or \$75,000 for electrical work (as adjusted by the percentage change in the Engineering News-Record's Building Cost Index from January 1, 2009 to the year in which the project is scheduled to begin per FS 255.20(2)). The Rapid Response Contract will not exceed \$2,000,000 per contractor per year.
  - d. The Rapid Response Contract will require the contractors to do the following:
    - i. Respond to task order requests to provide a specific quote on a project utilizing the unit prices and provide a specified completion date or implementation schedule. The task order

requests will include maximum allowable percentages or maximum price for items that are not based upon unit prices, such as mobilization, maintenance of traffic, prevention control and abatement of erosion and water pollution, clearing and grubbing, maintenance of by-pass flow pay items, and other line items that are not listed in the Rapid Response Contract.

- ii. Agree to provide expedited responses times so that the proposed work will be completed in an expedited manner.
  - e. Although CFX currently anticipates using the services of the contractors, CFX provides no assurance to contractors regarding the amount or quantity of work that the contractor will provide to CFX under this Agreement.
2. The second step involves competitively bidding task orders for each project from the pool of contractors with Rapid Response Contracts for a particular type of work ("Pool").
- a. After identifying a project that is suitable for this Rapid Response process, the department director or manager will meet with the Chief of Infrastructure or designee and obtain written approval (Exhibit A-49) of the use of the Rapid Response process.
  - b. After receiving approval from the Chief of Instructure, the department director or manager will provide the Procurement Department with a cover sheet and technical specifications, special provisions, and plans as applicable. The cover sheet will specify whether a pre-task order meeting is required and also request the number of days to allow the rapid response contractors to respond with a quote ("Rapid Response Task Order Quote" or "RRTO Quote").
  - c. The Procurement Department, with assistance from the requesting department, will prepare and assemble the Request for RRTO Quotes. The Request for RRTO Quotes will typically include instructions to contractors, technical specifications, special provisions, quote forms and bond form, if applicable. In addition, the Request for RRTO Quotes will describe the evaluation parameters for the determination of the "apparent low quote," which is either the low quote amount or the objective best value considering time and money.
  - d. The Procurement Department will distribute the project information to the Pool, set a response date, and the date and time of opening the RRTO Quotes. The response date will not be set sooner than: (a) three (3) business days from electronic transmittal of the Request for RRTO

Quotes under \$100,000; or (b) five (5) business days from electronic transmittal of the Request for RRTO Quotes over \$100,000.

- e. The contractors in the Pool will be required to submit responses to the Procurement Department via email or in person. If for any reason, the Rapid Response a contractor is unable to provide a Quote, then the contractor shall send a "No Quote" letter, including a reason for the No Quote letter. If a contractor repeatedly fails to respond to CFX's Request for RRTO Quotes or repeatedly provides No Quote letters, CFX may remove the contractor from the Pool and cancel the Rapid Response Contract.
- f. RRTO Quotes are due in the CFX office no later than the date and time established in the Request for RRTO Quotes either electronically or by hand delivery. Each electronically delivered RRTO Quote will bear the date and time on the electronic transmittal. Each hand delivered RRTO Quote will be stamped with the date and time received as shown on the time/date stamp clock at the receptionist's desk in the lobby of the Headquarters Building. The clock will serve as the official instrument to determine when a RRTO Quote is received. A submittal that is clocked in after the date/time specified will be rejected and not accepted.
- g. At the appointed time, the RRTO Quotes will be opened by a Procurement Department staff member and the total bid amounts will be read aloud. At least one other CFX employee shall be present to witness the opening of the RRTO Quotes. The RRTO Quote amounts will be recorded on the RRTO Quote opening sheet which shall be signed by the CFX representatives. The "apparent low quote" will be announced. CFX reserves the right to reject any and all RRTO Quotes and waive minor or nonmaterial irregularities.
- h. A RRTO Quote tabulation and RRTO Quote analysis will be prepared by the Procurement Department to review the RRTO Quotes for any irregularities i.e., non-responsible or non-responsive to the RRTO Quote requirements (omissions, alterations of form, additions not called for, conditional or unauthorized alternate quotes). The RRTO Quote tabulation, together with a copy of the Engineer's Estimate, is transmitted to the appropriate division Chief for a review of the unit prices in the low RRTO Quote to identify any "unbalanced" items and to determine if the total low RRTO Quote amount falls within the generally accepted tolerance threshold used by CFX for RRTO Quotes that are above or below the Engineer's Estimate. If there is an unbalanced item, then the requesting department will instruct the

Procurement Department to send out an amended Request for RRTO Quotes.

- i. The Procurement Department will electronically notify the Quoters of the outcome and post a Notice to Award Task Order or a Notice of Rejection of RRTO Quotes in the lobby of the Headquarters Building and on the CFX web site.
  - j. If RRTO Quotes are rejected, the Director of Procurement will meet with the requesting department to determine if any changes in the scope of the project will be required and to discuss preparation of a new Request for RRTO Quotes.
  - k. After award of the Request for RRTO Quotes, the Procurement Department, with assistance from the requesting department, will prepare and transmit the Task Order to the contractor for execution. The Procurement Director or designee has the authority to approve Rapid Response Task Orders up to the threshold amounts set forth in this section. The Procurement Department will transmit a copy of fully executed Task Order to the contractor.
  - l. Performance bonds are required as specified.
  - m. Non-Solicitation Provision: From the date of the Request for RRTO Quotes, no person may contact any employee with respect to the Request for RRTO Quotes or the services to be provided, except the Procurement Department as related to the submittal requirements detailed in the Request for RRTO Quotes. Reference is made to the lobbying guidelines of CFX for further information regarding this Non-Solicitation Provision.
3. Dispute Procedure. Each contractor in the Pool who submitted a RRTO Quote and who alleges an omission, error, mistake, incorrect evaluation or scoring of its RRTO Quote (or of another RRTO Quote to the contractor's detriment) must file a Notice of Dispute in writing within two (2) business days of the posting of the Notice of Intent to Award Task Order. Such a Notice of Dispute shall be filed with CFX's Procurement Director. The Notice of Dispute shall specifically state that the contractor is disputing the Notice of Intent to Award Task Order and shall state with specificity and particularity the basis of the dispute. The timely filing of the Notice of Dispute is a jurisdictional requirement and failure to timely file a Notice of Dispute constitutes a waiver of the right to challenge the award. The Procurement Director, in conjunction



with the requesting department, will review the Notice of Dispute, and has the authority to: (a) reject the dispute and proceed with the award; (b) accept the dispute, in whole or in part, and determine an appropriate course of action; or (c) reject all bids. The Procurement Director's decision is final.

### **CONTRACT AMENDMENTS; RAPID RESPONSE TASK ORDERS**

The Director of Procurement is authorized to approve contract amendments for Level 1 through 4 procurements. The contract amendment shall be in the form of a supplemental agreement. (Exhibit A-35) Non-standard forms may be used with the approval of the General Counsel or Deputy General Counsel. Contract amendments to Level 5 procurements up to the limit for Procurement Level 4 may be signed by the Director of Procurement without prior Board approval. Contract amendments at Procurement Level 5 may be signed by the Director of Procurement after approval by the Board. Approval and execution of Procurement Level 5 contract amendments by the CFX General Counsel or Deputy General Counsel is also required.

If the amount of a supplemental agreement combined with the amounts of prior supplemental agreements during the current term of the agreement exceeds the Procurement Director's signatory authority, the supplemental agreement must be approved by the Board prior to execution by the Procurement Director.


The Director of Procurement is authorized to approve amendments for extensions of contract time at all procurement Levels that do not include an increase in compensation to the contractor.

The Director of Procurement is authorized to approve and execute Change Orders to Rapid Response Task Orders for extensions of time or additional compensation, provided that the total amount of compensation does not exceed the limits set for a Rapid Response Task Order. In the event that a proposed Change Order exceeds those limits, the Director of Procurement is authorized to execute Change Orders to Rapid Response Task Orders after Board approval.

**CONSENT AGENDA ITEM  
#10**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members 

FROM: Tim O'Toole, Records Administrator

DATE: September 21, 2018

SUBJECT: Approval of Records & Information Management Electronic Communications Policy and Resolution

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Board approval is requested to adopt the attached Records & Information Management Electronic Communications policy and resolution. This new policy will provide guidance on the proper use, management, and retention for electronic communications and further solidifies compliance with the Florida Public Records Laws.

Reviewed By:   
Michelle Maikisch  
Chief of Staff/Public Affairs

**A RESOLUTION OF THE  
CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
ADOPTING AN ELECTRONIC COMMUNICATIONS POLICY**

WHEREAS, the Central Florida Expressway (“CFX”), is empowered by Chapter 348, Part III, Florida Statutes, to acquire, hold, construct, improve, maintain, and operate the Central Florida Expressway System, and is further authorized to exercise all powers necessary, appurtenant, convenient, or incidental to the implementation of the stated purposes; and

WHEREAS, CFX has an existing Records & Information Management Policy establishing a comprehensive Records & Information Management Plan; and

WHEREAS, to accommodate the complex and diverse nature of managing electronic messages, the governing Board of CFX wishes to adopt an Electronic Communications Policy to address the proper use, management, and retention of electronic messages.

NOW, THEREFORE, BE IT RESOLVED BY THE CENTRAL FLORIDA EXPRESSWAY AUTHORITY, IN A REGULAR PUBLIC MEETING, AS FOLLOWS:

1. ADOPTION: The CFX governing Board does hereby adopt the attached Records & Information Management Electronic Communications Policy (**Exhibit “A”**) as the official Electronic Communications Policy for CFX.

2. EFFECTIVE DATE: This Resolution shall become effective upon adoption by the CFX governing Board.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2018

\_\_\_\_\_  
Fred Hawkins, Jr., Chairman

ATTEST: \_\_\_\_\_  
Regla (Mimi) Lamaute  
Board Service Coordinator

Approved as to form and legality

\_\_\_\_\_  
Joseph L. Passiatore, General Counsel

**RECORDS & INFORMATION MANAGEMENT  
ELECTRONIC COMMUNICATIONS POLICY**

Department: Records & Information Management

Supersedes: N/A

Date of Board Approval: \_\_\_\_\_

**Records & Information Management  
Electronic Communications Policy**

**Contents**

- I. Statement of Policy
  - II. Purpose
  - III. Scope
  - IV. Authority
  - V. Definitions
  - VI. E-mail / Electronic Messages as a Public Record
  - VII. Use of E-mail System
  - VIII. Use of Electronic Messaging Systems
  - IX. Prohibited Uses of E-mail System
  - X. No Right of Privacy
  - XI. Retention Requirements for E-mail / Electronic Messaging
  - XII. Violation
  - XIII. Effective Date and Repeal
- 

**I. STATEMENT OF POLICY:**

It is the intent of the Central Florida Expressway Authority (“CFX”) to provide an electronic messaging (“E-mail”) system as an additional means of communication for employees to use while conducting CFX business. E-mail messages are public records and follow the same guidelines, retentions, and exemptions stated in the Florida Public Records Law, Chapter 119, Florida Statutes. The E-mail system *is not* intended to be a record repository for the storage of electronic messages, rather it is to be utilized as a means for transmitting messages which are primarily defined as transitory messages.

The same rules that apply to E-mail, as related to Florida’s Public Records Law requirements for access, retention, and disposition, will be applied to all CFX electronic messaging platforms including instant messaging, text messaging (such as SMS or Blackberry PIN), multimedia messaging (such as MMS), and chat messaging.

CFX will manage all electronic messages as a public record in accordance with Florida’s Public Records law as codified in Chapter 119, Florida Statutes. Upon request these electronic messages will be accessible for inspection, copying, and/or duplication within a reasonable time and under reasonable conditions.

Electronic messages will be captured by the IT Department and retained according to the applicable records retention schedule as described in this policy. The systematic deletion of CFX electronic messages will be conducted in compliance with applicable state disposal requirements and other CFX RIM Procedures.

## **II. PURPOSE:**

The purpose of this policy is to:

Ensure CFX employees, committee appointees, governing body members, publicly created advisory boards, and private organizations, including contractors that have been delegated the authority to perform some governmental function (“Users”) comply with Florida’s Public Records Law, Chapter 119, Florida Statutes, when utilizing CFX’s E-mail system and other electronic messaging systems;

Ensure users understand and limit the use of E-mail and electronic messaging to communications defined as transitory messages.

Ensure users properly manage and retain E-mail and electronic messages as public records in accordance with the Florida Public Records Laws as well as any other applicable statutes and rules.

Ensure proper usage of CFX’s E-mail and electronic messaging systems and that users understand the types of electronic communications usage which is considered inappropriate and a violation of this policy.

Ensure users understand they should prepare E-mail and electronic messages with the same level of professionalism and courtesy as they would exercise for any other type of written communication.

## **III. SCOPE:**

This policy provides guidelines for the proper use, management and retention of electronic mail (“E-mail”) messages as public records within the Central Florida Expressway Authority (“CFX”). This policy applies to all CFX employees, committee appointees, governing body members, publicly created advisory boards, and private organizations, including contractors that have been delegated the authority to perform some governmental function (“Users”) utilizing CFX’s E-mail system in the conduct of their official duties as prescribed by law.

Additionally, this policy includes and applies to CFX’s other electronic messaging platforms, including instant messaging, text messaging, (such as SMS or Blackberry PIN), multimedia messaging (such as MMS), and chat messaging as related to Florida’s Public Records Law requirements for access, retention, and disposition.

This policy does not provide specific procedures for system backup and recovery.

## **IV. AUTHORITY:**

- Chapters 119 and 257.36, Florida Statutes
- Rule 1B-24, Florida Administrative Code
- Section 24(a), Art I of the State Constitution

## V. DEFINITIONS:

The definitions set forth in section 119.011, Florida Statutes, Rule 1B-24, of the Florida Administrative Code, and the General Records Schedule (GS1-SL) for State and Local Government Agencies as amended from time to time, are incorporated herein by reference for the terms below.

“Administrator Records: Agency Director/Program Manager” consists of office files documenting the substantive actions of elected official or appointed program managers or agency directors and constitute the official record of an agency’s performance of its functions and formulation of policy and program imitative.

“Correspondence and Memoranda: Administrative” consists of routine correspondence and memoranda of a general nature that are associated with administrative practices or routine office activities and issues but that do not create policy or procedure, document the business or a particular program, or act as a receipt.

“Correspondence and Memoranda: Program and Policy Development” consists of correspondence and memoranda documenting policy development, decision-making, or substantive programmatic issues, procedures, or activities.

“Electronic Records” means any information that is recorded in machine readable form.

“Electronic Messages” written communication created or received via instant messaging, text messaging, (such as SMS or Blackberry PIN), multimedia messaging (such as MMS), and chat messaging.

“E-mail” is the electronic transfer of information, typically in the form of electronic messages, memoranda, and attached documents, from a sending party to one or more receiving parties by means of an intermediated telecommunications system.

“Exempt” means public records that have been identified in Chapter 119 or other applicable Florida Statutes as exempt from public disclosure.

“Public Records” means all documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the 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 any agency.

“Record Series” means a group of related public records arranged under a single filing arrangement or kept together as a unit (physically or intellectually) because they consist of the same form, relate to the same subject or function, result from the same activity, document a specific type of transaction, or have some other relationship arising from their creation, receipt, or use.

“Record Retention Schedule” means retention requirements established by the Florida Department of State for public records held by a specific agency within the state of Florida indicating the minimum time such records must be kept.



“Transitory Message” means records that are created primarily to communicate information of short-term value. “Transitory” refers to short-term *value* based on the content and purpose of the message, *not* the format or technology used to transmit it. Examples of transitory messages include, but are not limited to, reminders to employees about scheduled meetings or appointments, most telephone messages (whether in paper, voice mail, or other electronic form), announcements or office events such as holiday parties or group lunches, and recipient copies not intended to formalize or perpetuate knowledge and do not set policy, establish guidelines or procedures, certify a transaction, or become a receipt.

#### **VI. E-MAIL / ELECTRONIC MESSAGES AS A PUBLIC RECORD:**

E-mails and/or electronic messages created or received by CFX employees, committee appointees, governing body members, publicly created advisory boards, and private organizations, including contractors that have been delegated the authority to perform some governmental function in connection with the transaction of official business of CFX are public records and are subject to disclosure in the absence of an exemption.

E-mails and/or electronic messages created or received for personal use are not generally considered public records and do not fall within the definition of public records by virtue of their placement on a CFX owned computer system. However, if CFX discovers misuse of the E-mail system or electronic messaging systems, personal E-mails or electronic messages that are identified as being in violation of CFX policy may become public record as part of an investigation.

#### **VII. USE OF E-MAIL SYSTEM:**

CFX’s E-mail system is to be used to conduct official CFX business and is not to be used for any other purposes, unless expressly approved and authorized by CFX management. E-mail may be used to communicate with CFX personnel and with other public and private entities to conduct official CFX business.

Incidental, personal use of the CFX E-mail system is permitted, however the personal use must be brief, must not interfere with the employee’s work or the work of others, must not subject CFX to any additional cost, and must not be prohibited by this policy or any federal, state or local law, statute, ordinance, rule or regulation.

#### **VIII. USE OF ELECTRONIC MESSAGING SYSTEMS:**

As stated previously, the same rules apply to all CFX electronic messaging systems including instant messaging, text messaging, multimedia messaging, chat messaging, as well as to any other electronic messaging systems not yet created or used at this time.

#### **IX. PROHIBITED USES OF E-MAIL SYSTEM:**

CFX’s E-mail system shall not be used for any unauthorized purposes including, but not limited to:

Sending solicitations including, but not limited to, advertising the sale of goods or services or other commercial activities, which have not been approved by CFX.

Sending copies of documents in violation of copyright laws or licensing agreements.

Sending information or material prohibited or restricted by government security laws or regulations.

Sending information or material which may reflect unfavorably on CFX or adversely affect CFX's ability to carry out its mission.

Sending information or material which may be perceived as representing CFX's official position on any matter when authority to disseminate such information has not been expressly granted.

Sending confidential or proprietary information or data to persons not authorized to receive such information, either within or outside of CFX.

Sending messages or requesting information or material that is *fraudulent, harassing, obscene, offensive, discriminatory, lewd, sexually suggestive, sexually explicit, pornographic, intimidating, defamatory, derogatory, violent or which contains profanity or vulgarity, regardless of intent*. Among those which are considered offensive include, but are not limited to, messages containing jokes, slurs, epithets, pictures, caricatures, or other material demonstrating animosity, hatred, disdain or contempt for a person or group of people because of race, color, age, national origin, gender, religious or political beliefs, marital status, disability, sexual orientation or any other classification protected by the law.

Sending messages or requesting information reflecting or containing chain letters or any illegal activity, including, but not limited to gambling.

Sending or requesting information or material that proselytizes or promotes a religious or political view, cause, position or action.

#### **X. NO RIGHT TO PRIVACY:**

CFX employees, committee appointees, governing body members, publicly created advisory boards, and private organizations, including contractors that have been delegated the authority to perform some governmental function, have no right of personal privacy in any material created, stored in, received or sent over CFX's IT systems or services. CFX reserves and may exercise the right, at any time and without prior notice or permission, to intercept, monitor, access, search, retrieve, record, copy, inspect, review, block, delete or disclose any electronic communications or material created, stored in, received, or sent over CFX's IT systems or services.

#### **XI. RETENTION REQUIREMENTS FOR E-MAIL / ELECTRONIC MESSAGING:**

All public records must have an approved record retention schedule in place before they can be destroyed or otherwise disposed. Retention periods are determined by the content, nature and purpose of the records and are set based on their legal, fiscal, administrative and historical values, regardless of their form.

CFX will apply record series rules to the agency's E-mail system as well as to any other identifiable electronic messaging systems to ensure systematic disposition pursuant to law. All public business conducted via E-mail should be done within CFX's E-mail system.

CFX employees shall not use personal E-mail accounts to conduct official CFX business. However, in the event a CFX employee receives an E-mail for official CFX business at his/her personal E-mail account, he/she must forward that E-mail to his/her CFX E-mail account for proper retention.

This same rule applies to instant messages, text messages, multimedia messages, chat messages, or other electronic messaging systems not yet created, if these types of messages are sent or received on a personal device. These electronic messages must be forwarded to his/her CFX account for proper retention.

CFX will systematically dispose of E-mail and electronic messages utilizing the available software tools and applications which currently manage CFX's E-mails and electronic messages. CFX ensures it has controls in place to suspend the systematic disposal of its E-mail and electronic messaging systems in response to any legal hold or other valid preservation requests. Upon the expiration of any legal hold or preservation request, CFX will resume with the systematic disposal of its E-mail and electronic messages.

**XII. VIOLATION**

Violation of this policy may result in disciplinary action, up to and including termination of employment as well as those penalties prescribed by section 119.10, Florida Statutes.

**XIII. EFFECTIVE DATE AND REPEAL**

This policy shall become effective upon adoption by the CFX governing body and shall supersede and repeal in its entirety any previously adopted policies to the extent they may conflict with the provisions contained herein.

**CONSENT AGENDA ITEM  
#11**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: Aneth Williams   
Director of Procurement

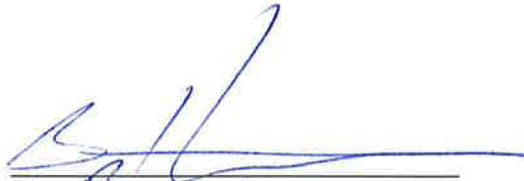
DATE: September 25, 2018


SUBJECT: Authorization to Advertise for Invitation to Bid for High Definition Closed  
Circuit Television (HD CCTV) Cameras  
Project 599-528, Contract No. 001480

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Board authorization is requested to advertise an Invitation to Bid for High Definition CCTV Cameras. This project includes the installation of cameras on the ITS Network throughout the CFX system. These HD CCTV cameras will be used to maintain the existing Traffic Video System and enhance the performance of the system through replacement of existing cameras as they reach end of life.

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

Reviewed by:   
Bryan Homayouni, P.E.  
Manager of Traffic Operations




**CONSENT AGENDA ITEM  
#12**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: Aneth Williams   
Director of Procurement


DATE: October 1, 2018

SUBJECT: Approval of Stanley Consultants, Inc. as a Subconsultant for the General Systems Consultant Services contract with AECOM Technical Services, Inc. Contract No. 001215

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AECOM Technical Services, Inc., CFX's General Systems Consultant has requested approval to use Stanley Consultants, Inc. to investigate opportunities for solar energy generation utilizing CFX assets. The cost is expected to exceed the \$25,000.00 threshold established by the Procurement Policy for subconsultants not disclosed by AECOM Technical Services, Inc. when its contract with CFX was originally awarded.

Board approval of Stanley Consultants, Inc. as subconsultant to AECOM Technical Services, Inc. is requested.

Reviewed by:   
Corey Quinn, P.E.  
Chief of Technology/Operations

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

REQUEST FOR AUTHORIZATION TO SUBLET SERVICES

Consultant: AECOM Technical Services, Inc. Date: 10/2/18

CFX Contract Name: GSC Services CFX Contract No.: 001215

Authorization is requested to sublet the services identified below which are included in the above referenced Contract. Consultant requests approval to sublet services to:

Subconsultant Name: Stanley Consultants

Address: 1641 Worthington Road, Suite 400, West Palm Beach, FL 33408

Phone No.: 561 689 7444

Federal Employee ID No.: \_\_\_\_\_

Description of Services to Be Sublet: Solar Power Study

Estimated Beginning Date of Sublet Services: 10/15/18

Estimated Completion Date of Sublet Services: 3/15/19

Estimated Value of Sublet Services\*: \$ Over \$25,000.00

\*(Not to exceed \$25,000 without prior Board Approval)

Consultant hereby certifies that the proposed subconsultant has been advised of, and agrees to, the terms and conditions in the Consultant's Contract with the Authority that are applicable to the subconsultant and the services to be sublet:

Requested By:   
(Signature of Consultant Representative)

Vice President  
Title

Recommended by:   
(Signature of Appropriate CFX Director/Manager)

Date: 10/2/18

Approved by:   
(Signature of Appropriate Chief)

Date: 10/2/18

Attach Subconsultant's Certificate of Insurance to this Request.



**CONSENT AGENDA ITEM  
#13**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: David Wynne, Director of Toll Operations *D.W.*

DATE: October 11, 2018

SUBJECT: Authorization for the Executive Director to Execute Memoranda of Understanding with the Florida Department of Highway Safety and Motor Vehicles for Driver License and/or Motor Vehicle Data Exchange

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Board approval is requested to authorize the Executive Director to execute Memoranda of Understanding (MOUs) with the Florida Department of Highway Safety and Motor Vehicles. These MOUs allow CFX to continue to receive and research registered vehicle owner information for the purposes of toll enforcement.

The current agreement expires on January 5, 2019.

Reviewed by: \_\_\_\_\_

  
Corey Quinn  
Chief of Technology/Operations



**MEMORANDUM OF UNDERSTANDING  
FOR DRIVER'S LICENSE AND/OR MOTOR VEHICLE RECORD DATA EXCHANGE  
Contract Number HSMV-\_\_\_\_\_**

This Memorandum of Understanding (MOU) is made and entered into by and between Central Florida Expressway Authority, hereinafter referred to as the Requesting Party, and the Florida Department of Highway Safety and Motor Vehicles, hereinafter referred to as the Providing Agency, collectively referred to as the Parties.

**I. Purpose**

The Providing Agency is a government entity whose primary duties include issuance of motor vehicle and driver licenses, registration and titling of motor vehicles, and enforcement of all laws governing traffic, travel, and public safety upon Florida's public highways.

In carrying out its statutorily mandated duties and responsibilities, the Providing Agency collects and maintains personal information that identifies individuals. Based upon the nature of this information, the Providing Agency is subject to the disclosure prohibitions contained in 18 U.S.C. §2721, the Driver's Privacy Protection Act (hereinafter "DPPA"), Sections 119.0712(2) and 501.171, Florida Statutes, and other statutory provisions.

The Requesting Party is a government or private entity operating under the laws and authority of the state of Florida and/or operating under Federal laws, and is requesting personal information and declares that it is qualified to obtain personal information under the exception number(s), listed in Attachment I, authorized by DPPA.

This MOU is entered into for the purpose of establishing the conditions and limitations under which the Providing Agency agrees to provide electronic access to Driver License and Motor Vehicle information to the Requesting Party. The type of data requested and the statutory fees, if applicable, are agreed to by both parties as indicated in Attachment II.

The Requesting Party is receiving a  9 digit  4 digit or  No social security number, pursuant to Chapter 119, Florida Statutes, or other applicable laws.

**II. Definitions**

For the purposes of this MOU, the below-listed terms shall have the following meanings:

- A. Batch/File Transfer Protocol (FTP)/Secure File Transfer Protocol (SFTP) - An electronic transfer of data in a secure environment.
- B. Business Point-of-Contact - A person appointed by the Requesting Party to assist the Providing Agency with the administration of the MOU.
- C. Consumer Complaint Point-of-Contact - A person appointed by the Requesting Party to assist the Providing Agency with complaints from consumers regarding misuse of personal information protected under DPPA.

- D. Control Record - A record containing fictitious information that is included in data made available by the Providing Agency and is used to identify inappropriate disclosure or misuse of data.
- E. Crash Insurance Inquiry - Insurance information, such as insurance company name, policy type, policy status, insurance creation and expiration date, including insurance policy number, provided to the Requesting Party pursuant to Section 324.242(2), Florida Statutes. Such inquiry is to be made on only vehicles involved in a crash. The Vehicle Identification Number (VIN) on which such inquiry is made must be involved in the crash for which a crash report number and the date of crash is submitted to the Providing Agency.
- F. Downstream Entity - Any individual, association, organization, or corporate entity who receives driver license and/or motor vehicle data from a Third Party End User in accordance with DPPA and Section 119.0712(2), Florida Statutes.
- G. Driver License Information – Driver license and identification card data collected and maintained by the Providing Agency. This data includes personal information as defined in item N, below.
- H. Driver Privacy Protection Act (DPPA) - The Federal Act (see, 18 United States Code § 2721, et seq.) that prohibits release and use of personal information except as otherwise specifically permitted within the Act.
- I. Government Entity - Any federal, state, county, county officer, or city government, including any court or law enforcement agency.
- J. Highly Restricted Personal Information - Includes, but is not limited to, medical or disability information or social security number.
- K. Insurance Record - Insurance information, such as insurance company name, policy type, policy status, insurance creation and expiration date, but excluding insurance policy number, provided to the Requesting Party, pursuant to Section 324.242(2), Florida Statutes.
- L. Motor Vehicle Information - Title and registration data collected and maintained by the Providing Agency for vehicles. This information includes personal information as defined in item N, below.
- M. Parties - The Providing Agency and the Requesting Party.
- N. Personal Information - As described in Section 119.0712(2)(b), Florida Statutes and 18 U.S.C. S.2725, information found in the motor vehicle or driver record which includes, but is not limited to, the subject's driver identification number, name, address, (but not the 5 – digit zip code) and medical or disability information.
- O. Private Entity - Any entity that is not a unit of government, including, but not limited to, a corporation, partnership, limited liability company, nonprofit organization or other legal entity or a natural person.
- P. Providing Agency - The Department of Highway Safety and Motor Vehicles. The Providing Agency is responsible for granting access to driver license and/or motor vehicle data to the Requesting Party.
- Q. Registration Hold - A hold placed on the owner, vehicle or registration, intended to prevent extension or renewal of any motor vehicle registration.
- R. Requesting Party - Any entity type that is expressly authorized by Section 119.0712(2), Florida Statutes and DPPA to receive personal information and/or highly restricted personal information that requests

information contained in a driver license or motor vehicle record from the Providing Agency through remote electronic access.

- S. Requesting Party Number - A unique number assigned to the Requesting Party by the Providing Agency that identifies the type of record authorized for release and the associated statutory fees. Misuse of a Requesting Party Number to obtain information is strictly prohibited and shall be grounds for termination in accordance with Section X, Termination and Suspension.
- T. Technical Contact - A person appointed by the Requesting Party to oversee the maintenance/operation of setting up of Web Service and Batch/FTP/SFTP processes.
- U. Third Party End User - Any individual, association, organization, or corporate entity who receives driver license and/or motor vehicle data from the Requesting Party in accordance with DPPA and Section 119.0712(2), Florida Statutes.
- V. Web Service - A service where the Requesting Party writes a call program to communicate with the Web Service of the Providing Agency to receive authorized motor vehicle and driver license data.

### III. Legal Authority

The Providing Agency maintains computer databases containing information pertaining to driver's licenses and motor vehicles pursuant to Chapters 317, 319, 320, 322, 328, and Section 324.242(2), Florida Statutes. The driver license, motor vehicle, and vessel data contained in the Providing Agency's databases is defined as public record pursuant to Chapter 119, Florida Statutes; and as such, is subject to public disclosure unless otherwise exempted by law.

As the custodian of the state's driver and vehicle records, the Providing Agency is required to provide access to records permitted to be disclosed by law.

Under this MOU, the Requesting Party will be provided, via remote electronic means, information pertaining to driver licenses and vehicles, including personal information authorized to be released pursuant to Section 119.0712(2), Florida Statutes and DPPA. By executing this MOU, the Requesting Party agrees to maintain the confidential and exempt status of any and all information provided by the Providing Agency pursuant to this MOU and to ensure that any Third Party End Users accessing or utilizing said information shall do so in compliance with Section 119.0712(2), Florida Statutes and DPPA. Highly restricted personal information shall only be released in accordance with DPPA and Florida law. In addition, the Requesting Party agrees that insurance policy information shall only be utilized pursuant to Section 324.242(2), Florida Statutes.

This MOU is governed by the laws of the State of Florida and jurisdiction of any dispute arising from this MOU shall be in Leon County, Florida.

### IV. Statement of Work

- A. The Providing Agency agrees to:
  - 1. Provide the Requesting Party with the technical specifications, and Requesting Party Number if applicable, required to access data in accordance with the access method being requested.
  - 2. Allow the Requesting Party to electronically access data as authorized under this MOU.
  - 3. Collect all fees for providing the electronically requested data, pursuant to applicable Florida Statutes, rules and policies, including Sections 320.05 and 322.20, Florida Statutes. The fee

shall include all direct and indirect costs of providing remote electronic access, according to Section 119.07(2)(c), Florida Statutes.

4. Collect all fees due for electronic requests through the Automated Clearing House account of the banking institution which has been designated by the Treasurer of the State of Florida for such purposes.
5. Terminate the access of the Requesting Party for non-payment of required fees. The Providing Agency shall not be responsible for the failure, refusal, or inability of the Requesting Party to make the required payments, or interest on late payments for periods of delay attributable to the action or inaction of the Requesting Party.
6. Notify the Requesting Party thirty (30) business days prior to changing any fee schedules, when it is reasonable and necessary to do so, as determined by the Providing Agency. All fees are established by Florida law. Any changes in fees shall be effective on the effective date of the corresponding law change. The Requesting Party may continue with this MOU as modified or it may terminate the MOU in accordance with Section X., subject to the payment of all fees incurred prior to termination.
7. Perform all obligations to provide access under this MOU contingent upon an annual appropriation by the Legislature.
8. Provide electronic access to driver license and/or motor vehicle information pursuant to roles and times established other than scheduled maintenance or periods of uncontrollable disruptions. Scheduled maintenance normally occurs Sunday mornings between the hours of 6:00 A.M. and 10:00 A.M.
9. Provide a contact person for assistance with the implementation of this MOU.

**B. The Requesting Party agrees to:**

1. Use information only for the expressed purposes as described in Attachment I of this MOU.
2. Self-report to the Providing Agency all violations of the MOU within five (5) business days of discovery of such violation(s). The report shall include a description, the time period, the number of records impacted, the harm caused, and all steps taken as of the date of the report to remedy or mitigate any injury caused by the violation.
3. Accept responsibility for interfacing with any and all Third Party End Users. The Providing Agency will not interact directly with any Third Party End Users. Requesting Party shall not give Third Party End Users the name, e-mail address, and/or telephone number of any Providing Agency employee without the express written consent of the Providing Agency.
4. Establish procedures to ensure that its employees and agents comply with Section V, Safeguarding Information and provide a copy of the procedures to the Providing Agency within ten (10) business days of a request.
5. Not assign, sub-contract, or otherwise transfer its rights, duties, or obligations under this MOU without the express written consent and approval of the Providing Agency.
6. Use the information received from the Providing Agency only for the purposes authorized by this

MOU. The Requesting Party shall not share or provide any information to another unauthorized entity, agency or person.

7. Protect and maintain the confidentiality and security of the data received from the Providing Agency in accordance with this MOU and applicable state and federal laws.
8. Indemnify the Providing Agency and its employees from any and all damages arising from the Requesting Party's negligent or wrongful use of information provided by the Providing Agency, to the extent allowed by law.
9. For Federal agencies: The Requesting Party agrees to promptly consider and adjudicate any and all claims that may arise out of this MOU resulting from the actions of the Requesting Party, duly authorized representatives, agents, or contractors of the Requesting Party, and to pay for any damage or injury as may be required by federal law. Such adjudication will be pursued under the Federal Tort Claims Act, 28 U.S.C. § 2671 et seq., the Federal Employees Compensation Act, 5 U.S.C. § 8101 et seq., or such other federal legal authority as may be pertinent.
10. Update user access/permissions upon reassignment of users within five (5) business days.
11. Immediately inactivate user access/permissions following separation, or negligent, improper, or unauthorized use or dissemination of any information.
12. For all records containing Personal Information released to a Third Party End User, maintain records identifying each person or entity that receives the personal information and the permitted purpose for which it will be used for a period of five (5) years. The Requesting Party shall provide these records or otherwise make these records available for inspection within five (5) business days of a request by the Providing Agency.
13. Pay all costs associated with electronic access of the Providing Agency's driver license and/or motor vehicle information. The Requesting Party shall:
  - a. Maintain an account with a banking institution as required by the Providing Agency.
  - b. Complete and sign the appropriate document(s) to allow the Providing Agency's designated banking institution to debit the Requesting Party's designated account.
  - c. Pay all fees due the Providing Agency by way of the Automated Clearing House account of the Providing Agency's designated banking institution. Collection of transaction fees from eligible and authorized Third Party End Users is the responsibility of the Requesting Party.
14. Notify the Providing Agency within five (5) business days of any changes to the name, address, telephone number and/or email address of the Requesting Party, its Point-of-Contact for Consumer Complaints, and/or its Technical Contact. The information shall be e-mailed to [DataListingUnit@flhsmv.gov](mailto:DataListingUnit@flhsmv.gov). Failure to update this information as required may adversely affect the timely receipt of information from the Providing Agency.
15. Immediately notify the Providing Agency of any change of FTP/SFTP for the receipt of data under this MOU. Failure to update this information as required may adversely affect the timely receipt of information from the Providing Agency.
16. Understand that this MOU is subject to any restrictions, limitations or conditions enacted by the

Florida Legislature, which may affect any or all terms of this MOU. The Requesting Party understands that they are obligated to comply with all applicable provisions of law.

17. Timely submit statements required in Section VI. Compliance and Control Measures, subsections B and C.
18. A Requesting Party who has not previously received records from the Providing Agency shall utilize web services currently offered by the Providing Agency rather than batch/FTP/SFTP processes. Also, any Requesting Party using the FTP/SFTP processes agrees to transition to web services, where available, within six months (6) months of the Providing Agency's request.
19. The Requesting Party shall cooperate and ensure that its subcontractors, if any, cooperate with the Inspector General in any investigation, audit, inspection, review, or hearing pursuant to section 20.055, Florida Statutes.

#### **V. Safeguarding Information**

The Parties shall access, disseminate, use and maintain all information received under this MOU in a manner that ensures its confidentiality and proper utilization in accordance with Chapter 119, Florida Statutes, and DPPA. Information obtained under this MOU shall only be disclosed to persons to whom disclosure is authorized under Florida law and federal laws. Any disclosure of information shall be in accordance with 18 U.S.C. §2721(c). In the event of a security breach, the Requesting Party agrees to comply with the provisions of Section 501.171, Florida Statutes.

Any person who knowingly violates any of the provisions of this section may be subject to criminal punishment and civil liability, as provided in Sections 119.10 and 775.083, Florida Statutes. In addition, any person who knowingly discloses any information in violation of DPPA may be subject to criminal sanctions, including fines, and civil liability.

In an effort to ensure information is only used in accordance with Chapter 119, Florida Statutes, and DPPA, the Providing Agency may include control records in the data provided in an effort to identify misuse of the data.

The Requesting Party shall notify the Providing Agency of any of the following within five (5) business days:

- A. Termination of any agreement/contract between the Requesting Party and any other State/State Agency due to non-compliance with DPPA, data breaches, or any state laws relating to the protection of driver privacy. The Requesting Party shall also notify the Providing Agency if any State/State Agency declines to enter into an agreement/contract with the Requesting Party to provide DPPA protected data.
- B. Any pending litigation alleging DPPA violations or under any state law relating to the protection of driver privacy.
- C. Any instance where the Requesting Party is found guilty or liable by a court of competent jurisdiction for misuse of data under DPPA or under any state law relating to the protection of driver privacy.
- D. Any instance where the owner, officer, or control person of the Requesting Party owned a majority interest in, or acted as a control person of, an entity that was found guilty or liable by a court of competent jurisdiction for misuse of data under DPPA or under any state law relating to the protection of driver privacy.



E. A breach of security as defined by Section 501.171, Florida Statutes.

The Parties mutually agree to the following:

- A. Information exchanged will not be used for any purposes not specifically authorized by this MOU and its attachments. 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 or any unauthorized information to unauthorized persons.
- B. The Requesting Party shall not indemnify and shall not be liable to the Providing Agency for any driver license or motor vehicle information lost, damaged, or destroyed as a result of the electronic exchange of data pursuant to this MOU, except as otherwise provided in Section 768.28, Florida Statutes.
- C. Information obtained from the Providing Agency will be stored in a location that is physically and logically secure from access by unauthorized persons.
- D. The Requesting Party shall develop security requirements and standards consistent with Section 282.318, Florida Statutes, Florida Administrative Code Rule 74-2, and the Providing Agency's security policies; and employ adequate security measures to protect Providing Agency's information, applications, data, resources, and services. The applicable Providing Agency security policies are set forth in Attachment III.
- E. Access to the information received from the Providing Agency will be protected in such a way that unauthorized persons cannot view, retrieve, or print the information.
- F. All personnel with access to the information exchanged under the terms of this 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 and provided to the Providing Agency within ten (10) business days of a request.
- G. All personnel with access to the information will be instructed of and acknowledge their understanding of the civil and criminal sanctions specified in state and Federal law for unauthorized use of the data. These acknowledgements must be maintained in a current status by the Requesting Party and provided to the Providing Agency within ten (10) business days of a request.
- H. All access to the information must be monitored on an ongoing basis by the Requesting Party. In addition, the Requesting Party must complete an Annual Certification Statement to ensure proper and authorized use and dissemination of information and provide it to the Providing Agency pursuant to Section VI. B, below.
- I. All data received from the Providing Agency shall be encrypted during transmission to Third Party End Users using Transport Layer Security (TLS) version 1.2 or higher encryption protocols. Alternate encryption protocols are acceptable only upon prior written approval by the Providing Agency.
- J. By signing the MOU, the representatives of the Providing Agency and Requesting Party, on behalf of the respective Parties, attest and ensure that the confidentiality of the information exchanged will be maintained.

## VI. Compliance and Control Measures

- A. Internal Control and Data Security Audit** - This MOU is contingent upon the Requesting Party having appropriate internal controls in place at all times that data is being provided/received pursuant to this MOU to ensure that the data is protected from unauthorized access, distribution, use, modification, or disclosure. The Requesting Party must submit an Internal Control and Data Security Audit from a currently licensed Certified Public Accountant, on or before the first anniversary of the execution date of this MOU or within one hundred twenty (120) days from receipt of a request from the Providing Agency. Government agencies may submit the Internal Control and Data Security Audit from their Agency's Internal Auditor or Inspector General. The audit shall indicate that the internal controls governing the use and dissemination of personal data have been evaluated in light of the requirements of this MOU, and applicable laws and are adequate to protect the personal data from unauthorized access, distribution, use, modification, or disclosure. This includes both policies/procedures in place for personnel to follow and data security procedures/policies in place to protect personal data. The audit shall certify that the data security procedures/policies have been approved by a Risk Management IT Security Professional. The audit shall also certify that any and all deficiencies/issues found during the audit have been corrected and measures enacted to prevent recurrence. The audit must have an original signature of the CPA and the Requesting Party's agency head, owner, officer, or control person designated by Letter of Delegation to execute contracts/agreements on their behalf. The audit shall be sent via Certified U.S. Mail to the Providing Agency as set forth in Section XI, Notices.
- B. Annual Certification Statement** - The Requesting Party shall submit to the Providing Agency an annual statement indicating that the Requesting Party has evaluated and certifies that it has adequate controls in place to protect the personal data from unauthorized access, distribution, use, modification, or disclosure, and is in full compliance with the requirements of this MOU and applicable laws. The Requesting Party shall submit this statement annually, within fifteen (15) business days after the anniversary of the execution date of this MOU. (NOTE: During any year in which an Internal Control and Data Security Audit is conducted, submission of the Internal Control and Data Security Audit may satisfy the requirement to submit an Annual Certification Statement.) Failure to timely submit the certification statement may result in an immediate termination of this MOU.

In addition, prior to expiration of this MOU, if the Requesting Party intends to enter into a new MOU, a certification statement attesting that appropriate controls remained in place during the final year of the MOU and are currently in place shall be required to be submitted to the Providing Agency prior to issuance of a new MOU.

- C. Misuse of Personal Information** – The Requesting Party must notify the Providing Agency in writing of any incident where it is suspected or confirmed that personal information has been compromised as a result of unauthorized access, distribution, use, modification, or disclosure, by any means, within five (5) business days of such discovery. The statement must be provided on the Requesting Party's letterhead and include each of the following: a brief summary of the incident; the outcome of the review; the date of the occurrence(s); the number of records compromised; the name or names of personnel responsible; whether disciplinary action or termination was rendered; and whether or not the persons whose personal information was compromised were notified. The statement shall also indicate the steps taken, or to be taken, by the Requesting Party to ensure that misuse of data does not continue or recur. This statement shall be mailed to the Providing Agency's Bureau Chief of Records at the address indicated in XI, Notices A., above. (NOTE: If an incident involving breach of personal information did occur and the Requesting Party did not notify the owner(s) of the compromised records, the Requesting Party must indicate why notice was not provided.

In addition, the Requesting Party shall comply with the applicable provisions of Section 501.171,

Florida Statutes, regarding data security and security breaches, and shall strictly comply and be solely responsible for adhering to the provisions regarding notice provided therein.

- D. Consumer Complaints** – The Requesting Party shall provide a point-of-contact for consumer complaints. In the event the Providing Agency receives a consumer complaint regarding misuse of DPPA protected information, the Requesting Party shall review and investigate the complaint. The Requesting Party shall provide its findings to the Providing Agency within fifteen (15) business days from the date they were notified by the Providing Agency.

Consumer Complaint Point-of-Contact Information:

Name: Paul Schatz

Email: Paul.Schatz@CFXWay.com

Phone Number: 407-690-5143

- E. Control Records** - In the event a control record inserted into data received by the Requesting Party is used in a manner that does not comply with DPPA or state law, the Requesting Party shall conduct an investigation of any Third Party End Users who obtained the record from the Requesting Party. As part of this provision, the Requesting Party shall also retain the authority to require Third Party End Users to investigate the Downstream Entities' handling and distribution of data subject to DPPA protection and to provide the results of the investigation to the Requesting Party. The Requesting Party shall provide the results of the investigation(s) and the documents and information collected therein to the Providing Agency within fifteen (15) business days.

## **VII. Liquidated Damages**

Unless the Requesting Party is a state agency, the Providing Agency reserves the right to impose liquidated damages upon the Requesting Party.

Failure by the Requesting Party to meet the established requirements of this MOU may result in the Providing Agency finding the Requesting Party to be out of compliance, and, all remedies provided in this MOU and under law, shall become available to the Providing Agency.

### **A. General Liquidated Damages**

In the case of a breach or misuse of data due to non-compliance with DPPA, Sections 119.0712(2) and 501.171, Florida Statutes, or any other state laws designed to protect a driver's privacy and motor vehicle information, the Providing Agency may impose upon the Requesting Party liquidated damages of up to \$25.00 per record.

In imposing liquidated damages, the Providing Agency will consider various circumstances including, but not limited to:

1. The Requesting Party's history with complying with DPPA, Sections 119.0712(2) and 501.171, Florida Statutes, or any other state laws designed to protect a driver's privacy;
2. Whether the Requesting Party self-reported violations of this MOU to the Providing Agency prior to discovery by the Providing Agency;

3. Whether the Requesting Party violated this MOU over an extended period of time;
4. Whether the Requesting Party's violation of this MOU directly or indirectly resulted in injury, and the nature and extent of the injury;
5. The number of records involved or impacted by the violation of this MOU;
6. Whether, at the time of the violation, the Requesting Party had controls and procedures that were implemented and reasonably designed to prevent or detect violations of this MOU; and,
7. Whether the Requesting Party voluntarily made restitution or otherwise remedied or mitigated the harm caused by the violation of this MOU.

In lieu of paying liquidated damages upon assessment, the Requesting Party may elect to temporarily suspend the MOU, contingent upon its submission of a written statement agreeing not to obtain data from the Providing Agency through remote electronic means until such time as the liquidated damages are paid in full. Such statement shall be signed by the Requesting Party's authorized representative and shall be submitted to the Providing Agency within five days of receipt of notice that damages are being assessed.

#### **B. Corrective Action Plan (CAP)**

1. If the Providing Agency determines that the Requesting Party is out of compliance with any of the provisions of this MOU and requires the Requesting Party to submit a CAP, the Providing Agency may require the Requesting Party to submit a Corrective Action Plan (CAP) within a specified timeframe. The CAP shall provide an opportunity for the Requesting Party to resolve deficiencies without the Providing Agency invoking more serious remedies, up to and including MOU termination.
2. In the event the Providing Agency identifies a violation of this MOU, or other non-compliance with this MOU, the Providing Agency shall notify the Requesting Party of the occurrence in writing. The Providing Agency shall provide the Requesting Party with a timeframe for corrections to be made.
3. The Requesting Party shall respond by providing a CAP to the Providing Agency within the timeframe specified by the Providing Agency.
4. The Requesting Party shall implement the CAP only after the Providing Agency's approval.
5. The Providing Agency may require changes or a complete rewrite of the CAP and provide a specific deadline.
6. If the Requesting Party does not meet the standards established in the CAP within the agreed upon timeframe, the Requesting Party shall be in violation of the provisions of this MOU and shall be subject to liquidated damages and other remedies including termination of the MOU.

Except where otherwise specified, liquidated damages of \$25.00 per day may be imposed on the Requesting Party for each calendar day that the approved CAP is not implemented to the satisfaction of the Providing Agency.

#### **VIII. Agreement Term**

This MOU shall take effect upon the date of last signature by the Parties and shall remain in effect for three (3) years from this date unless terminated or cancelled in accordance with Section X,

Termination and Suspension. Once executed, this MOU supersedes all previous agreements between the parties regarding the same subject matter.

**IX. Amendments**

This MOU incorporates all negotiations, interpretations, and understandings between the Parties regarding the same subject matter and serves as the full and final expression of their agreement. This MOU may be amended by written agreement executed by and between both Parties. Any change, alteration, deletion, or addition to the terms set forth in this MOU, including to any of its attachments, must be by written agreement executed by the Parties in the same manner as this MOU was initially executed. If there are any conflicts in the amendments to this MOU, the last-executed amendment shall prevail. All provisions not in conflict with the amendment(s) shall remain in effect and are to be performed as specified in this MOU.

**X. Termination and Suspension**

- A. This MOU may be unilaterally terminated for cause by either party upon finding that the terms and conditions contained herein have been breached by the other party. Written notice of termination shall be provided to the breaching party; however, prior-written notice is not required and notice may be provided upon cessation of work under the agreement by the non-breaching party.
- B. In addition, this MOU is subject to unilateral suspension or termination by the Providing Agency without notice to the Requesting Party for failure of the Requesting Party to comply with any of the requirements of this MOU, or with any applicable state or federal laws, rules, or regulations, including, but not limited to, DPPA, Sections 119.0712(2) and 501.171, Florida Statutes, or any laws designed to protect driver privacy.
- C. This MOU may also be cancelled by either party, without penalty, upon thirty (30) business days advanced written notice to the other party. All obligations of either party under the MOU will remain in full force and effect during the thirty (30) business day notice period.
- D. This MOU may be terminated by the Providing Agency if the Requesting Party, or any of its majority owners, officers or control persons are found by a court of competent jurisdiction to have violated any provision of any state or federal law governing the privacy and disclosure of personal information. This MOU may be terminated in the event any agreement/contract between the Requesting Party and any other state/state agency is terminated due to non-compliance with DPPA or data breaches, or any state laws designed to protect driver privacy. The Requesting Party will have 10 days from any action described above to provide mitigating information to the Providing Agency. If submitted timely, the Providing Agency will take the mitigation into account when determining whether termination of the MOU is warranted.

**XI. Notices**

Any notices required to be provided under this MOU shall be sent via Certified U.S. Mail and email to the following individuals:

For the Providing Agency:

Chief, Bureau of Records  
2900 Apalachee Parkway  
Tallahassee, Florida 32399  
Tel: (850) 617-2702  
Fax: (850) 617-5168

E-mail: [DataListingUnit@flhsmv.gov](mailto:DataListingUnit@flhsmv.gov)

For the Requesting Party:

Requesting Party's Business Point-of-Contact listed on the signature page.

**XII. Additional Database Access/Subsequent MOU's**

The Parties understand and acknowledge that this MOU entitles the Requesting Party to specific information included within the scope of this MOU. Should the Requesting Party wish to obtain access to other personal information not provided hereunder, the Requesting Party will be required to execute a subsequent MOU with the Providing Agency specific to the additional information requested. All MOU's granting access to personal information will contain the same clauses as are contained herein regarding audits, report submission, and the submission of Certification statements.

The Providing Agency is mindful of the costs that would be incurred if the Requesting Party was required to undergo multiple audits and to submit separate certifications, audits, and reports for each executed MOU. Accordingly, should the Requesting Party execute any subsequent MOU's with the Providing Agency for access to personal information while the instant MOU remains in effect, the Requesting Party may submit a written request, subject to Providing Agency approval, to submit one of each of the following covering all executed MOU's: Certification; Audit; and/or to have conducted one comprehensive audit addressing internal controls for all executed MOU's. The Providing Agency shall have the sole discretion to approve or deny such request in whole or in part or to subsequently rescind an approved request based upon the Requesting Party's compliance with this MOU and/or any negative audit findings.

**XIII. Public Records Requirements**

The parties to this MOU recognize and acknowledge that any agency having custody of records made or received in connection with the transaction of official business remains responsible for responding to public records requests for those records in accordance with applicable law (specifically, Chapter 119, Florida Statutes) and that public records that are exempt or confidential from public records disclosure requirements will not be disclosed except as authorized by law.

If the Requesting Party is a "contractor" as defined in Section 119.0701(1)(a), Florida Statutes, the Requesting Party agrees to comply with the following requirements of Florida's public records laws:

1. Keep and maintain public records required by the Providing Agency to perform the service.
2. Upon request from the Providing Agency's custodian of public records, provide the Providing 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 Chapter 119, Florida Statutes, 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 the Requesting Party does not transfer the records to the Providing Agency.
4. Upon termination or expiration of the MOU, the Requesting Party agrees they shall cease disclosure or distribution of all data provided by the Providing Agency. In addition, the Requesting Party agrees

that all data provided by the Providing Agency remains subject to the provisions contained in DPPA and Sections 119.0712 and 501.171, Florida Statutes.

**IF THE REQUESTING PARTY HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE REQUESTING PARTY'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (850) 617-3101, [OGCFiling@flhsmv.gov](mailto:OGCFiling@flhsmv.gov), OFFICE OF GENERAL COUNSEL, 2900 APALACHEE PARKWAY, and STE. A432, TALLAHASSEE, FL 32399-0504.**

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IN WITNESS HEREOF, the Parties hereto, have executed this MOU by their duly authorized officials on the date(s) indicated below.

**REQUESTING PARTY:**

Central Florida Expressway Authority

Requesting Party Name

Street Address

4974 ORL Tower Road

Suite

Orlando FL 32807

City State Zip Code

**BY:**

Signature of Authorized Official

Printed/Typed Name

Laura Kelley

Title

Executive Director

Date

Official Requesting Party Email Address

Phone Number

**BUSINESS POINT-OF-CONTACT:**

Paul Schatz

Printed/Typed Name

Paul.Schatz@CFXway.com

Official Requesting Party Email Address

4076905143

Phone Number Fax Number

**TECHNICAL POINT-OF-CONTACT:**

Paul Crawford

Printed/Typed Name

Paul.Crawford@CFXway.com

Official Requesting Party Email Address

4076905112

Phone Number Fax Number

**PROVIDING AGENCY:**

Florida Department of Highway Safety and Motor Vehicles

Providing Agency Name

2900 Apalachee Parkway

Street Address

Suite

Tallahassee, Florida 32399

City State Zip Code

**BY:**

Signature of Authorized Official

Printed/Typed Name

Chief, Bureau of Purchasing and Contracts

Date

Official Providing Agency Email Address

Phone Number

REVIEWED AND APPROVED BY CFX LEGAL





**MEMORANDUM OF UNDERSTANDING  
FOR GOVERNMENTAL ENTITY ACCESS TO  
DRIVER AND VEHICLE INFORMATION DATABASE SYSTEM (DAVID)  
Contract Number HSMV-\_\_\_\_\_**

This Memorandum of Understanding (MOU) is made and entered into by and between Central Florida Expressway Authority, hereinafter referred to as the Requesting Party, and the Florida Department of Highway Safety and Motor Vehicles, hereinafter referred to as the Providing Agency, collectively referred to as the Parties.

**I. Purpose**

The Providing Agency is a government entity whose primary duties include issuance of motor vehicle and driver licenses, registration and titling of motor vehicles, and enforcement of all laws governing traffic, travel, and public safety upon Florida's public highways.

In carrying out its statutorily mandated duties and responsibilities, the Providing Agency collects and maintains personal information that identifies individuals. This information is stored in the Department's Driver and Vehicle Information Database system, commonly referred to as "DAVID." Based upon the nature of this information, the Providing Agency is subject to the disclosure prohibitions contained in 18 U.S.C. §2721, the Driver's Privacy Protection Act (hereinafter "DPPA"), Section 119.0712(2), Florida Statutes, and other statutory provisions.

The Requesting Party is a government entity operating under the laws and authority of the state of Florida and/or operating under Federal laws. As a government entity, the Requesting Party may receive personal information from DAVID under the government agency exception provided in DPPA as indicated in Attachment I. The Requesting Party utilizes DAVID information for the purposes of carrying out its statutorily mandated duties and functions.

This MOU is entered into for the purpose of establishing the conditions and limitations under which the Providing Agency agrees to provide electronic access to DAVID information to the Requesting Party. Use of the data by Requesting Party shall only be for a lawful purpose.

**II. Definitions**

For the purposes of this Agreement, the below-listed terms shall have the following meanings:

- A. DAVID – The Providing Agency's Driver and Vehicle Information Database system that accesses and transmits driver and vehicle information.
- B. Driver License Information – Driver license and identification card data collected and maintained by the Providing Agency. This information includes personal information as defined below.
- C. Emergency Contact Information (ECI) – Information contained in a motor vehicle record listing individuals to be contacted in the event of an emergency. Emergency contact information may be released to law enforcement agencies through the DAVID system for purposes of contacting those listed in the event of an emergency, as noted in Section 119.0712 (2)(c), Florida Statutes.
- D. Driver Privacy Protection Act (DPPA) – The Federal Act (see, 18 United States Code § 2721, et seq.) that prohibits release and use of personal information except as otherwise specifically permitted within the Act.

- E. Government Entity – Any non-law enforcement agency of the state, city or county government and all Federal agencies, which may include Federal law enforcement agencies.
- F. Insurance Record – Insurance information, such as Insurance Company name, policy type, policy status, insurance creation and expiration date provided to the Requesting Party, pursuant to Section 324.242(2), Florida Statutes.
- G. Parties - The Providing Agency and the Requesting Party.
- H. Personal Information – As described in Chapter 119, Florida Statutes, and information found in the motor vehicle record which includes, but is not limited to, the subject's driver identification number, name, address, telephone number, social security number, medical or disability information, and emergency contact information.
- I. Point-of-Contact (POC) - A person(s) appointed by the Requesting Party as the administrator of the DAVID program in their agency.
- J. Providing Agency - The Florida Department of Highway Safety and Motor Vehicles. The Providing Agency is responsible for granting access to DAVID information to the Requesting Party.
- K. Quarterly Quality Control Review Report – Report completed each quarter by the POC to monitor compliance with this agreement. The following must be included in the Quarterly Quality Control Review Report:
  1. A comparison of the DAVID users by agency report with the agency user list;
  2. A listing of any new or inactivated users since the last quarterly quality control review; and
  3. Documentation verifying that usage has been internally monitored to ensure proper, authorized use and dissemination.
- L. Requesting Party - Any Government entity that is expressly authorized by Florida Statutes and DPPA to receive personal information contained in a motor vehicle record maintained by the Providing Agency.
- M. Vehicle Information – Title and registration data collected and maintained by the Providing Agency for vehicles.

### III. Legal Authority

The Providing Agency maintains computer databases containing information pertaining to driver's licenses and vehicles pursuant to Chapters 317, 319, 320, 322, 328, and Section 324.242(2) Florida Statutes. The driver license and motor vehicle data contained in the Providing Agency's databases is defined as public record pursuant to Chapter 119, Florida Statutes, and as such, is subject to public disclosure unless otherwise exempted by law.

As the custodian of the state's driver and vehicle records, the Providing Agency is required to provide access to records permitted to be disclosed by law, and may do so by remote electronic means, pursuant to Sections 119.0712(2), 320.05, 321.23, 322.20, and 324.242(2), Florida Statutes, and applicable rules.

Under this MOU, the Requesting Party will be provided, via remote electronic means, information pertaining to driver licenses and vehicles, including personal information authorized to be released pursuant to Section 119.0712(2), Florida Statutes and DPPA. By executing this MOU, the Requesting Party

agrees to maintain the confidential and exempt status of any and all information provided by the Providing Agency pursuant to this agreement and to ensure that any person or entity accessing or utilizing said information shall do so in compliance with Section 119.0712(2), Florida Statutes and DPPA. In addition, the Requesting Party agrees that insurance policy information shall be utilized pursuant to Section 324.242(2), Florida Statutes.

This MOU is governed by the laws of the state of Florida and jurisdiction of any dispute arising from this MOU shall be in Leon County, Florida.

**IV. Statement of Work:**

**A. The Providing Agency agrees to:**

1. Allow the Requesting Party to electronically access DAVID as authorized under this agreement.
2. Provide electronic access pursuant to established roles and times, which shall be uninterrupted except for periods of scheduled maintenance or due to a disruption beyond the Providing Agency's control, or in the event of breach of this MOU by the Requesting Party. Scheduled maintenance will normally occur Sunday mornings between the hours of 6:00 A.M. and 10:00 A.M.
3. Provide an agency contact person for assistance with the implementation and administration of this MOU.

**B. The Requesting Party agrees to:**

1. Utilize information obtained pursuant to this MOU, including Emergency Contact Information (ECI), only as authorized by law and for the purposes prescribed by law and as further described in this MOU. In the case of ECI, such information shall only be used for the purposes of notifying a person's registered emergency contact in the event of a serious injury, death, or other incapacitation. ECI shall not be released or utilized for any other purpose, including developing leads or for criminal investigative purposes.
2. Retain information obtained from the Providing Agency only if necessary for law enforcement purposes. If retained, information shall be safeguarded in compliance with Section V. Safeguarding Information, subsection C.
3. Ensure that its employees and agents comply with Section V. Safeguarding Information.
4. Refrain from assigning, sub-contracting, or otherwise transferring its rights, duties, or obligations under this MOU, without the prior written consent of the Providing Agency.
5. Not share, provide, or release any DAVID information to any law enforcement, other governmental agency, person, or entity not a party or otherwise subject to the terms and conditions of this MOU.
6. Protect and maintain the confidentiality and security of the data received from the Providing Agency in accordance with this MOU and applicable state and federal law.
7. Defend, hold harmless and indemnify the Providing Agency and its employees or agents from any and all claims, actions, damages, or losses which may be brought or alleged against its employees or agents for the Requesting Party's negligent, improper, or unauthorized access, use, or dissemination of information provided by the Providing Agency, to the extent allowed by law.
8. Immediately inactivate user access/permissions following termination or the determination of

negligent, improper, or unauthorized use or dissemination of information. Update user access/permissions upon reassignment of users within five (5) business work days.

9. Complete and maintain Quarterly Quality Control Review Reports as defined in Section II, Definitions, K, and utilizing the form attached as Attachment II.
10. Update any changes to the name of the Requesting Party, its Agency head, its POC, address, telephone number and/or e-mail address in the DAVID system within ten calendar days of occurrence. The Requesting Party is hereby put on notice that failure to timely update this information may adversely affect the time frames for receipt of information from the Providing Agency.
11. Immediately comply with any restriction, limitation, or condition enacted by the Florida Legislature following the date of signature of this MOU, affecting any of the provisions herein stated. The Requesting Party understands and agrees that it is obligated to comply with the applicable provisions of law regarding the subject matter of this Agreement at all times that it is receiving, accessing, or utilizing DAVID information.
12. Timely submit the Attestation and Certification statements as required in Section VI, Compliance and Control Measures, subsections B and C.
13. For Federal Agencies Only: The Requesting Party agrees to promptly consider and adjudicate any and all claims that may arise out of this MOU resulting from the actions of the Requesting Party, duly authorized representatives, or contractors of the Requesting Party, and to pay for any damage or injury as may be required by Federal law. Such adjudication will be pursued under the Federal Tort Claims Act, 28 U.S.C. § 2671, et seq., the Federal Employees Compensation Act, 5 U.S.C. § 8101, et seq., or such other Federal legal authority as may be pertinent.

#### V. Safeguarding Information

The Parties shall access, disseminate, use and maintain all information received under this Agreement in a manner that ensures its confidentiality and proper utilization in accordance with Chapter 119, Florida Statutes, and DPPA. Information obtained under this Agreement shall only be disclosed to persons to whom disclosure is authorized under Florida law and federal law.

Any person who willfully and knowingly violates any of the provisions of this section is guilty of a misdemeanor of the first degree punishable as provided in Sections 119.10 and 775.083, Florida Statutes. In addition, any person who willfully and knowingly discloses any information in violation of DPPA may be subject to criminal sanctions and civil liability.

The Parties mutually agree to the following:

- A. Information exchanged will not be used for any purposes not specifically authorized by this MOU. Unauthorized use includes, but is not limited to, queries not related to a legitimate business purpose, personal use, or the dissemination, sharing, copying, or passing of this information to unauthorized persons.
- B. The Requesting Party shall not indemnify and shall not be liable to the Providing Agency for any driver license or motor vehicle information lost, damaged, or destroyed as a result of the electronic exchange of data pursuant to this MOU, except as otherwise provided in Section 768.28, Florida Statutes.
- C. Any and all DAVID-related information provided to the Requesting Party as a result of this MOU,

particularly data from the DAVID system, will be stored in a place physically secure from access by unauthorized persons.

- D. The Requesting Party shall comply with Rule 74-2, Florida Administrative Code, and with Providing Agency's security policies, and employ adequate security measures to protect Providing Agency's information, applications, data, resources, and services. The applicable Providing Agency's security policies shall be made available to Requesting Party.
- E. When printed information from DAVID is no longer needed, it shall be destroyed by cross-cut shredding or incineration.
- F. The Requesting Party shall maintain a list of all persons authorized within the agency to access DAVID information, which must be provided to the providing agency upon request.
- G. Access to DAVID-related information, particularly data from the DAVID System, will be protected in such a way that unauthorized persons cannot view, retrieve, or print the information.
- H. Under this MOU agreement, access to DAVID shall be provided to users who are direct employees of the Requesting Party and shall not be provided to any non-employee or contractors of the Requesting Party.
- I. By signing this MOU, the Parties, through their signatories, affirm and agree to maintain the confidentiality of the information exchanged through this Agreement.

**VI. Compliance and Control Measures**

- A. **Quarterly Quality Control Review Report** – Must be completed, utilizing Attachment II, Quarterly Quality Control Review Report, within 10 days after the end of each quarter and maintained for two years.
- B. **Internal Control Attestation** – This MOU is contingent upon the Requesting Party having appropriate internal controls in place at all times that data is being provided/received pursuant to this MOU to ensure that the data is protected from unauthorized access, distribution, use, modification, or disclosure. The Requesting Party must submit an Attestation Statement from their Agency's Internal Auditor, Inspector General, Risk Management IT Security Professional, or a currently licensed Certified Public Accountant, on or before the third and sixth anniversary of the agreement or within 180 days from receipt of an Attestation review request from the Providing Agency. The Attestation Statement shall indicate that the internal controls over personal data have been evaluated and are adequate to protect the personal data from unauthorized access, distribution, use, modification, or disclosure. The Attestation Statement shall also certify that any and all deficiencies/issues found during the review have been corrected and measures enacted to prevent recurrence. The Providing Agency may extend the time for submission of the Attestation Statement upon written request by the Requesting Party for good cause shown by the Requesting Party.

The Attestation Statement must have an original signature of the Agency Head or person designated by Letter of Delegation to execute contracts/agreements on their behalf, and may be sent via U.S. Mail, facsimile transmission, or e-mailed to the Providing Agency's Bureau of Records at the following address:

Department of Highway Safety and Motor Vehicles Bureau of Records  
2900 Apalachee Parkway, MS 89  
Tallahassee, Florida 32399-0500  
Fax: (850) 617-5168

E-mail: [DataListingUnit@flhsmv.gov](mailto:DataListingUnit@flhsmv.gov)

- C. **Annual Certification Statement** - The Requesting Party shall submit to the Providing Agency an annual statement indicating that the Requesting Party has evaluated and certifies that it has adequate controls in place to protect the personal data from unauthorized access, distribution, use, modification, or disclosure, and is in full compliance with the requirements of this MOU. The Requesting Party shall submit this statement annually, within 45 days after the anniversary date of this MOU. (NOTE: During any year in which an Attestation Statement is provided, submission of the Internal Control Attestation will satisfy the requirement to submit an Annual Certification Statement.) Failure to timely submit a certification statement may result in an immediate review request and, based upon the findings of the review, suspension or termination of Requesting Party's access to DAVID information as indicated in subsection B., above.

In addition, prior to expiration of this MOU, if the Requesting Party intends to enter into a new MOU, a certification statement attesting that appropriate controls remained in place during the final year of the MOU and are currently in place shall be required to be submitted to the Providing Agency prior to issuance of a new MOU.

- D. **Misuse of Personal Information** – The Requesting Party must notify the Providing Agency in writing of any incident where determination is made that personal information has been compromised as a result of unauthorized access, distribution, use, modification, or disclosure, by any means, within 30 days of such determination. The statement must be provided on the Requesting Agency's letterhead and include each of the following: a brief summary of the incident; the outcome of the review; the date of the occurrence(s); the number of records compromised; the name or names of personnel responsible; whether disciplinary action or termination was rendered; and whether or not the owners of the compromised records were notified. The statement shall also indicate the steps taken, or to be taken, by the Requesting Agency to ensure that misuse of DAVID data does not continue. This statement shall be mailed to the Bureau Chief of Records at the address indicated in VI.B., above. (NOTE: If an incident involving breach of personal information did occur and Requesting Party did not notify the owner(s) of the compromised records, the Requesting Party must indicate why notice was not provided, for example "Notice not statutorily required".)

In addition, the Requesting Party shall comply with the applicable provisions of Section 501.171, Florida Statutes, regarding data security and security breaches, and shall strictly comply with the provisions regarding notice provided therein.

## VII. **Agreement Term**

This MOU shall take effect upon the date of last signature by the Parties and shall remain in effect for six (6) years from this date unless sooner terminated or cancelled in accordance with Section IX, **Termination**. Once executed, this MOU supersedes all previous agreements between the parties regarding the same subject matter.

## VIII. **Amendments**

This MOU incorporates all negotiations, interpretations, and understandings between the Parties regarding the same subject matter, and serves as the full and final expression of their agreement. This MOU may be amended by written agreement executed by and between both Parties. Any change, alteration, deletion, or addition to the terms set forth in this MOU, including to any of its attachments, must be by written agreement executed by the Parties in the same manner as this MOU was initially executed. If there are any conflicts in the amendments to this MOU, the last-executed amendment shall prevail. All

provisions not in conflict with the amendment(s) shall remain in effect and are to be performed as specified in this MOU.

**IX. Termination**

- A. This MOU may be unilaterally terminated for cause by either party upon finding that the terms and conditions contained herein have been breached by the other party. Written notice of termination shall be provided to the breaching party; however, prior-written notice is not required and notice may be provided upon cessation of work under the agreement by the non-breaching party.
- B. In addition, this MOU is subject to unilateral termination by the Providing Agency without notice to the Requesting Party for failure of the Requesting Party to comply with any of the requirements of this MOU, or with any applicable state or federal laws, rules, or regulations, including Section 119.0712(2), Florida Statutes.
- C. This MOU may also be cancelled by either party, without penalty, upon 30 days' advanced written notice to the other party. All obligations of either party under the MOU will remain in full force and effect during the thirty (30) day notice period.

**X. Notices**

Any notices required to be provided under this MOU may be sent via U.S. Mail, facsimile transmission, or e-mail to the following individuals:

For the Providing Agency:

Chief, Bureau of Records  
2900 Apalachee Parkway  
Tallahassee, Florida 32399  
Fax: (850) 617-5168  
E-mail: [DataListingUnit@flhsmv.gov](mailto:DataListingUnit@flhsmv.gov)

For the Requesting Party:

Agency Point-of-Contact listed on the signature page.

**XI. Additional Database Access/Subsequent MOU's**

The Parties understand and acknowledge that this MOU entitles the Requesting Party to specific information included within the scope of this agreement. Should the Requesting Party wish to obtain access to other personal information not provided hereunder, the Requesting Party will be required to execute a subsequent MOU with the Providing Agency specific to the additional information requested. All MOU's granting access to personal information will contain the same clauses as are contained herein regarding audits, report submission, and the submission of Certification and Attestation statements.

The Providing Agency is mindful of the costs that would be incurred if the Requesting Party was required to undergo multiple audits and to submit separate certifications, attestations, and reports for each executed MOU. Accordingly, should the Requesting Party execute any subsequent MOU with the Providing Agency for access to personal information while the instant MOU remains in effect, the Requesting Party may submit a written request, subject to Providing Agency approval, to submit one of each of the following covering all executed MOU's: Quarterly Quality Control Review Report; Certification; and Attestation; and/or to have conducted one comprehensive audit addressing internal controls for all executed MOU's. The Providing Agency shall have the sole discretion to approve or deny such request in whole or in part or to subsequently rescind an

approved request based upon the Requesting Party's compliance with this MOU and/or any negative audit findings.

**XII. Application of Public Records Law**

The Requesting Party agrees to comply with the following requirements of Florida's public records laws:

1. Keep and maintain public records required by the Department to perform the service.
2. Upon request from the Department's custodian of public records, provide the Department 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 Chapter 119, Florida Statutes, 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 the contractor does not transfer the records to the public agency.
4. Upon completion of the contract, transfer, at no cost, to the Department all public records in possession of the Requesting Party or keep and maintain public records required by the public agency to perform the service. If the Requesting Party transfers all public records to the Department upon completion of the contract, the Requesting Party shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Requesting Party keeps and maintains public records upon completion of the contract, the contractor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the Department, upon request from the Department's custodian of public records, in a format that is compatible with the information technology systems of the Department.

**IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (850) 617-3101, [OGCFiling@flhsmv.gov](mailto:OGCFiling@flhsmv.gov), PUBLIC RECORDS COORDINATOR, OFFICE OF GENERAL COUNSEL, 2900 APALACHEE PARKWAY, ROOM A432, MS 02, TALLAHASSEE, FL 32399**

**REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK**



IN WITNESS HEREOF, the Parties hereto, have executed this Agreement by their duly authorized officials on the date(s) indicated below.

**REQUESTING PARTY:**

Central Florida Expressway Authority  
Agency Name

Address  
4974 ORL Tower Road  
Suite  
Orlando FL 32807  
City State Zip Code

**BY:**

Signature of Authorized Official  
Laura Kelley  
Printed/Typed Name  
Executive Director  
Title

Date  
info@cfxway.com  
Official Agency Email Address  
407-690-5000  
Number

Agency Point-of-Contact:  
Paul Crawford  
Printed/Typed Name  
Paul.Crawford@CFXway.com  
Official Agency Email Address  
407-690-5000 / 407-690-5011  
Phone Number Fax Number

**PROVIDING AGENCY:**

Florida Department of Highway Safety and Motor  
Vehicles  
2900 Apalachee Parkway  
Tallahassee, Florida 32399 Street

**BY:**

Signature of Authorized Official  
Lisa M. Bassett  
Printed/Typed Name  
Chief, Bureau of Purchasing and Contracts  
Title

Date

REVIEWED AND APPROVED  
BY CFX LEGAL  
*Joseph Passituro*

**ATTACHMENT I**

**FLORIDA DEPARTMENT OF HIGHWAY SAFETY AND MOTOR VEHICLES Request For  
Access to Driver And Vehicle Information Database System (DAVID)**

The Driver's Privacy Protection Act, 18 United States Code sections 2721("DPPA") makes personal information contained in motor vehicle or driver license records confidential and exempt from disclosure. Personal information in a motor vehicle or driver license record includes, but is not limited to, an individual's social security number, driver license or identification number, name, address and, medical or disability information. Personal information does not include information related to driving violations and driver status. Personal information from these records may only be released to individuals or organizations that qualify under one of the exemptions provided in DPPA, which are listed on the back of this form.

I am a representative of an organization requesting personal information for one or more records as described below. I declare that my organization is qualified to obtain personal information under exemption number(s) 1, as listed on page 2 of this form.

I understand that I shall not use or redisclose this personal information except as provided in DPPA and that any use or redisclosure in violation of these statutes may subject me to criminal sanctions and civil liability.

Complete the following for each DPPA exemption being claimed. (attached additional page, if necessary):

DPPA Exemption Claimed:	Description of How Requesting Party Qualifies for Exemption:	Description of how Data will be used:
1	For use by any government agency, including any court or law enforcement agency, in carrying out its functions, or any private person or entity acting on behalf of a Federal, State, or local agency in carrying out its functions.	A Pay By Plate invoice will be mailed to the vehicle's registered owner in an attempt to collect non-paid tolls on CFX's roadway system.

Obtaining personal information under false pretenses is a state and federal crime. Under penalties of perjury, I declare that I have read the foregoing Request For Exempt Personal Information in A Motor Vehicle/Driver License Record and that the facts stated in it are true and correct.

\_\_\_\_\_  
Signature of Authorized Official

**Laura Kelley**

\_\_\_\_\_  
Printed Name

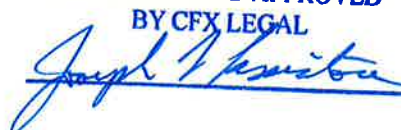
\_\_\_\_\_  
Date

**Executive Director**

\_\_\_\_\_  
Title

Central Florida Expressway Authority

\_\_\_\_\_  
Name of Agency/Entity

**REVIEWED AND APPROVED  
BY CFX LEGAL**  


Pursuant to section 119.0712(2), F. S., personal information in motor vehicle and driver license records can be released for the following purposes, as outlined in 18 United States Code, section 2721.

Personal information referred to in subsection (a) shall be disclosed for use in connection with matters of motor vehicle or driver safety and theft, motor vehicle emissions, motor vehicle product alterations, recalls, or advisories, performance monitoring of motor vehicles and dealers by motor vehicle manufacturers, and removal of non-owner records from the original owner records of motor vehicle manufacturers to carry out the purposes of titles I and IV of the Anti Car Theft Act of 1992, the Automobile Information Disclosure Act (15 U.S.C. 1231 et seq.), the Clean Air Act (42 U.S.C. 7401 et seq.), and chapters 301, 305, and 321-331 of title 49, and, subject to subsection.

1. For use by any government agency, including any court or law enforcement agency, in carrying out its functions, or any private person or entity acting on behalf of a Federal, State, or local agency in carrying out its functions.
2. For use in connection with matters of motor vehicle or driver safety and theft; motor vehicle emissions; motor vehicle product alterations, recalls, or advisories; performance monitoring of motor vehicles, motor vehicle parts and dealers; motor vehicle market research activities, including survey research; and removal of non-owner records from the original owner records of motor vehicle manufacturers.
3. For use in the normal course of business by a legitimate business or its agents, employees, or contractors, but only -  
(a) to verify the accuracy of personal information submitted by the individual to the business or its agents, employees, or contractors; and  
(b) if such information as so submitted is not correct or is no longer correct, to obtain the correct information, but only for the purposes of preventing fraud by, pursuing legal remedies against, or recovering on a debt or security interest against, the individual.
4. For use in connection with any civil, criminal, administrative, or arbitral proceeding in any Federal, State, or local court or agency or before any self-regulatory body, including the service of process, investigation in anticipation of litigation, and the execution or enforcement of judgments and orders, or pursuant to an order of a Federal, State, or local court.
5. For use in research activities, and for use in producing statistical reports, so long as the personal information is not published, redisclosed, or used to contact individuals.
6. For use by any insurer or insurance support organization, or by a self-insured entity, or its agents, employees, or contractors, in connection with claims investigation activities, antifraud activities, rating or underwriting.
7. For use in providing notice to the owners of towed or impounded vehicles.
8. For use by any licensed private investigative agency or licensed security service for any purpose permitted under this subsection.
9. For use by an employer or its agent or insurer to obtain or verify information relating to a holder of a commercial driver's license that is required under chapter 313 of title 49.
10. For use in connection with the operation of private toll transportation facilities.
11. For any other use in response to requests for individual motor vehicle records if the State has obtained the express consent of the person to whom such personal information pertains.
12. For bulk distribution for surveys, marketing or solicitations if the State has obtained the express consent of the person to whom such personal information pertains.
13. For use by any requester, if the requester demonstrates it has obtained the written consent of the individual to whom the information pertains.
14. For any other use specifically authorized under the law of the State that holds the record, if such use is related to the operation of a motor vehicle or public safety.



## QUARTERLY QUALITY CONTROL REVIEW REPORT

Point of Contacts (POC) can do the following to satisfy the MOU Quarterly Quality Control Review:

- Compare the DAVID Users by Agency report with the agency user list.
  - Reconcile any differences to ensure state and agency records are consistent.
- Keep a record of any new or inactivated users since the last Quarterly Quality Control Review.
  - Update any users/user information as needed, document the reason for the change in access, and the date the change is made.
- Monitor usage to ensure proper, authorized use and dissemination.
  - Randomly select a sample of users and run an audit report for a period during the quarter. Look for any misuse, including, but not limited to reason codes, running siblings, spouses, ex-spouses, celebrities, and political figures. Look at the times of day the data was accessed, repeated runs of same record, and unexplained access to the Emergency Contact Information.
  - **Please note:** DHSMV highly recommends the agency audit users as frequently as possible to ensure misuse is not occurring.
- Complete the below report and ensure all actions are documented.

Quarter:	Year:
Total active users in DAVID:	
Total active users in agency records:	
Users inactivated during quarter:	
Users audited during quarter:	
Total cases of misuse found:	
Total cases of misuse reported to DHSMV:	

\_\_\_\_\_  
POC Signature

Paul Crawford

\_\_\_\_\_  
POC Name Printed:

\_\_\_\_\_  
Date

# **E.1.**

## **Chairman's Report**

**THERE ARE NO  
BACKUP MATERIALS  
FOR THIS ITEM**

**E.2.**


**Treasurer's Report**

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## MEMORANDUM

TO: CFX Board Members

FROM: Michael Carlisle, Director of Accounting and Finance

DATE: September 21, 2018 

RE: August 2018 Financial Reports

Attached please find the August 2018 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 AUGUST 31, 2018 AND YEAR-TO-DATE**

	FY 19 MONTH ACTUAL	FY 19 MONTH BUDGET	FY 19 YEAR-TO-DATE ACTUAL	FY 19 YEAR-TO-DATE BUDGET	FY 19 YEAR-TO-DATE VARIANCE	FY 19 YEAR-TO-DATE % VARIANCE	FY 18 - 19 YEAR-TO-DATE COMPARISON
<b>REVENUES</b>							
TOLLS	\$ 39,863,550	\$ 37,675,516	\$ 78,882,917	\$ 74,338,324	\$ 4,544,593	6.1%	7.9%
FEES COLLECTED VIA UTN/UTC'S AND PBP'S	\$ 754,085	559,757	1,119,392	1,010,646	108,745	10.8%	12.7%
TRANSPONDER SALES	\$ 34,134	27,142	60,509	50,319	10,190	20.3%	16.5%
OTHER OPERATING	\$ 125,096	112,684	139,802	121,946	17,856	14.6%	-16.0%
INTEREST	\$ 352,231	240,000	716,321	490,000	226,321	46.2%	6.3%
MISCELLANEOUS	\$ 91,325	86,287	191,198	185,955	5,243	2.8%	5.6%
<b>TOTAL REVENUES</b>	<b>\$ 41,220,421</b>	<b>38,701,387</b>	<b>81,110,139</b>	<b>76,197,191</b>	<b>4,912,949</b>	<b>6.4%</b>	<b>7.9%</b>
<b>O M &amp; A EXPENSES</b>							
OPERATIONS	\$ 2,372,421	3,558,940	4,177,772	5,655,304	1,477,532	26.1%	-19.0%
MAINTENANCE	\$ 709,011	787,011	802,866	889,985	87,119	9.8%	-32.7%
ADMINISTRATION	\$ 540,890	565,438	992,397	1,044,856	52,459	5.0%	15.9%
OTHER OPERATING	\$ -	-	-	-	-	-	-
<b>TOTAL O M &amp; A EXPENSES</b>	<b>\$ 3,622,322</b>	<b>4,911,390</b>	<b>5,973,036</b>	<b>7,590,145</b>	<b>1,617,109</b>	<b>21.3%</b>	<b>-18.0%</b>
<b>NET REVENUES BEFORE DEBT SERVICE</b>	<b>\$ 37,598,098</b>	<b>33,789,997</b>	<b>75,137,104</b>	<b>68,607,046</b>	<b>6,530,058</b>	<b>9.5%</b>	<b>10.6%</b>
<b>COMBINED NET DEBT SERVICE</b>	<b>\$ 14,090,849</b>	<b>14,067,216</b>	<b>28,002,263</b>	<b>28,134,431</b>	<b>132,168</b>	<b>0.5%</b>	<b>0.1%</b>
<b>NET REVENUES AFTER DEBT SERVICE</b>	<b>\$ 23,507,249</b>	<b>\$ 19,722,781</b>	<b>\$ 47,134,841</b>	<b>\$ 40,472,615</b>	<b>\$ 6,662,226</b>	<b>16.5%</b>	<b>18.0%</b>

Note: Due to delays in the processing of SunPass customers on CFX roadways, toll revenue is based on CFX traffic reports not funds received from SunPass

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 2019  
FOR THE MONTH ENDING AUGUST 31, 2018 AND YEAR-TO-DATE**

	<u>FY 2019 ACTUAL</u>	<u>FY 2019 BUDGET</u>	<u>VARIANCE</u>	<u>FY 19 YEAR-TO-DATE % VARIANCE</u>
Operations	\$ 4,177,772	\$ 5,655,304	\$ 1,477,532	26.1%
Maintenance	802,866	889,985	87,119	9.8%
Administration	992,397	1,044,856	52,459	5.0%
Other Operating	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.0%</u>
Total O M & A	\$ 5,973,036	\$ 7,590,145	\$ 1,617,109	21.3%
 Capital Expenditures				
Operations	\$ -	\$ 12,792	12,792	100.0%
Maintenance	-	10,000	10,000	100.0%
Administration	<u>-</u>	<u>3,333</u>	<u>3,333</u>	<u>100.0%</u>
Total Capital Expenditures	\$ -	\$ 26,125	\$ 26,125	100.0%

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 Two Months Ending August 31, 2018**

	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Budget Variance</u>	<u>Variance Percentage</u>
Toll Operations	78,719	82,730	4,011	4.85%
Image Review	498,308	1,024,454	526,147	51.36%
Special Projects	3,484	27,346	23,861	87.26%
Information Technology	390,243	391,451	1,207	0.31%
E-PASS Service Center	961,966	1,397,892	435,925	31.18%
E-PASS Business Services	19,518	23,309	3,791	16.26%
Public Outreach/Education	4,032	15,848	11,816	74.56%
<b>Subtotal CFX</b>	<b><u>1,956,271</u></b>	<b><u>2,963,029</u></b>	<b><u>1,006,758</u></b>	<b><u>33.98%</u></b>
Plazas	2,221,502	2,705,067	483,565	17.88%
<b>Subtotal Toll Facilities</b>	<b><u>2,221,502</u></b>	<b><u>2,705,067</u></b>	<b><u>483,565</u></b>	<b><u>17.88%</u></b>
<b>Total Operations Expenses</b>	<b><u>4,177,772</u></b>	<b><u>5,668,096</u></b>	<b><u>1,490,323</u></b>	<b><u>26.29%</u></b>

**Central Florida Expressway Authority  
Maintenance - Comparison of Actual to Budget  
For the Two Months Ending August 31, 2018**

	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Budget Variance</u>	<u>Variance Percentage</u>
Maintenance Administration	265,764	303,791	38,028	12.52%
Traffic Operations	98,521	134,772	36,251	26.90%
Routine Maintenance	438,582	461,422	22,840	4.95%
<b>Total Maintenance Expenses</b>	<u><u>802,866</u></u>	<u><u>899,985</u></u>	<u><u>97,119</u></u>	<u><u>10.79%</u></u>

**Central Florida Expressway Authority  
Administration - Actual to Budget by Cost Center  
For the Two Months Ending August 31, 2018**

	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Budget Variance</u>	<u>Variance Percentage</u>
General	102,163	88,140	(14,023)	-15.91%
Administrative Services	344,981	349,107	4,126	1.18%
Communications	76,976	82,860	5,883	7.10%
Human Resources	32,217	38,726	6,508	16.81%
Supplier Diversity	25,725	51,072	25,347	49.63%
Accounting	193,171	197,101	3,930	1.99%
Records Management	42,242	47,691	5,449	11.43%
Construction Administration	5,505	10,368	4,862	46.90%
Procurement	69,817	71,604	1,787	2.50%
Legal	86,226	77,684	(8,542)	-11.00%
Internal Audit	0	20,000	20,000	100.00%
525 Magnolia	4,417	4,656	239	5.12%
Engineering	8,955	9,182	227	2.47%
<b>Grand Total Expenses</b>	<b><u>992,397</u></b>	<b><u>1,048,189</u></b>	<b><u>55,792</u></b>	<b><u>5.32%</u></b>

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
CALCULATION OF NET REVENUES AS DEFINED BY THE BOND RESOLUTIONS  
PREVIOUS YEAR BUDGET TO ACTUAL COMPARISON  
FOR THE MONTH ENDING AUGUST 31, 2018 AND YEAR-TO-DATE**

	<b>FY 19 YEAR-TO-DATE ACTUAL</b>	<b>FY 19 YEAR-TO-DATE BUDGET</b>	<b>FY 19 YEAR-TO-DATE VARIANCE</b>	<b>FY 18 YEAR-TO-DATE ACTUAL</b>	<b>FY 18 YEAR-TO-DATE BUDGET</b>	<b>FY 18 YEAR-TO-DATE VARIANCE</b>	<b>YEAR-TO-DATE VARIANCE COMPARISON</b>
<b>REVENUES</b>							
TOLLS	\$ 78,882,917	\$ 74,338,324	\$ 4,544,593	\$ 73,123,683	\$ 69,634,427	\$ 3,489,256	\$ 1,055,337
FEES COLLECTED VIA UTN/UTC'S AND PBP'S	1,119,392	1,010,646	108,745	993,512	801,760	191,752	(83,007)
TRANSPONDER SALES	60,509	50,319	10,190	51,926	34,743	17,183	(6,993)
OTHER OPERATING	139,802	121,946	17,856	166,365	115,582	50,783	(32,927)
INTEREST	716,321	490,000	226,321	674,057	614,818	59,239	167,082
MISCELLANEOUS	191,198	185,955	5,243	181,144	168,199	12,945	(7,702)
<b>TOTAL REVENUES</b>	<b>81,110,139</b>	<b>76,197,191</b>	<b>4,912,949</b>	<b>75,190,687</b>	<b>71,369,529</b>	<b>3,821,158</b>	<b>1,091,791</b>
<b>O M &amp; A EXPENSES</b>							
OPERATIONS	4,177,772	5,655,304	1,477,532	5,160,727	5,872,513	711,786	765,746
MAINTENANCE	802,866	889,985	87,119	1,192,811	1,621,540	428,729	(341,610)
ADMINISTRATION	992,397	1,044,856	52,459	856,462	986,546	130,084	(77,625)
OTHER OPERATING	-	-	-	71,095	105,650	34,555	(34,555)
<b>TOTAL O M &amp; A EXPENSES</b>	<b>5,973,036</b>	<b>7,590,145</b>	<b>1,617,109</b>	<b>7,281,095</b>	<b>8,586,249</b>	<b>1,305,154</b>	<b>311,955</b>
<b>NET REVENUES BEFORE DEBT SERVICE</b>	<b>75,137,104</b>	<b>68,607,046</b>	<b>6,530,058</b>	<b>67,909,592</b>	<b>62,783,280</b>	<b>5,126,312</b>	<b>1,403,746</b>
<b>COMBINED NET DEBT SERVICE</b>	<b>28,002,263</b>	<b>28,134,431</b>	<b>132,168</b>	<b>27,973,131</b>	<b>28,316,328</b>	<b>(343,197)</b>	<b>475,365</b>
<b>NET REVENUES AFTER DEBT SERVICE</b>	<b>\$ 47,134,841</b>	<b>\$ 40,472,615</b>	<b>\$ 6,662,226</b>	<b>\$ 39,936,461</b>	<b>\$ 34,466,952</b>	<b>\$ 5,469,509</b>	<b>\$ 1,192,717</b>

Note: Due to delays in the processing of SunPass customers on CFX roadways, toll revenue is based on CFX traffic reports not funds received from SunPass

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 AUGUST 31, 2018 AND YEAR-TO-DATE**

	FY 19 MONTH ACTUAL	FY 18 MONTH ACTUAL	FY 18 - 19 SAME MONTH COMPARISON	FY 19 YEAR-TO-DATE ACTUAL	FY 18 YEAR-TO-DATE ACTUAL	FY 18 - 19 YEAR-TO-DATE COMPARISON
<b>REVENUES</b>						
TOLLS	\$ 39,863,550	\$ 37,114,846	\$ 2,748,704	\$ 78,882,917	\$ 73,123,683	\$ 5,759,234
FEES COLLECTED VIA UTM/UTC'S AND PBP'S	754,085	569,131	184,954	1,119,392	993,512	125,880
TRANSPONDER SALES	34,134	27,878	6,256	60,509	51,926	8,583
OTHER OPERATING	125,096	126,016	(920)	139,802	166,365	(26,563)
INTEREST	352,231	335,550	16,681	716,321	674,057	42,264
MISCELLANEOUS	91,325	84,044	7,281	191,198	181,144	10,054
<b>TOTAL REVENUES</b>	<b>41,220,421</b>	<b>38,257,465</b>	<b>2,962,956</b>	<b>81,110,139</b>	<b>75,190,687</b>	<b>5,919,452</b>
<b>O M &amp; A EXPENSES</b>						
OPERATIONS	2,372,421	3,325,666	(953,245)	4,177,772	5,160,727	(982,955)
MAINTENANCE	709,011	1,104,153	(395,142)	802,866	1,192,811	(389,945)
ADMINISTRATION	540,890	459,068	81,822	992,397	856,462	135,935
OTHER OPERATING	-	71,095	(71,095)	-	71,095	(71,095)
<b>TOTAL O M &amp; A EXPENSES</b>	<b>3,622,322</b>	<b>4,959,982</b>	<b>(1,337,660)</b>	<b>5,973,036</b>	<b>7,281,095</b>	<b>(1,308,059)</b>
<b>NET REVENUES BEFORE DEBT SERVICE</b>	<b>37,598,098</b>	<b>33,297,483</b>	<b>4,300,615</b>	<b>75,137,104</b>	<b>67,909,592</b>	<b>7,227,512</b>
<b>COMBINED NET DEBT SERVICE</b>	<b>14,090,849</b>	<b>14,089,389</b>	<b>1,460</b>	<b>28,002,263</b>	<b>27,973,131</b>	<b>29,132</b>
<b>NET REVENUES AFTER DEBT SERVICE</b>	<b>\$ 23,507,249</b>	<b>\$ 19,208,094</b>	<b>\$ 4,299,155</b>	<b>\$ 47,134,841</b>	<b>\$ 39,936,461</b>	<b>\$ 7,198,380</b>

Note: Due to delays in the processing of SunPass customers on CFX roadways, toll revenue is based on CFX traffic reports not funds received from SunPass

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.

# E.3.

## Executive Director's Report



**THE EXECUTIVE DIRECTOR'S REPORT  
WILL BE PROVIDED PRIOR TO THE  
BOARD MEETING**

**F. 1.**

The logo for the Central Florida Expressway Authority is centered in the upper portion of the image. It consists of a white rectangular box with two horizontal orange bars, one above and one below the text. The text is arranged in four lines: "CENTRAL" and "FLORIDA" in black, "EXPRESSWAY" in orange, and "AUTHORITY" in black. The background of the entire slide is a photograph of a multi-level highway interchange with concrete overpasses and a grassy embankment under a clear blue sky.

**CENTRAL  
FLORIDA  
EXPRESSWAY  
AUTHORITY**

# Senior Lien Revenue Bonds, Series 2018

Lisa Lumbard, CFO

— October 11, 2018 —

# Twenty-Fourth Supplemental Revenue Bond Resolution

- Authorizes issuance of Senior Lien Revenue Bonds up to \$250 Million
- Authorizes sale of bonds by negotiated sale
- Approves the forms of primary bond documents



# Schedule

- 10.1.18 Finance Committee Meeting
- 10.11.18 Board Meeting
- 10.24.18 Rating Agency Visits
  - Fitch and S&P in Orlando
  - Moody's via phone
- 10.30.18 Posting of Preliminary Official Statement
- 11.12.18<sup>(Week of)</sup> Pricing
- 11.20.18 Posting of Official Statement
- **11.30.18 Closing**

# Recommended Motion

Approval of the Twenty-Fourth Supplemental Revenue Bond Resolution authorizing the issuance of up to \$250,000,000 of Senior Lien Revenue Bonds Series 2018 and authorizing the forms of certain documents and agreements related to the Series 2018 Bonds.

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**CENTRAL FLORIDA EXPRESSWAY AUTHORITY**

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Twenty-Fourth Supplemental Revenue Bond  
Resolution Authorizing the Issuance of:

Senior Lien Revenue Bonds, Series 2018

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Adopted on October 11, 2018

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## TWENTY-FOURTH SUPPLEMENTAL REVENUE BOND RESOLUTION

THIS TWENTY-FOURTH SUPPLEMENTAL REVENUE BOND RESOLUTION OF THE CENTRAL FLORIDA EXPRESSWAY AUTHORITY SUPPLEMENTING THE MASTER BOND RESOLUTION OF THE AUTHORITY ADOPTED ON FEBRUARY 3, 2003, AS SUPPLEMENTED; AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$250,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF SENIOR LIEN REVENUE BONDS, SERIES 2018 FOR THE PURPOSES OF, AMONG OTHER THINGS, FINANCING OR REFINANCING ALL OR A PORTION OF THE COSTS OF ACQUIRING, CONSTRUCTING AND EQUIPPING CERTAIN SYSTEM PROJECTS OF THE AUTHORITY, INCLUDING WITHOUT LIMITATION, THE REPAYMENT OF THOSE CERTAIN SENIOR LIEN BOND ANTICIPATION NOTES, SERIES 2018, WHICH WERE USED TO FINANCE ON AN INTERIM BASIS A PORTION OF SUCH COSTS; DELEGATING AUTHORITY AND ESTABLISHING CRITERIA FOR DETERMINING THE DATE, INTEREST RATES, INTEREST PAYMENT DATES, PRINCIPAL AMOUNTS, PROVISIONS FOR REDEMPTION AND MATURITY SCHEDULES FOR SUCH BONDS; AUTHORIZING THE FINANCE COMMITTEE OR AN AUTHORIZED OFFICER OF THE AUTHORITY TO AWARD THE SALE OF SAID BONDS ON A NEGOTIATED BASIS AND APPROVING THE CONDITIONS AND CRITERIA OF SUCH SALE; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT WITH RESPECT TO THE SALE OF SAID BONDS; APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AUTHORIZING THE CHAIRMAN OR VICE-CHAIRMAN TO DEEM FINAL THE PRELIMINARY OFFICIAL STATEMENT FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12; AUTHORIZING THE CHAIRMAN OR VICE-CHAIRMAN TO APPROVE AND EXECUTE A FINAL OFFICIAL STATEMENT; APPROVING UNCERTIFICATED BOOK-ENTRY-ONLY REGISTRATION OF SUCH BONDS; APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE AGREEMENT; APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUSTEE, PAYING AGENT AND REGISTRAR AGREEMENT; APPOINTING A TRUSTEE, PAYING AGENT, AND REGISTRAR; AUTHORIZING AND DELEGATING AUTHORITY TO SELECT THE PROVIDER OF A BOND INSURANCE POLICY AND A SERIES



RESERVE ACCOUNT CREDIT FACILITY WITH RESPECT TO SUCH BONDS; AUTHORIZING CERTAIN OFFICIALS AND EMPLOYEES OF THE AUTHORITY TO TAKE ALL ACTIONS REQUIRED IN CONNECTION WITH THE ISSUANCE OF SAID BONDS; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION WITH THE ISSUANCE OF SUCH BONDS; PROVIDING CERTAIN OTHER DETAILS WITH RESPECT THERETO; AND PROVIDING AN EFFECTIVE DATE.

**WHEREAS**, on February 3, 2003, the Central Florida Expressway Authority (the “Authority”) adopted that certain Master Bond Resolution Authorizing Central Florida Expressway Authority Revenue Bonds, as amended and supplemented from time to time (the “Master Bond Resolution”); and

**WHEREAS**, the Authority desires to supplement the Master Bond Resolution to authorize the issuance of its Central Florida Expressway Authority Senior Lien Revenue Bonds, Series 2018 (the “Series 2018 Bonds”) as a Series of Bonds under the Master Bond Resolution, the proceeds of which will be used to: (a) finance, refinance, or reimburse the Authority for the costs of acquiring, constructing and equipping the 2018 System Projects (as hereinafter defined), including without limitation, the repayment of those certain Senior Lien Bond Anticipation Notes, Series 2018, the proceeds of which were used to finance a portion of such costs on an interim basis, (b) deposit funds or pay the premium on a 2018 Reserve Subaccount Credit Facility (as hereinafter defined) to be deposited into the 2018 Reserve Subaccount established pursuant to this Resolution, and (c) pay certain costs in connection with the issuance of the Series 2018 Bonds, including without limitation, the premium on the Bond Insurance Policy with respect to all or a portion of the Series 2018 Bonds; and

**WHEREAS**, the Authority anticipates receiving a favorable offer to purchase the Series 2018 Bonds from its underwriting team members to be designated by the Authority and described in the Bond Purchase Agreement (as hereinafter defined), the form of which is attached hereto as Exhibit A; and

**WHEREAS**, the Authority desires to approve the form of a draft Preliminary Official Statement regarding the Series 2018 Bonds, a copy of which is attached hereto as Exhibit B (the “Preliminary Official Statement”), and to authorize the use of the Preliminary Official Statement and a final Official Statement with respect to the offering and sale of the Series 2018 Bonds; and

**WHEREAS**, the Authority desires to approve the form of and authorize the execution and delivery of a Continuing Disclosure Agreement with respect to the Series 2018 Bonds pursuant to Securities Exchange Commission Rule 15c2-12, a copy of which is attached hereto as Exhibit C; and

**WHEREAS**, the Authority desires to approve the form of and the execution and delivery of a Trustee, Paying Agent and Registrar Agreement substantially in the form attached hereto as Exhibit D; and

**WHEREAS**, the Authority further desires to set forth certain terms and provisions for the Series 2018 Bonds and to provide certain further matters related to the authorization, sale, issuance and delivery of the Series 2018 Bonds and other matters related thereto;

**NOW, THEREFORE, BE IT RESOLVED BY THE CENTRAL FLORIDA EXPRESSWAY AUTHORITY AS FOLLOWS:**

## **ARTICLE I**

### **AUTHORITY AND DEFINITIONS**

SECTION 1.01. Authority for this Resolution. This Resolution is adopted and implemented pursuant to the Central Florida Expressway Authority Act, Chapter 348, Part III, Florida Statutes, as amended, and other applicable provisions of law not inconsistent with the foregoing (collectively, the “Act”) and the Master Bond Resolution.

SECTION 1.02. Definitions. All terms used herein in capitalized form, except as otherwise defined herein, shall have the meanings ascribed thereto in Section 1.2 of the Master Bond Resolution. As used herein, the following terms shall have the meanings set forth below:

- A. **“2018 Cost of Issuance Account”** means the subaccount described in Section 7.03 hereof.
- B. **“2018 Reserve Subaccount”** means the subaccount described in Section 7.02 hereof.
- C. **“2018 Reserve Subaccount Credit Facility”** means, if obtained with respect to all or a portion of the Series 2018 Bonds or additional Bonds pursuant to the terms of this Resolution, the reserve subaccount insurance policy issued by the 2018 Reserve Facility Provider.
- D. **“2018 Reserve Facility Provider”** means, if designated with respect to the Series 2018 Bonds or additional Bonds pursuant to the terms of this Resolution, the issuer of the 2018 Reserve Subaccount Credit Facility.
- E. **“2018 System Projects”** means the improvements to the Expressway System to be financed in whole or in part with proceeds of the Series 2018 Bonds, which improvements are included in the Five-Year Work Plan adopted by the Authority from time to time, as the same may be amended, and includes reimbursing the Authority for the costs of such improvements that were paid by the Authority on an interim basis from other available funds of the Authority.

- F. **“Bond Counsel’s Opinion”** means a written opinion of an attorney or firm of attorneys selected by the Authority which is of nationally recognized standing in the field of law relating to municipal bonds and the exclusion from gross income for federal income tax purposes of interest on municipal bonds.
- G. **“Bond Insurance Policy”** means, if obtained with respect to all or a portion of the Series 2018 Bonds issued pursuant to the terms of this Resolution, the municipal bond insurance policy issued by the Series Bond Insurer insuring the payment when due of the principal of and interest on all or a portion of such Series 2018 Bonds, if any, subject to the terms and conditions set forth in the attached Exhibit E.
- H. **“Bond Purchase Agreement”** means the Bond Purchase Agreement to be entered into between the Authority and the Purchaser with respect to the purchase and sale of the Series 2018 Bonds, the proposed form of which is attached hereto as Exhibit A.
- I. **“Finance Committee”** means the Finance Committee of the Authority
- J. **“Financial Advisor”** means Public Financial Advisors LLC.
- K. **“Maturity Date”** means the final maturity date of the Series 2018 Bonds, which date shall be the date specified in Section 4.01 hereof.
- L. **“Purchaser”** means, collectively, each managing underwriter designated pursuant to the terms of this Resolution for itself and as the representative of the underwriters described in the Bond Purchase Agreement.
- M. **“Repository”** shall have the meaning set forth in the Continuing Disclosure Agreement attached hereto as Exhibit “C”.
- N. **“Secretary”** means the Secretary, any Assistant Secretary or the Executive Assistant of the Authority.
- O. **“Series Bond Insurer”** means, if designated with respect to all or a portion of the Series 2018 Bonds issued pursuant to this Resolution, the issuer of the Bond Insurance Policy, or any successor thereto or assignee thereof, as identified in the final Official Statement for the Series 2018 Bonds issued hereunder.
- P. **“Series 2018 Bonds”** means the Central Florida Expressway Authority Senior Lien Revenue Bonds, Series 2018 authorized pursuant to this Resolution.

## ARTICLE II

### FINDINGS

SECTION 2.01. Findings. The Authority hereby finds, determines and declares as follows:

- A. This Resolution supplements the Master Bond Resolution.

B. The Authority owns, operates and derives revenues from the Expressway System and has determined to make certain improvements to the Expressway System.

C. It is necessary, desirable, convenient and in the best interest of the Authority that all or a portion of the Project Costs of the 2018 System Projects be financed as contemplated by this Resolution. The Authority is authorized to issue the Series 2018 Bonds for the valid public purposes set forth in this Resolution.

D. The Series 2018 Bonds shall not be issued unless the requirements of the Master Bond Resolution for the issuance thereof as “Bonds” are satisfied on or prior to the issuance thereof. Upon the issuance thereof, the Series 2018 Bonds shall constitute Bonds under the Master Bond Resolution entitled to all the security and benefits thereof.

E. Because of the characteristics of the Series 2018 Bonds and the current and potential volatility of the market for municipal obligations such as the Series 2018 Bonds, it is in the best interest of the Authority, upon the satisfaction of the terms and conditions set forth herein, to sell the Series 2018 Bonds by delegated, negotiated sale, allowing the Authority flexibility as to when to enter the market (rather than at a specified advertised date), and greater flexibility to modify the terms of the sale in response to market conditions thereby permitting the Authority to obtain optimal terms, conditions, price and interest rate for the Series 2018 Bonds.

F. The Authority anticipates receiving a favorable offer to purchase the Series 2018 Bonds from the Purchaser pursuant to the terms of the Bond Purchase Agreement, the form of which is attached hereto as Exhibit “A” and within the parameters set forth herein.

G. Prior to the sale of the Series 2018 Bonds, the Purchaser will provide the Authority with a disclosure statement containing the information required by Section 218.385(6), Florida Statutes, and the Bond Purchase Agreement will include a truth-in-bonding statement in accordance with Section 218.385, Florida Statutes.

### **ARTICLE III**

#### **CONTRACTUAL OBLIGATION**

In consideration of the acceptance of the Series 2018 Bonds authorized to be issued hereunder by those who shall hold the same from time to time, the Master Bond Resolution, as supplemented by this Resolution, shall be deemed to be and shall constitute a contract between the Authority and the registered Bondholders of the Series 2018 Bonds. The covenants and agreements set forth herein and in the Master Bond Resolution to be performed by the Authority shall be for the equal benefit, protection and security of the registered Bondholders of the Series 2018 Bonds, and the Series 2018 Bonds shall be of equal rank with the Outstanding Bonds, or any Parity Bonds hereafter issued and Qualified Swap Payments related to any Bonds issued under the Master Bond Resolution, without preference, priority or distinction over any other thereof. All applicable covenants contained in the Master Bond Resolution shall be fully applicable to the Series 2018 Bonds as if originally issued thereunder, except as otherwise specifically provided herein.

## ARTICLE IV

### AUTHORIZATION AND ISSUANCE OF SERIES 2018 BONDS

#### SECTION 4.01. Authorization of Issuance and General Description of Series 2018 Bonds.

A. Subject and pursuant to the provisions hereof and of the Master Bond Resolution, the Series 2018 Bonds to be known as the “Central Florida Expressway Authority Senior Lien Revenue Bonds, Series 2018” are hereby authorized to be issued in the aggregate principal amount of not to exceed \$[250,000,000], or such lesser amount as may be approved by the Chairman or Vice-Chairman of the Authority, the proceeds of which shall be used to: (a) finance, refinance, or reimburse the Authority for the costs of acquiring, constructing and equipping the 2018 System Projects, including without limitation, the repayment of those certain Senior Lien Bond Anticipation Notes, Series 2018, the proceeds of which were used to finance a portion of such costs on an interim basis, (b) deposit funds or pay the premium on a 2018 Reserve Subaccount Credit Facility to be deposited into the 2018 Reserve Subaccount established pursuant to this Resolution, and (c) pay certain costs in connection with the issuance of the Series 2018 Bonds, including without limitation, the premium on the Bond Insurance Policy with respect to all or a portion of the Series 2018 Bonds. The final maturity date of the Series 2018 Bonds shall not be later than July 1, 2049.

B. The Series 2018 Bonds shall be issued as Fixed Rate Bonds and may be issued as Capital Appreciation Bonds, serial bonds and/or Term Bonds (or any combination thereof) and may be issued in one or more Series, as shall be determined by the Chairman, Vice-Chairman or Authorized Officer based upon the advice of the Financial Advisor, which advice shall be based upon a determination of what is reasonably anticipated to be the most cost effective to the Authority given the then current market conditions for the issuance of the Series 2018 Bonds. The title and series designation of the Series 2018 Bonds may be modified by the Chairman, Vice-Chairman or Authorized Officer of the Authority to accurately reflect the structure and specific terms of the Series 2018 Bonds to be issued, as provided in the Bond Purchase Agreement and the Official Statement related to the Series 2018 Bonds. Such changes in the designation, terms and provisions of the Series 2018 Bonds as authorized herein shall be evidenced by the Authority’s execution and delivery of the Bond Purchase Agreement authorized pursuant to this Resolution.

C. The Authority hereby delegates to the Chairman, Vice-Chairman or an Authorized Office the authority to make the foregoing determinations, provided that each of the parameters set forth in this Resolution are satisfied to the extent that such parameters apply to the Series 2018 Bonds to be issued. The Chairman, Vice-Chairman or an Authorized Officer may rely on the certification of the Financial Advisor regarding compliance with the above-referenced parameters.

D. Notwithstanding anything contained herein to the contrary, the Series 2018 Bonds shall not be issued until the Authority has complied with the requirements for the

issuance thereof as Bonds under the Master Bond Resolution. The Chairman, Vice-Chairman or an Authorized Officer of the Authority may conclusively rely upon a certification of the Financial Advisor in determining whether the foregoing criteria are satisfied.

E. In connection with the issuance of the Series 2018 Bonds, all or a portion of a Series of Bonds issued hereunder may be secured by a Bond Insurance Policy issued by the Series Bond Insurer, and the Debt Service Reserve Requirement for the Series 2018 Bonds may be satisfied by deposit into the Series 2018 Reserve Subaccount or Debt Service Reserve Account referenced in Section 7.02 hereof of funds (including without limitation, proceeds of the Series 2018 Bonds) and/or the 2018 Reserve Subaccount Credit Facility issued by the 2018 Reserve Facility Provider in an amount equal to the Debt Service Reserve Requirement for the Series 2018 Bonds. The decision whether to obtain a Bond Insurance Policy for all or a portion of the Series 2018 Bonds shall be made by the Chairman, Vice Chairman or Authorized Officer based upon the advice of the Financial Advisor, which advice shall be based upon a determination of what is reasonably anticipated to be the most cost effective to the Authority given the then current market conditions for the sale and issuance of the Series 2018 Bonds.

F. The Series 2018 Bonds shall be dated the date of their original issuance and delivery, and shall mature on the Maturity Date, subject to prior redemption as provided in Sections 4.10 and 4.11 hereof.

SECTION 4.02. Denominations, Numbers, Letters. The Series 2018 Bonds shall be issued solely in the form of fully registered bonds in the denomination of \$5,000 and integral multiples thereof. The Series 2018 Bonds shall be numbered consecutively from 1 upward and the letter of the series designation prefixed to the number. The Series 2018 Bonds may be issued in subseries bearing different CUSIP numbers and may bear such additional designations, if any, as may be set forth in the Bond Purchase Agreement and the Official Statement.

SECTION 4.03. Place of Payment; Trustee, Paying Agent and Registrar.

A. The principal of, and premium, if any, or interest on the Series 2018 Bonds shall be payable upon presentation and surrender at the corporate trust operations office in Minneapolis, Minnesota of Wells Fargo Bank, N.A. or its successors or assigns, and such banking institution is hereby appointed as Trustee, Paying Agent and Registrar for the Series 2018 Bonds. The principal and redemption price of each Series 2018 Bond shall also be payable at any other place which may be provided for such payment by the appointment of any other Paying Agent or Paying Agents as permitted by the Master Bond Resolution. Interest on the Series 2018 Bonds shall be paid by check or draft drawn upon the Paying Agent and mailed to the registered Bondholders of the Series 2018 Bonds at the addresses as they appear on the registration books maintained by the Trustee, as Registrar, at the close of business on the 15<sup>th</sup> day (whether or not a Business Day) of the month next preceding the interest payment date (the "Record Date"), irrespective of any transfer or exchange of such Series 2018 Bonds subsequent to such Record Date and prior to such interest payment date, unless the Authority shall be in

default in payment of interest due on such interest payment date. In the event of any such default, such defaulted interest shall be payable to the Bondholders in whose names such Series 2018 Bonds are registered at the close of business on a special record date for the payment of such defaulted interest as established by notice deposited in the U.S. mails, postage prepaid, by the Trustee to the registered Bondholders of such Series 2018 Bonds not less than fifteen (15) days preceding such special record date. Such notice shall be mailed to the Bondholders in whose names the Series 2018 Bonds are registered at the close of business on the fifth (5<sup>th</sup>) day (whether or not a Business Day) preceding the date of mailing.

B. If the date for payment of the principal of, premium, if any, or interest on the Series 2018 Bonds is not a Business Day, then the date for such payment shall be the next succeeding Business Day, and payment on such Business Day shall have the same force and effect as if made on the nominal date of payment, without accrual of additional interest.

C. Notwithstanding the foregoing, or anything provided in the Master Bond Resolution to the contrary, a registered Bondholder of \$1,000,000 or more in principal amount of Series 2018 Bonds may provide for payment of principal, redemption price and interest with respect to such Series 2018 Bonds by wire transfer in immediately available funds on the applicable payment date by written request submitted (i) in the case of principal or redemption price, to the Trustee or Paying Agent with the presentation or surrender of the Series 2018 Bonds to be paid, and (ii) in the case of interest, to the Trustee, as Registrar, at least fifteen (15) Business Days prior to the applicable Record Date, specifying the account number, address and other relevant information as may be reasonably required by the Trustee or Paying Agent. In the case of interest, the notice may provide that it will remain in effect for later interest payments until changed or revoked by another written notice. Each payment of interest, principal and premium, whether by check or by wire transfer shall include or be accompanied with a statement of the CUSIP number and amount of the payment pertaining to each CUSIP number (if more than one CUSIP number).

#### SECTION 4.04. Registration and Exchange.

A. The registration of any Series 2018 Bond may be transferred upon the registration books as provided in the Master Bond Resolution. So long as the Series 2018 Bonds are issued solely in fully registered form and notwithstanding anything contained in the Master Bond Resolution to the contrary, the provisions of the Master Bond Resolution with respect to the interchangeability of registered bonds for coupon bonds shall not be applicable to the Series 2018 Bonds. In all cases of a transfer of a Series 2018 Bond, the Registrar shall at the earliest practical time in accordance with the terms hereof enter the transfer of ownership in the registration books and shall deliver in the name of the new transferee or transferees a new fully registered Series 2018 Bond or Bonds of the same Series, maturity and of authorized denomination or denominations, for the same aggregate principal amount and payable from the same source of funds. The Authority and the Registrar may charge the registered owner for the registration of every transfer or exchange of a Series 2018 Bond an amount sufficient to reimburse them for

any tax, fee or any other governmental charge required (other than by the Authority) to be paid with respect to or in connection with any such transfer or exchange, and may require that such amounts be paid before any such new Series 2018 Bond shall be delivered.

B. The Authority and the Trustee, Paying Agent and Registrar may deem and treat the registered Bondholder of any Series 2018 Bond as the absolute Bondholder of such Series 2018 Bond for the purpose of receiving payment of the principal thereof and the interest and premiums, if any, thereon. Subject to the provisions of Section 4.04A. hereof, a Series 2018 Bond may be exchanged at the office of the Registrar for a like aggregate principal amount of Series 2018 Bonds, of other authorized denominations of the same maturity.

SECTION 4.05. Terms of Series 2018 Bonds. The Series 2018 Bonds shall be dated the date of delivery thereof, shall bear interest payable from such date, payable semiannually on January 1 and July 1 of each year, commencing on January 1, 2019 (or such other date as the Finance Committee or an Authorized Officer shall approve), at the rates and shall mature and be subject to optional and mandatory redemption substantially in accordance with the maturity and redemption schedules and terms, all as set forth or incorporated by reference in the Bond Purchase Agreement, as such interest payment dates, rates, maturity schedules and redemption schedules and terms may be approved by the Chairman, Vice-Chairman, or an Authorized Officer based upon the advice of the Financial Advisor, provided that the requirements set forth in Section 4.01 hereof have been satisfied.

SECTION 4.06. Source of Payment. The Series 2018 Bonds shall be “Bonds” as such term is used in the Master Bond Resolution. The scheduled payment of principal of, interest on and redemption premium, if any, with respect to the Series 2018 Bonds and all other payments required pursuant to the terms of the Master Bond Resolution and the terms hereof will be payable solely from the System Pledged Revenues, on a parity with any Bonds issued under the Master Bond Resolution whether currently Outstanding or hereinafter issued and any Qualified Swap Payments related to such Bonds, if any. THE PAYMENT THEREOF WILL NOT CONSTITUTE A GENERAL INDEBTEDNESS OF THE AUTHORITY, BREVARD COUNTY, FLORIDA, LAKE COUNTY, FLORIDA, ORANGE COUNTY, FLORIDA, OSCEOLA COUNTY, FLORIDA, SEMINOLE COUNTY, FLORIDA (COLLECTIVELY, THE “COUNTIES”), THE CITY OF ORLANDO, FLORIDA (THE “CITY”) OR ANY OTHER POLITICAL SUBDIVISION IN THE STATE OF FLORIDA, WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER PROVISION OR LIMITATION, AND IT IS EXPRESSLY AGREED THAT THE SERIES 2018 BONDS AND THE OBLIGATION EVIDENCED THEREBY SHALL NOT CONSTITUTE NOR BE A LIEN UPON ANY PROPERTY OF THE COUNTIES, THE CITY, OR THE AUTHORITY, EXCEPT THE SYSTEM PLEDGED REVENUES DERIVED FROM THE EXPRESSWAY SYSTEM AND OTHER MONEYS PLEDGED THEREFOR TO THE EXTENT PROVIDED IN THE RESOLUTION. NEITHER THE GENERAL FAITH AND CREDIT OF THE AUTHORITY, THE COUNTIES, THE CITY, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF OR THE TAXING POWER OF THE COUNTIES, THE CITY, THE STATE OR ANY



POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF THE SERIES 2018 BONDS OR ANY PREMIUM OR INTEREST THEREON. THE AUTHORITY HAS NO TAXING POWER. NO REGISTERED OWNER OF THE SERIES 2018 BONDS SHALL EVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE COUNTIES, THE CITY, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF FOR THE PAYMENT OF THE PRINCIPAL OF OR ANY INTEREST OR PREMIUM DUE THEREON, AND THE AUTHORITY IS NOT AND SHALL NEVER BE UNDER ANY OBLIGATION TO PAY THE PRINCIPAL OF, INTEREST ON OR ANY PREMIUM WITH RESPECT TO THE SERIES 2018 BONDS EXCEPT FROM THE SYSTEM PLEDGED REVENUES DERIVED FROM THE EXPRESSWAY SYSTEM AND OTHER MONEYS PLEDGED THEREFOR, IN THE MANNER PROVIDED IN THE RESOLUTION. No recourse shall be had for the payment of the principal of or premium or interest on the Series 2018 Bonds or for any claim based thereon or on the Master Bond Resolution or this Resolution or otherwise with respect thereto or hereto against any board member, officer or employee of the Authority or any person executing the Series 2018 Bonds and nothing in the Series 2018 Bonds, the Master Bond Resolution or herein shall create or give rise to any personal liability of any such board member, officer or employee of the Authority, the Counties, the City or other person executing the Series 2018 Bonds.

SECTION 4.07. Application of Proceeds of Series 2018 Bonds. The proceeds of the Series 2018 Bonds shall be applied simultaneously with the delivery of such Bonds for the purposes described in this Resolution and pursuant to a certificate of an Authorized Officer or a closing memorandum executed in connection with the issuance and delivery of the Series 2018 Bonds.

SECTION 4.08. Form of Series 2018 Bonds. Subject to the provisions of the Master Bond Resolution, the Series 2018 Bonds and the Registrar's certificate of authentication with respect thereto shall be in substantially the following form, with such insertions or omissions, endorsements and variations as may be permitted by the Master Bond Resolution and the Act, including changes as shall be necessary to reflect differences between the Series 2018 Bonds, and approved by the Chairman or Vice-Chairman of the Authority, execution and delivery of the Series 2018 Bonds to be conclusive evidence of such approval.

[Remainder of this page intentionally left blank]

[Form of Bond]

No. \_\_\_

\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
 STATE OF FLORIDA  
 CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
 SENIOR LIEN REVENUE BONDS, SERIES 2018

Interest Rate	Maturity Date	Original Dated Date	CUSIP No.
%	1, 20	, 2018	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: \_\_\_\_\_ DOLLARS

The Central Florida Expressway Authority (the “Authority”), for value received, hereby promises to pay to the Registered Owner identified above, or to registered assigns or legal representatives, on the Maturity Date identified above (or earlier as hereinafter provided), but solely from the sources hereinafter described, the Principal Amount identified above, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts upon presentation and surrender hereof at the corporate trust operations office in Minneapolis, Minnesota of Wells Fargo Bank, N. A., or its successors or assigns, as Trustee, Paying Agent and Registrar (hereinafter referred to as the “Registrar” or the “Trustee”), and to pay, solely from such sources, interest on the Principal Amount from the Original Dated Date identified above, or from the most recent interest payment date to which interest has been paid, at the Interest Rate per annum identified above, until payment of the outstanding Principal Amount hereof, or until provision for the payment thereof has been duly provided for, such interest being payable semiannually on the first day of January and the first day of July of each year, commencing on [January 1, 2019]. Except as otherwise provided in the Resolution (as defined below), interest will be paid by check or draft mailed to the Registered Owner hereof at his address as it appears on the registration books of the Authority maintained by the Registrar at the close of business on the fifteenth (15<sup>th</sup>) day (whether or not a Business Day) of the month next preceding the interest payment date (the “Record Date”), irrespective of any transfer or exchange of such Bond subsequent to such Record Date and prior to such interest payment date, unless the Authority shall be in default in payment of interest due on such interest payment date. In the event of any such default, such defaulted interest shall be payable to the person in whose name such Bond is registered at the close of business on a special record date for the payment of such defaulted interest as established by notice deposited in the U. S. Mail, postage prepaid, by the Trustee to the Registered Owners of Bonds not less than fifteen (15) days preceding such special record date. Such notice shall be mailed to the persons in whose names the Bonds are registered at the close of business on the fifth (5<sup>th</sup>) day (whether or not a Business Day) preceding the date of mailing.

This Bond is one of a duly authorized issue of Bonds designated “Central Florida Expressway Authority Senior Lien Revenue Bonds, Series 2018” (this “Bond” or the “Series 2018 Bonds”) issued by the Authority under authority of and pursuant to Chapter 348, Part III, Florida Statutes, as amended, and under and pursuant to an Amended and Restated Master Bond Resolution of the Authority adopted on February 3, 2003, as supplemented from time to time and in particular, as supplemented by that certain Twenty-Fourth Supplemental Revenue Bond Resolution adopted by the Authority on October 11, 2018 (collectively, the “Resolution”). Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the Resolution. As provided in the Resolution, this Bond and the interest and premium, if any, hereon are payable solely from and secured by a pledge of the System Pledged Revenues of the Expressway System (each as defined in the Resolution) owned and operated by the Authority, upon deposit of such System Pledged Revenues into the System General Revenue Fund established by the Resolution, and other funds held or set aside under the Resolution (excluding the Rebate Fund). Such pledge is on parity with Bonds issued from time to time under the Resolution (whether currently Outstanding or hereinafter issued) and any Qualified Swap Payments related to such Bonds. No Supplemental Payments are pledged to secure the repayment of the Series 2018 Bonds. Reference is hereby made to the Resolution for the provisions, among others, relating to the terms of, lien on and security for the Series 2018 Bonds, the custody and application of the proceeds of the Series 2018 Bonds, the rights and remedies of the registered owners of the Series 2018 Bonds and the extent of and limitations on the Authority’s rights, duties and obligations, the provisions permitting the issuance of additional Parity Bonds, and the provisions permitting amendments to the Resolution with and without consent of the Bondholders of the Series 2018 Bonds, to all of which provisions the Registered Owner hereof for himself and his successors in interest irrevocably assents by acceptance of this Bond. Copies of the Resolution are on file and available at the principal office of the Registrar.

THIS BOND SHALL NOT BE OR CONSTITUTE A GENERAL INDEBTEDNESS OF THE AUTHORITY, BREVARD COUNTY, FLORIDA, LAKE COUNTY, FLORIDA, ORANGE COUNTY, FLORIDA, OSCEOLA COUNTY, FLORIDA, SEMINOLE COUNTY, FLORIDA (COLLECTIVELY, THE “COUNTIES”), THE CITY OF ORLANDO, FLORIDA (THE “CITY”) OR ANY OTHER POLITICAL SUBDIVISION IN THE STATE OF FLORIDA, WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER PROVISION OR LIMITATION, AND IT IS EXPRESSLY AGREED THAT THE SERIES 2018 BONDS AND THE OBLIGATION EVIDENCED THEREBY SHALL NOT CONSTITUTE NOR BE A LIEN UPON ANY PROPERTY OF THE COUNTIES, THE CITY, OR THE AUTHORITY, EXCEPT THE SYSTEM PLEDGED REVENUES DERIVED FROM THE EXPRESSWAY SYSTEM AND OTHER MONEYS PLEDGED THEREFOR TO THE EXTENT PROVIDED IN THE RESOLUTION. NEITHER THE GENERAL FAITH AND CREDIT OF THE AUTHORITY, THE COUNTIES, THE CITY, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF OR THE TAXING POWER OF THE COUNTIES, THE CITY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF THE SERIES 2018 BONDS OR ANY

PREMIUM OR INTEREST THEREON. THE AUTHORITY HAS NO TAXING POWER. NO REGISTERED OWNER OF THE SERIES 2018 BONDS SHALL EVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE COUNTIES, THE CITY, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF FOR THE PAYMENT OF THE PRINCIPAL OF OR ANY INTEREST OR PREMIUM DUE THEREON, AND THE AUTHORITY IS NOT AND SHALL NEVER BE UNDER ANY OBLIGATION TO PAY THE PRINCIPAL OF, INTEREST ON OR ANY PREMIUM WITH RESPECT TO THIS SERIES 2018 BOND EXCEPT FROM THE SYSTEM PLEDGED REVENUES DERIVED FROM THE EXPRESSWAY SYSTEM AND OTHER MONEYS PLEDGED THEREFOR, IN THE MANNER PROVIDED IN THE RESOLUTION. No recourse shall be had for the payment of the principal of or premium or interest on the Series 2018 Bonds or for any claim based thereon or on the Master Bond Resolution or the Resolution or otherwise with respect thereto or hereto against any board member, officer or employee of the Authority or any person executing the Series 2018 Bonds and nothing in the Series 2018 Bonds, the Master Bond Resolution or herein shall create or give rise to any personal liability of any such board member, officer or employee of the Authority, the Counties, the City or other person executing the Series 2018 Bonds.

The proceeds of the Series 2018 Bonds will be used to: (a) finance, refinance, or reimburse the Authority for the costs of acquiring, constructing and equipping the 2018 System Projects, including without limitation, the repayment of those certain Senior Lien Bond Anticipation Notes, Series 2018, the proceeds of which were used to finance a portion of such costs on an interim basis, (b) deposit funds or pay the premium on a 2018 Reserve Subaccount Credit Facility to be deposited into the 2018 Reserve Subaccount established pursuant to the Resolution, and (c) pay certain costs in connection with the issuance of the Series 2018 Bonds including without limitation, the premium on the Bond Insurance Policy, if any, with respect to all or a portion of the Series 2018 Bonds. As provided in the Resolution, additional Bonds may be issued from time to time pursuant to supplemental resolutions in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and otherwise may vary as provided in the Resolution. The aggregate principal amount of Bonds which may be issued under the Resolution is not limited except as provided in the Resolution, and all bonds issued and to be issued under the Resolution (including any Qualified Swap Payments related thereto) will be equally secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in the Resolution.

The Series 2018 Bonds maturing on \_\_\_\_\_, 20\_\_ are subject to mandatory redemption in part prior to maturity in accordance with the amortization installments at redemption prices equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the date of redemption, on \_\_\_\_\_ 1 in the following years and in the following principal amounts:

<u>Year</u>	<u>Principal Amount</u>
20__	\$ _____
20__	_____
20__	_____
20__	_____
20__ (maturity)	_____

The Series 2018 Bonds maturing before \_\_\_\_\_, 20\_\_ are not subject to optional redemption prior to maturity. The Series 2018 Bonds maturing on and after \_\_\_\_\_ 1, 20\_\_ are subject to redemption prior to their maturity at the option of the Authority upon published notice as hereinafter provided, as a whole or in part at anytime, on and after \_\_\_\_\_ 1, 20\_\_, at the respective redemption prices (expressed as percentages of the principal amount of the Series 2018 Bonds or portions thereof to be redeemed) set forth below, together with accrued interest to the redemption date:

<u>Period During which Redeemed</u> <u>(both dates inclusive)</u>	<u>Redemption</u> <u>Price</u>
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Notwithstanding anything in the Resolution to the contrary, at any time the Series 2018 Bonds are subject to optional redemption pursuant to the Resolution, all or a portion of the Series 2018 Bonds to be redeemed as specified in the notice of redemption, maybe purchased by the Trustee at the direction of the Authority on the date which would be the redemption date if such Series 2018 Bonds were redeemed rather than purchased in lieu thereof at a purchase price equal to the redemption price which would have been applicable to such Series 2018 Bonds on the redemption date for the account of and at the direction of the Authority who shall give the Trustee notice at least ten (10) days prior to the scheduled redemption date accompanied by Bond Counsel's Opinion to the effect that such purchase will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series 2018 Bonds. In the event the Trustee is so directed to purchase Series 2018 Bonds in lieu of redemption, no notice to the Registered Owners of Bonds to be so purchased (other than the notice of redemption otherwise required hereunder) shall be required, and the Trustee shall be authorized to apply to such purchase the funds which would have been used to pay the redemption price for such Series 2018 Bonds if such Series 2018 Bonds had been redeemed rather than purchased. Each Series 2018 Bond so purchased shall not be canceled or discharged and shall be

registered in the name of the Authority. Series 2018 Bonds to be purchased hereunder which are not delivered to the Trustee on the purchase date shall be deemed to have been so purchased and not redeemed on the purchase date and shall cease to accrue interest as to the former Registered Owner on the purchase date.

If less than all of the Series 2018 Bonds are to be redeemed or purchased in lieu thereof, the maturities and principal amounts of each such maturity to be redeemed or purchased shall be selected by the Authority, and in the event less than all of the Series 2018 Bonds of an entire maturity are redeemed or purchased, the Series 2018 Bonds of such maturity shall be selected at random by the Trustee in such manner as the Trustee in its discretion may deem fair and appropriate; provided, however, that the portion of any Series 2018 Bond of a denomination of more than \$5,000 to be redeemed or purchased shall be in the principal amount of \$5,000 or any integral multiple thereof, and that in selecting portions of such Series 2018 Bonds for redemption or purchase, the Trustee shall treat each such Series 2018 Bond as representing that number of Series 2018 Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such Series 2018 Bond to be redeemed or purchased in part by \$5,000.

The Series 2018 Bonds are payable upon redemption at the above-mentioned offices of the Registrar. Notice of optional redemption shall be published not less than twenty (20) days prior to the redemption date, all in the manner and upon the terms and conditions set forth in the Resolution. The Series 2018 Bonds or portions thereof specified in said notice to be optionally redeemed shall become due and payable at the applicable redemption price on the redemption date therein designated, and if, on the redemption date, moneys for the payment of the redemption price of all the Series 2018 Bonds to be optionally redeemed, together with interest to the redemption date, shall be available for such payment on said date, then from and after the redemption date interest on such Series 2018 Bonds shall cease to accrue and become payable to the registered owners entitled to payment thereof. No redemption notice shall be required with respect to the Series 2018 Bonds that are subject to mandatory redemption.

If the date for payment of the principal of, premium, if any, or interest on this Bond shall be a day which is not a Business Day pursuant to the Resolution, then the date for such payment shall be the next succeeding Business Day and payment on such succeeding Business Day shall have the same force and effect as if made on the nominal date of payment.

This Bond is transferable, as provided in the Resolution, only upon the books of the Authority kept for that purpose at the above-mentioned office of the Registrar by the Registered Owner hereof in person, or by his duly authorized attorney, upon surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Owner or his duly authorized attorney, and thereupon a new registered Bond or Bonds, of the same series and maturity and in the same aggregate principal amount, shall be issued to the transferee in exchange therefor as provided in the Resolution, and upon payment of the charges therein prescribed, provided that neither the Authority nor the Registrar is required to exchange or transfer this Bond for a period of twenty (20) days next preceding any selection of Series 2018 Bonds to be redeemed and thereafter until after the first publication or mailing of any notice of redemption, and, in

addition, for a period of twenty (20) days preceding an interest payment date. The Authority, the Trustee, the Registrar and the Paying Agent may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and the interest due hereon and for all other purposes. The Series 2018 Bonds are issuable in the form of fully registered bonds without coupons in the denomination of \$5,000 or any integral multiple of \$5,000.

By purchasing and accepting delivery of the Series 2018 Bonds, the Bondholders of the Series 2018 Bonds shall be deemed to have consented to amend the terms and provisions of the Lease Purchase Agreement to discontinue the Department's payment obligations for operations and/or maintenance of certain portions of the Expressway System effective on July 1, 2028. The Authority shall comply with the terms of the Lease Purchase Agreement in connection with any additional modifications, amendments or supplements to the Lease Purchase Agreement.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, to happen, and to be performed precedent to and in connection with the issuance of this Bond, exist, have happened and have been performed in regular and due form and time as required by the laws and Constitution of the State of Florida applicable thereto, and that the issuance of this Bond is in full compliance with all constitutional and statutory limitations, provisions and restrictions.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the Certificate of Authentication endorsed hereon shall have been duly executed by the Trustee.

**IN WITNESS WHEREOF**, the Central Florida Expressway Authority has caused this Series 2018 Bond to be executed in its name and on its behalf by the manual or facsimile signature of the Chairman (or Vice-Chairman) of the Central Florida Expressway Authority, and its corporate seal (or a facsimile thereof) to be affixed, imprinted, engraved or otherwise reproduced hereon and attested by the manual or facsimile signature of the Secretary, Assistant Secretary or Executive Assistant.

**CENTRAL FLORIDA  
EXPRESSWAY AUTHORITY**

(SEAL)

By: \_\_\_\_\_  
its \_\_\_\_\_

ATTESTED AND COUNTERSIGNED:

By: \_\_\_\_\_  
its Executive Assistant

**REGISTRAR'S CERTIFICATION  
OF AUTHENTICATION**

This Bond is one of the Bonds of the issue described in the within-mentioned Resolution.

Wells Fargo Bank, N.A., AS REGISTRAR

By \_\_\_\_\_  
Authorized Signature

Date of Authentication: \_\_\_\_\_, 2018.

**[BOND INSURANCE**

[\_\_\_\_\_, has delivered its \_\_\_\_\_ insurance policy (the "Policy" with respect to the scheduled payments of principal of and interest on this Bond to Wells Fargo Bank, National Association, as paying agent on behalf of the holders of the Bonds (the "Paying Agent"). Such Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from \_\_\_\_\_ or the Paying Agent. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this Bond acknowledges and consents to the subrogation rights of \_\_\_\_\_ as more fully set forth in the Policy.]

**ASSIGNMENT**

For value received, the undersigned sells, assigns and transfers unto

\_\_\_\_\_  
(PLEASE PRINT OR TYPEWRITE NAME, SOCIAL SECURITY NUMBER. OR  
OTHER IDENTIFY NUMBER OF ASSIGNEE  
AND ADDRESS INCLUDING ZIP CODE OF ASSIGNEE)

the within Bond of the Central Florida Expressway Authority and hereby irrevocably constitutes and appoints

\_\_\_\_\_ attorney to transfer the said Bond on the Books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_, 20\_\_



Signature guaranteed:

**NOTICE:** Signature must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

**NOTICE:** The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security Number or other identifying number of such assignee must be supplied.

The following abbreviations, when used in the inscription on the face of the within bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common

TEN ENT - as tenants in the entirety

JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF TRANS MIN ACT -- \_\_\_\_\_  
(Cust.)

Custodian for \_\_\_\_\_  
under Uniform Transfer to Minors Act of \_\_\_\_\_  
(State)

Additional abbreviations may also be used though not in list above.

[End of Bond Form]

#### SECTION 4.09. Book-Entry Only System.

A. The Series 2018 Bonds when initially issued shall be registered in the name of Cede & Co., or such other name as may be requested by an authorized representative of the Depository Trust Company (“DTC”), as nominee of DTC, in the form of a single fully registered Bond for each maturity of the Series 2018 Bonds. DTC is hereby appointed initial securities depository for the Series 2018 Bonds, subject to the provisions of subsection (B) of this Section. So long as DTC or its nominee, as securities depository, is the Bondholder of Series 2018 Bonds, individual purchases of beneficial ownership interests in such Series 2018 Bonds may be made only in book form by or through DTC participants, and purchasers of such beneficial ownership interest in Series 2018 Bonds will not receive physical delivery of bond certificates representing the beneficial ownership interests purchased. So long as DTC or its nominee, as securities depository, is the Bondholder of Series 2018 Bonds, payments of principal and the redemption price of and premium (if any) and interest on such Series 2018 Bonds will be made by wire transfer to DTC or its nominee, or otherwise pursuant to DTC’s rules and procedures as may be agreed upon by the Authority, the Paying Agent and DTC. Transfers of principal, redemption price and interest payments to DTC participants will be the responsibility of DTC. Transfers of such payments to beneficial owners of Series 2018 Bonds by DTC participants will be the responsibility of such participants, indirect participants and other nominees of such beneficial owners. So long as DTC or its nominee, as securities depository, is the Bondholder of Series 2018 Bonds, the Authority shall send, or cause the Paying Agent to send, or take timely action to permit the Paying Agent to send to DTC notice of redemption of such Series 2018 Bonds and any other notice required to be given to Bondholders of Series 2018 Bonds pursuant to the Resolution, as supplemented herein, in the manner and at the times prescribed by the Resolution, as supplemented herein, or otherwise pursuant to DTC’s rules and procedures or as may be agreed upon by the Authority, the Paying Agent (if applicable) and DTC.

Neither the Authority nor any fiduciary shall have any responsibility or obligation to the DTC participants, beneficial owners or other nominees of such beneficial owners for (i) sending transaction statements; (ii) maintaining, supervising or reviewing, or the accuracy of, any records maintained by DTC or any DTC participant, indirect participant or other nominees of such beneficial owners; (iii) payment or the timeliness of payment by DTC to any DTC participant, indirect participant or by any DTC participant, indirect participant or other nominees of beneficial owners to any beneficial owner of any amount due in respect of the principal or the redemption price of or interest on Series 2018 Bonds; (iv) delivery or timely delivery by DTC to any DTC participant or indirect participant, or by any DTC participant, indirect participant or other nominees of beneficial owners to any beneficial owners of any notice (including notice of redemption) or other communication which is required or permitted under the terms of the Resolution, as supplemented herein to be given to Bondholders of Series 2018 Bonds; (v) the selection of the beneficial owners to receive payment in the event of any partial redemption of Series 2018 Bonds; or (vi) any action taken by DTC or its nominee as the Bondholder of the Series 2018 Bonds.

Notwithstanding any other provisions of the Master Bond Resolution to the contrary, the Authority, the Paying Agent and each other fiduciary shall be entitled to treat and consider the Bondholder in whose name each Series 2018 Bond is registered in the registration books of as the absolute Bondholder of such Series 2018 Bond for the purpose of payment of the principal of or the redemption price of and premium (if any) and interest on such Series 2018 Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2018 Bond, for the purpose of registering transfers with respect to such Series 2018 Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal and the redemption price of and premium (if any) and interest on the Series 2018 Bonds only to or upon the order of the respective Bondholders, as shown on the registration books as provided in the Master Bond Resolution, as supplemented by this Resolution, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Authority's obligations with respect to payment of principal or the redemption price of and premium (if any) and interest on the Series 2018 Bonds to the extent of the sum or sums so paid.

Notwithstanding any other provisions of the Master Bond Resolution, as supplemented by this Resolution, so long as any Series 2018 Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal or the redemption price of and interest on such Series 2018 Bond and all notices with respect to such Series 2018 Bond shall be made and given, respectively, pursuant to DTC rules and procedures.

Payments by the DTC participants to beneficial owners will be governed by standing instructions and customary practices, as is now the case with municipal securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such DTC participant and not of DTC, the Paying Agent or the Authority, subject to any statutory and regulatory requirements as may be in effect from time to time.

Provisions similar to those contained in this subsection (A) may be made by the Authority in connection with the appointment by the Authority of a substitute securities depository, or in the event of a successor to any securities depository.

B. The Authority shall issue Series 2018 Bond certificates (the "Replacement Bonds") directly to the beneficial owners of the Series 2018 Bonds, or their nominees, in the event that DTC determines to discontinue providing its services as securities depository with respect to such Series 2018 Bonds, at any time by giving notice to the Authority, and the Authority fails to appoint another qualified securities depository to replace DTC. In addition, the Authority shall issue Replacement Bonds directly to the beneficial owners of the Series 2018 Bonds, or their nominees, in the event the Authority discontinues use of DTC as securities depository at any time upon determination by the Authority, in its sole discretion and without the consent of any other person, that beneficial owners of the Series 2018 Bonds shall be able to obtain certificated Series 2018 Bonds.

C. In connection with any notice of redemption provided in accordance with the Master Bond Resolution, as supplemented by this Resolution, notice of such redemption shall also be sent by the Paying Agent by first class mail, overnight delivery service or other secure overnight means, postage prepaid, to any Rating Agency then maintaining a rating with respect to the Series 2018 Bonds and to the Repository in accordance with applicable rules and regulations then in effect, in each case not later than the mailing of notice required herein.

SECTION 4.10. Redemption Prices and Terms: Purchase in Lieu of Redemption.

A. Optional Redemption. The Series 2018 Bonds shall be subject to such optional redemption provisions as shall be subsequently provided in the final Official Statement approved by the Chairman or the Vice-Chairman pursuant to the authority provided herein.

B. Mandatory Redemption. The Series 2018 Bonds shall also be subject to mandatory redemption to satisfy sinking fund installments as shall be provided in the final Official Statement approved by the Chairman or Vice-Chairman pursuant to the authority and guidelines described herein.

C. Purchase in Lieu of Optional Redemption. Notwithstanding anything in this Resolution to the contrary, at any time the Series 2018 Bonds are subject to optional redemption pursuant to this Resolution, all or a portion of the Series 2018 Bonds to be redeemed as specified in the notice of redemption, may be purchased by the Trustee at the direction of the Authority on the date which would be the redemption date if such Series 2018 Bonds were redeemed rather than purchased in lieu thereof at a purchase price equal to the redemption price which would have been applicable to such Series 2018 Bonds on the redemption date for the account of and at the direction of the Authority who shall give the Trustee notice at least ten (10) days prior to the scheduled redemption date accompanied by Bond Counsel's Opinion to the effect that such purchase will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Series 2018 Bonds. In the event the Trustee is so directed to purchase Series 2018 Bonds in lieu of optional redemption, no notice to the Registered Owners of Series 2018 Bonds to be so purchased (other than the notice of redemption otherwise required hereunder) shall be required, and the Trustee shall be authorized to apply to such purchase the funds which would have been used to pay the redemption price for such Series 2018 Bonds if such Series 2018 Bonds had been redeemed rather than purchased. Each Series 2018 Bond so purchased shall not be canceled or discharged and shall be registered in the name of the Authority. Series 2018 Bonds to be purchased under this Section 4.10.C. which are not delivered to the Trustee on the purchase date shall be deemed to have been so purchased and not optionally redeemed on the purchase date and shall cease to accrue interest as to the former Registered Owner on the purchase date.

D. Selection of Bonds to be Redeemed or Purchased. If less than all of the Series 2018 Bonds are to be redeemed or purchased in lieu thereof, the maturities and principal amounts of each such maturity to be redeemed or purchased shall be selected by

the Authority, and in the event less than all of the Series 2018 Bonds of an entire maturity are redeemed or purchased, the Series 2018 Bonds of such maturity shall be selected at random by the Trustee in such manner as the Trustee in its discretion may deem fair and appropriate; provided, however, that the portion of any Series 2018 Bond of a denomination of more than \$5,000 to be redeemed or purchased shall be in the principal amount of \$5,000 or any integral multiple of \$5,000 in excess thereof, and in selecting portions of such Series 2018 Bonds for redemption or purchase, the Trustee shall treat each such Series 2018 Bond as representing that number of Series 2018 Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such Series 2018 Bond to be redeemed or purchased in part by \$5,000.

SECTION 4.11. Redemption Provisions. The redemption of the Series 2018 Bonds shall be subject to the requirements of the Master Bond Resolution, provided however, that: (a) the provisions of Section 3.2 of the Master Resolution regarding notice of redemption is required solely with respect to the exercise by the Authority of its right to optionally redeem the Series 2018 Bonds, and (b) the thirty (30) day notice period set forth in Section 3.2 of the Master Bond Resolution for the notice of optional redemption of the Series 2018 Bonds is hereby changed to twenty (20) days with respect to the Series 2018 Bonds.

So long as DTC is effecting book-entry transfers of the Series 2018 Bonds, the Paying Agent shall provide the redemption notices referenced in this Section 4.11 only to DTC. It is expected that DTC shall, in turn, notify its participants and that the participants, in turn, will notify or cause to be notified the beneficial owners. Any failure on the part of DTC or a participant, or failure on the part of a nominee of a beneficial owner of a Series 2018 Bond to notify the beneficial owner of the Series 2018 Bond so affected, shall not affect the validity of the redemption of such Series 2018 Bond.

Any notice of optional redemption given pursuant to this Section 4.11 shall state that it is conditional upon receipt by the Paying Agent of moneys sufficient to pay the redemption price, plus interest accrued to the Redemption Date, or upon the satisfaction of any other condition, or that it may be rescinded upon the occurrence of any other event, and any conditional notice so given may be rescinded at any time before payment of such redemption price and accrued interest if any such condition so specified is not satisfied or if any such other event occurs. Notice of such rescission shall be given by the Paying Agent to affected Bondholders of Series 2018 Bonds as promptly as practicable upon the failure of such condition or the occurrence of such other event.

## ARTICLE V

### SALE OF BONDS

SECTION 5.01 Approval of Bond Purchase Agreement. The offer in the form of the Bond Purchase Agreement presented by the Purchaser and attached hereto as Exhibit A is hereby approved, subject to such changes, insertions and omissions and filling of blanks therein as may be approved and made in such form by the Chairman, the Vice-Chairman or an Authorized Officer in a manner consistent with the terms of this Resolution, execution and delivery of the Bond Purchase Agreement to be conclusive evidence of such approval. Upon receipt of a disclosure statement from the Purchaser and a financial analysis from the Purchaser and the Financial Advisor evidencing that the requirements set forth in Section 4.01 hereof are met, an Authorized Officer is hereby authorized to accept the offer of the Purchaser to purchase the Series 2018 Bonds in an aggregate principal amount of not to exceed the amount specified in Section 4.01.A. hereof and at a purchase price reflecting an underwriter's discount of not greater than 0.50% of the par amount of the Series 2018 Bonds, reduced by any original issue discount and increased by any premium reflected in the original offering price to the public of such current interest paying bonds, if any, thereon, plus accrued interest thereon to the date of delivery, upon the terms and conditions set forth in the Bond Purchase Agreement. The final maturity date of the Series 2018 Bonds shall not be later than July 1, 2049. The Chairman or Vice-Chairman or Authorized Officer is hereby authorized to execute the Bond Purchase Agreement for and on behalf of the Authority pursuant to the terms hereof. The Chairman or Vice-Chairman or Authorized Officer is hereby authorized to designate and negotiate with another member of the Authority's underwriting team to serve as Purchaser of the Series 2018 Bonds, subject to the terms and conditions of this Resolution and the Bond Purchase Agreement.

SECTION 5.02. Official Statement. The Authority hereby approves the form and content of the draft Preliminary Official Statement with respect to the Series 2018 Bonds attached hereto as Exhibit B. The Chairman or Vice-Chairman of the Authority is hereby authorized to approve the form of a Preliminary Official Statement, including for purposes of making findings required for purposes of Rule 15c2-12 of the Securities Exchange Commission ("Rule 15c2-12"), together with such changes, insertions, omissions and filling of blanks therein as the Chairman or Vice-Chairman, in his or her discretion, may approve, including such changes as may be necessary to make appropriate disclosure of the Authority's financial and operational results, and otherwise in substantially the form attached hereto, execution of a certificate deeming the Preliminary Official Statement final for purposes of Rule 15c2-12 to be conclusive evidence of such approval, and to authorize the distribution of such Preliminary Official Statement by the Purchaser in the initial marketing of the Series 2018 Bonds. The Chairman, Vice-Chairman or an Authorized Officer is hereby authorized to approve and execute, on behalf of the Authority, a final Official Statement with respect to the Series 2018 Bonds, with such changes, supplements, modifications, insertions and deletions from the Preliminary Official Statement as the Chairman, Vice-Chairman, or Authorized Officer in his or her sole discretion, shall approve, such execution to be conclusive

evidence of such approval. The Authority hereby consents to the use of the final Official Statement by the Purchaser.

SECTION 5.03. Continuing Disclosure Agreement. For purposes of enabling the Purchaser to comply with the requirements of Rule 15c2-12, the form of the Continuing Disclosure Agreement attached hereto as Exhibit C is hereby approved in a manner consistent with the terms of this Resolution, subject to such changes, insertions, omissions and filling of blanks therein as may be approved and made in such form by the officer of the Authority executing the same, execution and delivery thereof to be conclusive evidence of such approval. The Chairman, Vice-Chairman or Authorized Officer of the Authority is hereby authorized to execute and deliver the Continuing Disclosure Agreement on behalf of the Authority in substantially the form attached hereto with such changes, insertions, omissions and filling of blanks therein as such officer shall approve in a manner consistent with the terms of this Resolution.

SECTION 5.04. Trustee, Paying Agent and Registrar Agreement. The form of the Trustee, Paying Agent and Registrar Agreement attached hereto as Exhibit D is hereby approved, subject to the changes, insertions and omissions and filling of blanks therein as may be approved and made in such form of Trustee, Paying Agent and Registrar Agreement by the officers of the Authority executing the same, in a manner consistent with the provisions of this Resolution, such execution to be conclusive evidence of such approval. The Chairman, Vice-Chairman or Authorized Officer is hereby authorized to execute the Trustee, Paying Agent and Registrar Agreement on behalf of the Authority in substantially the form attached hereto with such changes, insertions, omissions and filling of blanks therein as such officer shall approve in a manner consistent with the terms of this Resolution. Wells Fargo Bank, N.A. is hereby designated as the initial Trustee, Paying Agent and Registrar under the Trustee, Paying Agent and Registrar Agreement and shall serve until it resigns or is removed and a successor Trustee, Paying Agent and Registrar is appointed for the Series 2018 Bonds as provided in the Trustee, Paying Agent and Registrar Agreement. To the extent that a Bond Insurance Policy is obtained with respect to all or a portion of the Series 2018 Bonds, the Paying Agent shall transfer the Bond Insurance Policy for such Bonds and the 2018 Reserve Subaccount Credit Facility, if any, to any successor Paying Agent. The Paying Agent shall not have a lien on any (i) proceeds received from the Bond Insurance Policy, if any, or (ii) proceeds received from the 2018 Reserve Subaccount Credit Facility, if any.

SECTION 5.05. Bond Insurance Policy; 2018 Reserve Subaccount Credit Facility. The Authority hereby designates the Bond Insurance Policy, if any as a “Bond Credit Facility” for the Bonds, approves the selection of the Series Bond Insurer as the provider of the Bond Insurance Policy, authorizes the delivery by the Series Bond Insurer of a Bond Insurance Policy with respect to the issuance of the Series 2018 Bonds, and the payment of the premium associated with such Bond Insurance Policy. The determination of whether to obtain a Bond Insurance Policy for all or a portion of the Series 2018 Bonds shall be made by the Chairman, Vice Chairman or Authorized Officer, based upon the advice of the Financial Advisor. The Authority hereby further authorizes the selection of the 2018 Reserve Facility Provider as the provider of the 2018 Reserve

Subaccount Credit Facility, authorizes the delivery by the 2018 Reserve Facility Provider of the 2018 Reserve Subaccount Credit Facility, and the payment of the premium associated with the 2018 Reserve Subaccount Credit Facility. The determination of whether to obtain the 2018 Reserve Subaccount Credit Facility for all or a portion of the Series 2018 Bonds shall be made by the Chairman, the Vice-Chairman or an Authorized Officer of the Authority based upon the advice of the Financial Advisor. The Chairman, Vice-Chairman or Authorized Officer of the Authority is hereby authorized to execute on behalf of the Authority any and all documents, instruments, certificates and agreements in connection with the purchase and delivery of the Bond Insurance Policy and the 2018 Reserve Subaccount Credit Facility, if any, with such changes, insertions and omissions and filling of blanks therein as may be approved and made to such documents, instruments, certificates and agreements by the Chairman, Vice-Chairman or Authorized Officer of the Authority executing the same, in a manner consistent with the provisions of this Resolution, such execution to be conclusive evidence of such approval.

## ARTICLE VI

### TAX COMPLIANCE AND REBATE PROVISIONS

SECTION 6.01. The 2018 Rebate Fund. There is hereby created and established a fund to be known as the “Central Florida Expressway Authority Senior Lien Revenue Bonds, Series 2018 Rebate Fund” (hereinafter referred to as the “2018 Rebate Fund”). The 2018 Rebate Fund shall be maintained with the Paying Agent and shall be kept separate and apart from all other funds of the Authority, and used for the purpose and in the manner provided in this Section, and shall be and constitute a trust fund for such purposes. The Bonds, including any Additional Bonds or Refunding Bonds hereafter issued pursuant to and within the terms, limitations and conditions contained in the Master Bond Resolution, as supplemented by this Resolution, shall have no lien on or pledge of the moneys at any time or from time to time on deposit in the 2018 Rebate Fund and the moneys in the 2018 Rebate Fund shall be available for use only as herein provided. The Authority shall use moneys deposited in the 2018 Rebate Fund only for the payment of the Rebate Amount with respect to the Series 2018 Bonds to the United States. Funds on deposit in the 2018 Rebate Fund in excess of the Rebate Amount, however, may be withdrawn and paid over to the Authority. In complying with the foregoing, the Authority may rely upon Bond Counsel’s Opinion with respect thereto.

If any amount shall remain in the 2018 Rebate Fund after payment in full of all Series 2018 Bonds issued hereunder and after payment in full of the Rebate Amount to the United States in accordance with the terms hereof, such amount shall be available to the Authority for any lawful purpose.

Notwithstanding any other provision of this Resolution or the Master Bond Resolution, including in particular Section 5.1 of the Master Bond Resolution, the obligation to pay over the Rebate Amount to the United States and to comply with all



other requirements of Section 6.02 hereof and this Section 6.01 shall survive the defeasance or payment in full of the Series 2018 Bonds.

SECTION 6.02. Covenants Concerning Compliance with Tax Laws. In addition to any other requirements contained in the Master Bond Resolution, the Authority hereby covenants and agrees, for the benefit of the Bondholders from time to time of the Series 2018 Bonds, to comply with the requirements contained in the Code to the extent necessary, and any other requirements which, in Bond Counsel's Opinion, are necessary to preserve the exclusion of interest on the Series 2018 Bonds from the gross income of the owners thereof for federal income tax purposes throughout the term of the issue.

SECTION 6.03. Amendments to Article VI. Any provision of this Resolution or of the Master Bond Resolution to the contrary notwithstanding, the provisions of this Article VI may be amended from time to time without the consent of the Paying Agent or the Bondholders upon delivery to the Paying Agent of a Bond Counsel's Opinion to the effect that such amendment will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series 2018 Bonds.

## ARTICLE VII

### ESTABLISHMENT OF CERTAIN ACCOUNTS

SECTION 7.01. 2018 Construction Account. The Authority hereby establishes the "Central Florida Expressway Authority Senior Lien Revenue Bonds, Series 2018 Construction Account" (the "2018 Construction Account") as a separate account within the Construction Fund established pursuant to the Master Bond Resolution. The 2018 Construction Account shall be used only for payment of the Project Costs associated with the 2018 System Projects. Moneys in the 2018 Construction Account, until applied in payment of any item of such Project Costs in the manner hereinafter provided, shall be held in trust by the Authority and shall be subject to a lien and charge in favor of the Bondholders and for the further security of such Bondholders.

There shall be paid into the 2018 Construction Account the amounts required to be so paid by the provisions of this Resolution, and there may be paid into the 2018 Construction Account, at the option of the Authority, any moneys received by the Authority from any other source for or in connection with any 2018 System Project.

The proceeds of insurance maintained pursuant to this Resolution against physical loss of or damage to a 2018 System Project, or of contractors' performance bonds with respect thereto pertaining to the period of construction thereof, shall be deposited into the 2018 Construction Account.

The Authority covenants that the acquisition and construction of each 2018 System Project will be completed with diligence and in accordance with sound engineering practices. The Authority shall make disbursements or payments from the 2018 Construction Account to pay the Project Costs of the 2018 System Projects upon the filing with the Secretary of the Authority of a written requisition from the Authority's

Consulting Engineers, and documents and/or certificates signed by an Authorized Officer stating with respect to each disbursement or payment to be made: (1) the item number of the payment, (2) the name and address of the person or entity to whom payment is due, (3) the amount to be paid, (4) the purpose, by general classification, for which payment is to be made, and (5) that (A) each obligation, item of cost or expense mentioned therein has been properly incurred, is in payment of a part of the Project Costs of the 2018 System Projects and is a proper charge against the account of the 2018 Construction Account from which payment is to be made and has not been the basis of any previous disbursement or payment, or (B) each obligation, item of cost or expense mentioned therein has been paid by the Authority, is a reimbursement of a part of the Project Costs of the 2018 System Projects, is a proper charge against the account of the 2018 Construction Account from which payment is to be made, has not been theretofore reimbursed to the Authority or otherwise been the basis of any previous disbursement or payment and the Authority is entitled to reimbursement thereof. The Authority shall retain all such documents and/or certificates of the Authorized Officers for six (6) years from the dates of such documents and/or certificates. The Authority shall make available the documents and/or certificates at all reasonable times for inspection by any Bondholder or the agent or representative of any Bondholder.

Notwithstanding any of the other provisions of this Resolution, to the extent that other moneys are not available therefor, amounts in the 2018 Construction Account shall be applied to the payment of principal of or redemption price, if applicable, and interest on Series 2018 Bonds when due.

The date of completion of any 2018 System Project shall be determined by the Authorized Officer who, in reliance on its Independent Consultant, shall certify such fact in writing to the Board. Promptly after the date of the completion of all 2018 System Projects, and after paying or making provisions for the payment of all unpaid items of the Project Cost, the Authority shall apply any balance of moneys remaining in the 2018 Construction Account: (i) for any capital improvement related to the 2018 System Projects which, in the opinion of Bond Counsel, is permitted by the Act and shall not adversely affect the tax-exempt status of interest on the Series 2018 Bonds, (ii) for payment to the federal government of any arbitrage rebate payment required by the Code, or (iii) as otherwise provided in accordance with the terms of the Master Bond Resolution.

**SECTION 7.02. 2018 Reserve Subaccount.** In order to satisfy the Debt Service Reserve Requirement with respect to the Series 2018 Bonds, the Authority is hereby authorized to: (a) establish with the Trustee the “Central Florida Expressway Authority Series 2018 Bonds Debt Service Reserve Subaccount” (the “2018 Reserve Subaccount”) as a separate subaccount within the Debt Service Reserve Account established pursuant to the Master Bond Resolution, or (b) utilize the Debt Service Reserve Account (or a separate subaccount established therein) as part of a common reserve account for the Series 2018 Bonds and one or more currently Outstanding or subsequently issued Series of Bonds. Such determination may be made by the Chairman, Vice-Chairman or Authorized Officer and may be made through written direction to the Trustee. To the

extent it is determined to establish the 2018 Reserve Subaccount, amounts deposited in the 2018 Reserve Subaccount shall be pledged solely to secure the repayment of the Series 2018 Bonds, and Bondholders of the Series 2018 Bonds shall not be secured by any other money on deposit in the Debt Service Reserve Account. The Debt Service Reserve Requirement for the Series 2018 Bonds may be satisfied by deposit into the Series 2018 Reserve Subaccount or Debt Service Reserve Account (or subaccount therein) of available funds of the Authority (including without limitation, proceeds of the Series 2018 Bonds) and/or the 2018 Reserve Subaccount Credit Facility issued by the 2018 Reserve Facility Provider. Deposits into and application of amounts in the 2018 Reserve Subaccount or Debt Service Reserve Account (or subaccount therein) shall be in accordance with the Master Bond Resolution unless otherwise provided herein.

SECTION 7.03. 2018 Cost of Issuance Account. The Authority hereby establishes with the Trustee for the Series 2018 Bonds the “Central Florida Expressway Authority Senior Lien Revenue Bonds, Series 2018 Cost of Issuance Account” (the “2018 Cost of Issuance Account”) as a separate account under the Master Bond Resolution. Proceeds of the Series 2018 Bonds, and any other monies of the Authority, if any, deposited in the 2018 Cost of Issuance Account shall be used only for the payment of cost of issuance associated with the issuance of the Series 2018 Bonds, and until applied to the payment of such costs, shall be held by the Trustee and be subject to a lien on charge in favor of the Bondholders and for the further security of such Bondholders. Any funds remaining on deposit in the 2018 Cost of Issuance Account after the payment of all costs of issuance of the Series 2018 Bonds shall be transferred to the Interest Account of the Sinking Fund to be used for purposes of paying interest on the Series 2018 Bonds.

SECTION 7.04. Additional Funds, Accounts and Subaccounts. The Authority may, by certificate of an Authorized Officer and based on the advice of the Financial Advisor, establish separate funds, accounts or subaccounts associated with the Series 2018 Bonds, as the Authority may reasonably determine are necessary or desirable, and may provide a pledge of such funds, accounts or subaccounts to the payment of the Series 2018 Bonds apart from the pledge provided herein and in the Master Bond Resolution.

## ARTICLE VIII

### SERIES BOND INSURER PROVISIONS

To the extent that it is determined pursuant to Section 5.05 hereof to obtain a Bond Insurance Policy with respect to all or a portion of the Series 2018 Bonds, the provisions set forth in Exhibit E attached hereto shall apply to such Series 2018 Bonds for so long as such policy remains in effect with respect to such Series 2018 Bonds. The provisions set forth in Exhibit E that are required to be set forth in this Resolution as a condition to the issuance of such Bond Insurance Policy by the Series Bond Insurer are hereby incorporated into the body of this Resolution as if set forth herein. If it is

determined by the Authority not to obtain a Bond Insurance Policy with respect to all or a portion of the Series 2018 Bonds, then the provisions set forth in Exhibit E attached hereto shall not apply to such Bonds or this Resolution, shall not be deemed to be incorporated into the body of this Resolution and shall have no further force or effect hereunder.

## **ARTICLE IX TRUSTEE PROVISIONS**

SECTION 9.01. Duty to Act. The Trustee shall not be under any obligation to institute any suit, take any remedial proceeding under this Resolution or the Master Bond Resolution or to enter any appearance or in any way defend in any suit in which it may be made defendant or to take any steps in the execution of the trust hereby created or in the enforcement of any rights and powers hereunder until it shall be indemnified to its satisfaction against any and all reasonable cost and expenses, outlays and counsel fees and other disbursements and against all liability not due to its willful misconduct or negligence.

SECTION 9.02. Limitations on Liability. The Trustee shall not be liable or responsible because of the failure of the Authority to perform any act required by this Resolution or the Master Bond Resolution. The Trustee shall not be liable in connection with the performance of its duties under this Resolution or the Master Bond Resolution except for its own willful misconduct or negligence.

SECTION 9.03. Compensation. The Authority shall, out of System Pledged Revenues, pay to the Trustee such reasonable compensation as shall be agreed upon between the Authority and the Trustee.

SECTION 9.04. Reliance. The Trustee shall be protected and shall incur no liability for acts or omissions made in good faith, reasonably and in accordance with the terms of this Resolution, upon any resolution, order, notice, request, consent, waiver, or other paper or document which it shall, in good faith, reasonably believe to be genuine and to have been adopted and signed by the proper board or person or to have been prepared and furnished pursuant to the provisions of this Resolution. The Trustee shall not be responsible for determining what are Permitted Investments.

SECTION 9.05. Resignation. The Trustee may resign and thereby become discharged from the trust created under this Resolution or the Master Bond Resolution by notice, in writing, to be given to the Authority not less than ninety (90) days before such resignation is to take effect, but such resignation shall take effect immediately upon the appointment and acceptance of a successor trustee pursuant to Section 9.07 hereof if said appointment and acceptance shall be before the time specified by such notice.

SECTION 9.06. Removal. The Trustee may be removed at any time by the Authority.

SECTION 9.07. Successor Trustee.

A. If at any time the Trustee shall resign, or shall be removed, be dissolved or otherwise become incapable of acting or shall be adjudged bankrupt or insolvent, or if a receiver, liquidator or conservator thereof, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs, the position of Trustee shall become vacant. If the position of Trustee shall become vacant for any of the foregoing reasons or for any other reason, the Authority shall, within thirty (30) days, appoint a successor Trustee to fill such vacancy. The Trustee appointed under this section shall be a bank or trust company eligible under the laws of the State of Florida to accept trusts and operate in a fiduciary capacity. Any such successor Trustee shall have combined capital, surplus, and undivided profits of at least \$50,000,000 unless the bond insurer otherwise approves. Anything contained in this Resolution to the contrary notwithstanding, no resignation or removal shall become effective until a successor has been appointed and accepted the responsibilities hereunder.

B. Every successor Trustee appointed under this Resolution shall execute, acknowledge and deliver to its predecessor, and also to the Authority, an instrument in writing accepting such appointment, and thereupon such successor Trustee without further act, deed, or conveyance, shall become fully vested with all monies, estates, properties, rights, immunities, powers and trusts, and subject to all the duties and obligations of its predecessor, with like effect as if originally named as such Trustee; but such predecessor shall, nevertheless, on the written request of its successor or of the Authority, and upon payment of the compensation, expenses, charges and other disbursements of such predecessor which are due and payable pursuant to Section 9.03, execute and deliver an instrument transferring to such successor Trustee all the rights, immunities, powers and trusts of such predecessor; and every predecessor Trustee shall deliver all property and moneys held by it under this Resolution to its successor. Should any instrument in writing from the Authority be required by any successor Trustee for more fully and certainly vesting in such Trustee the rights, immunities, powers and trusts vested or intended to be vested in the predecessor Trustee, any such instrument in writing shall, on request, be executed, acknowledged and delivered by the Authority.

SECTION 9.08. Mergers and Consolidations. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee shall sell or transfer all or substantially all of the bond administration portion of its corporate trust business, provided such company shall be a bank, or trust company eligible under the laws of the State of Florida to accept trusts and operate in a fiduciary capacity, shall be successor to the Trustee without the execution or filing of any paper or performance of any further act.

**ARTICLE X**  
**MISCELLANEOUS**

SECTION 10.01. Authorizations. The Chairman of the Authority is hereby authorized to countersign the Series 2018 Bonds by his manual or facsimile signature in the manner provided herein. The Chairman, Vice-Chairman, Secretary, Executive Director, Chief Financial Officer or other Authorized Officer, are each hereby authorized and directed, individually or with others pursuant to their direction or authorization, to execute such other documents, certificates, instruments, contracts, and agreements whether or not expressly contemplated hereby, and to execute and do all acts and things required by the provisions of this Resolution as may be necessary for the full, punctual and complete performance of all the terms, covenants, provisions and agreements herein and therein contained, or as otherwise may be necessary or desirable to effectuate the purpose and intent of this Resolution. The Chairman, the Secretary, the Executive Director and the Chief Financial Officer of the Authority are hereby designated as the primary officers of the Authority charged with the responsibility of issuing the Series 2018 Bonds. In the absence or unavailability of the Chairman, the Vice-Chairman is hereby authorized to act in his place.

SECTION 10.02. Parties Interested Herein. Nothing in this Resolution, expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Authority, the Trustee, the Paying Agent, and the registered owners of the Series 2018 Bonds, any right, remedy or claim under or by reason of this Resolution or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Resolution, by and on behalf of the Authority shall be for the sole and exclusive benefit of the Authority, the Trustee, the Paying Agent and the registered owners of the Series 2018 Bonds.

SECTION 10.03. Controlling Law; Members of Authority not Liable. All covenants, stipulations, obligations and agreements of the Authority contained in this Resolution shall be deemed to be covenants, stipulations, obligations and agreements of the Authority to the full extent authorized by the Act and provided by the Constitution and laws of the State of Florida. No covenant, stipulation, obligation or agreement contained herein shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, agent, officer or employee of the Authority in his or her individual capacity, and neither the members of the Governing Body of the Authority nor any official executing the Series 2018 Bonds shall be liable personally on the Series 2018 Bonds or under this Supplemental Resolution or shall be subject to any personal liability or accountability by reason of the issuance of the Series 2018 Bonds or the execution thereof by the Authority or such officers thereof.

SECTION 10.04. Consent to Amendments to Lease Purchase Agreement. By purchasing and accepting delivery of the Series 2018 Bonds, the Bondholders of the Series 2018 Bonds shall be deemed to have consented to amend the terms and provisions of the Lease Purchase Agreement to discontinue the Department's payment obligations for operations and/or maintenance of certain portions of the Expressway System effective

on July 1, 2028. The Authority shall comply with the terms of the Lease Purchase Agreement in connection with any additional modifications, amendments or supplements to the Lease Purchase Agreement.

SECTION 10.05. Effective Date. This Resolution shall become effective upon approval.

This Resolution was approved and adopted by the Expressway Authority on October 11, 2018.

**CENTRAL FLORIDA  
EXPRESSWAY AUTHORITY**

By: \_\_\_\_\_  
Fred Hawkins Jr., Chairman

ATTEST:

By: \_\_\_\_\_  
Mimi Lamaute, Executive Assistant

Signed:

\_\_\_\_\_  
Based upon review by Authority Counsel acting upon the direction of General Counsel, this Resolution is approved as to form and legal sufficiency for the sole use and reliance of the Authority and its Board.

**EXHIBIT A**

**FORM OF BOND PURCHASE AGREEMENT**

[Attached]



## BOND PURCHASE AGREEMENT

\$[\_\_\_\_\_]  
**CENTRAL FLORIDA EXPRESSWAY AUTHORITY**  
**SENIOR LIEN REVENUE BONDS, SERIES 2018**

November [\_\_], 2018

The undersigned, [Merrill Lynch, Pierce, Fenner and Smith Incorporated/BofAML Securities, Inc.], acting on behalf of itself and as representative (the "Representative" ) of the other underwriters listed on Exhibit B attached hereto (collectively, including the Representative, the "Underwriters"), offers to enter into this Bond Purchase Agreement (the "Bond Purchase Agreement") with the Central Florida Expressway Authority (the "Issuer") for the purchase by the Underwriters and the sale by the Issuer of the hereinafter described Series 2018 Bonds.

The offer made herein by the Underwriters is subject to acceptance thereof by the Issuer at or prior to 6:00 p.m., prevailing time in Orlando, Florida, on the date hereof and, upon such acceptance, evidenced by the signature of a duly Authorized Officer in the space provided below, this Bond Purchase Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the Issuer and the Underwriters.

1. [ ] Upon the terms and conditions negotiated between the Representative and the Issuer and in reliance upon the respective representations, warranties, covenants and agreements, all as set forth herein, the Underwriters, jointly and severally, hereby agree to purchase from the Issuer for a bona fide offering to the public and the Issuer hereby agrees to sell and deliver to the Underwriters for such purpose, all (but not less than all) of the \$[\_\_\_\_\_] Central Florida Expressway Authority Senior Lien Revenue Bonds, Series 2018 ("Series 2018 Bonds"), at the aggregate purchase price of \$[\_\_\_\_\_] (which represents the par amount of the Series 2018 Bonds of \$[\_\_\_\_\_], less Underwriters' discount of \$[\_\_\_\_\_], [less/plus net original issue discount/bond premium] of \$[\_\_\_\_\_] (the "Purchase Price"), which Purchase Price shall be payable to the Issuer on the Closing Date (as defined herein) as provided in Section 7 below. The date for delivery of and payment for the Series 2018 Bonds is expected to be December 28, 2017, and is referred to herein as the "Closing Date." The Series 2018 Bonds shall be dated as of the Closing Date, shall mature on such dates and in such principal amounts and pay interest at such rates as described in Exhibit F attached hereto. Interest shall be payable semi-annually on each January 1 and July 1, commencing [January 1, 2019]. The Series 2018 Bonds shall be subject to redemption as described in Exhibit F attached hereto.

Prior to the date hereof, the Issuer has provided to the Underwriters the Preliminary Official Statement relating to the Series 2018 Bonds dated November [\_\_], 2018, including the cover page, inside cover page, appendices and any addendum thereto (the "Preliminary Official Statement"). The Preliminary Official Statement as amended to delete the preliminary language, to reflect the date and the terms of this Bond Purchase Agreement and to reflect the maturities, principal amounts, interest rates, and redemption provisions of the Series 2018 Bonds and with such additional changes and amendments as shall be approved by the Issuer and the Underwriters is hereinafter referred to as the "Official Statement."

The Series 2018 Bonds shall be as described in, and shall be issued under and secured pursuant to, the Act, and by that certain Amended and Restated Master Bond Resolution adopted by the Issuer on February 3, 2003 (the "Master Bond Resolution"), as supplemented and amended from time to time, and as particularly supplemented by the Twenty-Fourth Supplemental Revenue Bond Resolution authorizing the issuance of Senior Lien Revenue Bonds, Series 2018, adopted by the Issuer on October 11, 2018 (the "Twenty-Fourth Supplemental Resolution" and together with Master Bond Resolution, as heretofore and hereafter amended and supplemented, the "Bond Resolution"). Capitalized terms used herein and not otherwise expressly defined herein shall have the meanings assigned thereto in the Bond Resolution.

The Series 2018 Bonds are being issued by the Issuer to provide funds to (i) finance all or a portion of the cost of the acquisition, construction and equipping of certain capital improvements to the System (the "Series 2018 Project"), (ii) refund all or a portion of the outstanding Series 2018 Notes (the "Refunded Notes"), (iii) deposit funds or pay the premium on a reserve account credit facility to be deposited into a debt service reserve account created under the Bond Resolution, and (iv) pay certain costs in connection with the issuance of the Series 2018 Bonds.

The Series 2018 Bonds will be limited obligations, payable from and secured by a lien on and pledge of the System Pledged Revenues. The pledge of and lien on the System Pledged Revenues securing the Series 2018 Bonds is on parity with any and all Parity Bonds issued under and pursuant to the Bond Resolution and with payments obligated under existing and future Qualified Swap Agreements related to such bonds.

The terms of the Disclosure Statement of the Underwriters required by Section 218.385(6), Florida Statutes, including a Truth-in-Bonding Statement, are provided in Exhibit A attached hereto.

**[The Representative has delivered to the Issuer by wire an amount equal to \_\_\_\_ percent (\_\_\_\_%) of the principal amount of the Series 2018 Bonds [shown on the cover of the Preliminary Official Statement (\$\_\_\_\_\_) (such wire being hereafter referred to as the "Security Deposit") as security for the performance by the Underwriters of their obligation to accept and purchase the Series 2018 Bonds on the Closing Date subject to the terms of this Bond Purchase Agreement. If the offer made hereby is accepted, the Issuer agrees to hold the amount of the Security Deposit as security for the performance by the Underwriters of their obligation to accept and pay for the Series 2018 Bonds at the Closing (as defined herein) and, will net the Security Deposit against the purchase price of the Series 2018 Bonds due at Closing.]**

In the event the Underwriters fail to purchase the Series 2018 Bonds at the Closing, unless such failure is permitted as provided in Sections 9 and 10 hereof, or if this Bond Purchase Agreement has been terminated by the Underwriters other than as permitted by Section 8 hereof, the Issuer shall retain the Security Deposit as full compensation for such failure. Except for those expenses set forth in Section 11 hereof, no party hereto shall have any further rights against any other party hereunder.

In the event the Issuer fails to deliver the Series 2018 Bonds at Closing or if the Issuer shall be unable to satisfy the conditions precedent to the obligations of the Underwriters contained herein (unless such conditions precedent are waived in writing by the Representative), or if the obligations of the Underwriters shall be terminated for any reason permitted herein, the Issuer shall immediately return the Security Deposit to the Representative without interest. Such return of the Security Deposit shall constitute a full release and discharge of all claims against the Issuer arising out of the transactions contemplated hereby. Except for those expenses set forth herein, no party hereto shall have any further rights against any other party hereunder.

2. The Issuer agrees to provide, or cause to be provided, to the Representative, within seven (7) business days after the execution of this Bond Purchase Agreement by the Issuer or three (3) business days prior to the Closing, whichever comes first, five (5) conformed copies of the Preliminary Official Statement and the final Official Statement (the "Official Statement") in sufficient quantity to permit the Underwriters to comply with paragraph (b)(4) of Rule 15c2-12 ("Rule 15c2-12") promulgated by the Securities and Exchange Commission of the United States (the "SEC"), under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and the applicable rules of the SEC and the Municipal Securities Rulemaking Board (the "MSRB"). The Issuer shall also provide electronic copies of the Preliminary Official Statement and the Official Statement in word searchable portable document format ("Electronic Form") to enable the Underwriters to comply with their obligations pursuant to Rule G-32 of the MSRB, and Representative hereby acknowledges and agrees that the electronic delivery of the Preliminary Official Statement and the Official Statement in Electronic Form shall satisfy the requirements set forth in the first sentence of this paragraph.

The Issuer hereby authorizes the Representative to file the Official Statement, not later than the Closing Date, and the Representative hereby agrees to file the Official Statement with the MSRB's Electronic Municipal Market Access system ("EMMA") within the timeframe required by MSRB Rule G-32. Failure of the Issuer's printer to provide copies of the Official Statement in electronic form or otherwise within seven (7) business days after the execution of this Bond Purchase Agreement by the Issuer or three (3) business days prior to Closing, whichever comes first, will not constitute a breach of this Bond Purchase Agreement by the Issuer if such failure is proximately caused by the Representative, any of the other Underwriters, or any agent or employee of any of the Underwriters.

3. The Issuer hereby ratifies and confirms the use by the Underwriters of the Preliminary Official Statement in the marketing of the Series 2018 Bonds and hereby authorizes the circulation by the Underwriters of the Official Statement, including any supplements or amendments thereto approved by the Issuer, in connection with the public offering of the Series 2018 Bonds, in printable paper form and/or in Electronic Form. The Issuer acknowledges that it has deemed the Preliminary Official Statement "final" as of its date, within the meaning of the Rule 15c2-12 except for omissions permitted by Rule 15c2-12.

4. The Representative, on behalf of the Underwriters, agrees to assist the Issuer in establishing the issue price of the Series 2018 Bonds and shall execute and deliver to the Issuer at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit G, with such modifications as may be appropriate or necessary, in the reasonable judgment of the

Representative, the Issuer, and Co-Bond Counsel (as defined herein), to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2018 Bonds.

Except as otherwise set forth in Exhibit G attached hereto, the Issuer represents that it will treat the first price at which 10% of each maturity of the Series 2018 Bonds (the "10% Test" is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% Test). At or promptly after the execution of this Agreement, the Representative shall report to the Issuer the price or prices at which the Underwriters have sold to the public each maturity of the Series 2018 Bonds.

The Representative confirms that the Underwriters have offered the Series 2018 Bonds to the public on or before the date of this Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Exhibit G attached hereto, except as otherwise set forth therein. Exhibit G also sets forth, as of the date of this Agreement, the maturities, if any, of the Series 2018 Bonds for which the 10% Test has not been satisfied and for which the Issuer and the Representative, on behalf of the Underwriters, agree that the restrictions set forth in the next sentence shall apply, which will allow the Issuer to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Series 2018 Bonds, the Underwriters will neither offer nor sell unsold Series 2018 Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (a) the close of the fifth (5th) business day after the sale date; or
- (b) the date on which the Underwriters have sold at least 10% of that maturity of the Series 2018 Bonds to the public at a price that is no higher than the initial offering price to the public.

The Representative shall promptly advise the Issuer when the Underwriters have sold 10% of that maturity of the Series 2018 Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

The Issuer acknowledges that, in making the representation set forth in this subsection, the Representative will rely on (i) the agreement of each Underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Series 2018 Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Series 2018 Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and

the related pricing wires. The Issuer further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Series 2018 Bonds.

The Representative confirms that:

(a) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the Representative is a party) relating to the initial sale of the Series 2018 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to:

(A) (i) report the prices at which it sells to the public the unsold Series 2018 Bonds of each maturity allotted to it until it is notified by the Representative that either the 10% Test has been satisfied as to the Series 2018 Bonds of that maturity or all Series 2018 Bonds of that maturity have been sold to the public and (ii) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative and as set forth in the related pricing wires,

(B) promptly notify the Representative of any sales of the Series 2018 Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Series 2018 Bonds to the public (each such term being used as defined below), and

(C) acknowledge that, unless otherwise advised by the Underwriter, dealer or broker-dealer, the Representative shall assume that each order submitted by the Underwriter, dealer or broker-dealer is a sale to the public; and

(b) and any agreement among underwriters or selling group agreement relating to the initial sale of the Series 2018 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Series 2018 Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the unsold Series 2018 Bonds of each maturity allotted to it until it is notified by the Representative or the Underwriter that either the 10% Test has been satisfied as to the Series 2018 Bonds of that maturity or all Series 2018 Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative or the Underwriter and as set forth in the related pricing wires.

The Underwriters acknowledge that sales of any Series 2018 Bonds to any person that is a related party to an Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

- (i) "public" means any person other than an underwriter or a related party,
- (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2018 Bonds to the public, and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2018 Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2018 Bonds to the public),
- (iii) a purchaser of any of the Series 2018 Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) "sale date" means the date of execution of this Agreement by all parties.

5. The Issuer hereby agrees with, and makes the following representations to the Underwriters as of the date hereof and as of the Closing Date, which representations and warranties shall survive the Closing as described in Section 16 hereof:

(a) The Issuer is a body politic and corporate and an agency of the State of Florida duly created and existing under the constitution and laws of the State of Florida;

(b) The Issuer has full legal right, power and authority to and has taken all necessary official actions to: (i) enter into this Bond Purchase Agreement, (ii) adopt, execute and deliver the Bond Resolution, (iii) sell, issue and deliver the Series 2018 Bonds to the Underwriters as provided herein, **[(iv) enter into the [INSURANCE AGREEMENTS] (the "Insurance Agreements") between the Issuer and \_\_\_\_\_ (the "Insurer"),]** (v) authorize and execute the Continuing Disclosure

Agreement dated November \_\_, 2018 between the Issuer and Digital Assurance Certification, L.L.C. (the "Continuing Disclosure Agreement"), and (vi) carry out and consummate the transactions contemplated by this Bond Purchase Agreement, the Bond Resolution, the Continuing Disclosure Agreement, **[the Insurance Agreements]** and the Official Statement, and as of the date hereof is in compliance, in all material respects, with the Act as it applies to the issuance of the Series 2018 Bonds;

(c) By all necessary official actions prior to or concurrently with the acceptance hereof, (i) the Issuer has duly adopted the Bond Resolution, (ii) the Issuer has prior to the mailing of the Preliminary Official Statement and will have prior to the mailing of the Official Statement, duly approved the form, content, circulation and use of the same and (iii) the Issuer has duly authorized the execution and delivery of the Series 2018 Bonds and the performance by the Issuer of the obligations on its part contained in the Series 2018 Bonds, the Bond Resolution, **[the Insurance Agreements]**, the Continuing Disclosure Agreement and this Bond Purchase Agreement, and the consummation by the Issuer of all other transactions contemplated by this Bond Purchase Agreement in connection with the issuance of the Series 2018 Bonds;

(d) The Issuer is currently not in material breach of or material default under the Bond Resolution, the Act or any other applicable constitutional provision, law or administrative regulation of the State of Florida or the United States or any applicable judgment or decree, or any relevant loan agreement, indenture, bond, note or resolution, agreement or other relevant instrument to which the Issuer is a party or to which the Issuer is otherwise subject, and no event has occurred and is continuing that with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument, which breach or default covered by this subsection (d) would materially adversely affect the ability of the Issuer to perform its obligations under the Bond Resolution, the Series 2018 Bonds, the Continuing Disclosure Agreement, or this Bond Purchase Agreement;

(e) The adoption of the Bond Resolution and the execution and delivery of the Series 2018 Bonds, the Continuing Disclosure Agreement, **[the Insurance Agreements]**, and this Bond Purchase Agreement and compliance with the provisions on the part of the Issuer contained therein, will not constitute a material breach of or material default under any applicable constitutional provision, law, administrative regulation, judgment, decree, or any relevant loan agreement, indenture, bond, note, resolution, agreement or other relevant instrument to which the Issuer is a party or to which the Issuer is otherwise subject, which breach or default would materially adversely affect the ability of the Issuer to perform its obligations under the Bond Resolution, **[the Insurance Agreements]**, the Continuing Disclosure Agreement, the Series 2018 Bonds or this Bond Purchase Agreement, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any material lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Issuer except as provided by the Series 2018 Bonds, and the Bond Resolution;

(f) All authorizations, approvals, consents or registrations and orders of any governmental authority, legislative body, board, agency or commission having

jurisdiction over matters which are required for the due authorization or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the Issuer of its obligations in connection with the issuance of the Series 2018 Bonds under this Bond Purchase Agreement, and the Bond Resolution and which are required to be obtained by the Issuer have been duly obtained and will be as of the Closing Date in full force and effect;

(g) The Series 2018 Bonds, when issued, executed and delivered in accordance with the Bond Resolution and sold to the Underwriters as provided herein, will be entitled to the benefits of the Bond Resolution;

(h) As of its date and as of the date hereof, the information contained in the Preliminary Official Statement was and is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact which is necessary to make the statements therein, in the light of circumstances under which they were made, not misleading; provided that the Issuer makes no representations with respect to information supplied by the Depository Trust Company, New York, New York ("DTC"), the Insurer or the Underwriters for use in the Official Statement, and (ii) the information contained in the Official Statement will be, as of its date and at all times up to and including the Closing Date, complete, accurate, true, and correct, will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein made, in light of the circumstances under which they were made, not misleading; provided that the Issuer makes no representations with respect to information supplied by The Depository Trust Company, New York, New York ("DTC"), the Insurer or the Underwriters for use in the Official Statement;

(i) The Issuer will not take or omit to take any action, which action or omission will in any way cause the proceeds from the sale of the Series 2018 Bonds to be applied in a manner other than as provided in the Bond Resolution and described in the Official Statement or which would cause the interest on the Series 2018 Bonds to become includable in the gross income of the owners thereof for federal income tax purposes;

(j) To the best knowledge of the undersigned signatory of the Issuer, after due inquiry, as of the date hereof and except as described in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending (and concerning which service of process or other adequate legal notice has been made) or, to the best knowledge of the undersigned signatory of the Issuer, threatened against the Issuer to a degree constituting a significant possibility that they will be instituted, affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Series 2018 Bonds or the collection of the System Pledged Revenues pledged to pay the principal of, premium, if any, and interest on the Series 2018 Bonds, and the amounts held in the funds and accounts established pursuant to the Bond Resolution, or contesting or affecting as to the Issuer, the authorization for the issuance of the Series 2018 Bonds, the adoption of the Bond Resolution, the execution and delivery of the Continuing Disclosure Agreement, **[the Insurance Agreements]**, this Bond Purchase Agreement, or contesting the exclusion



from gross income of interest on the Series 2018 Bonds for federal income tax purposes, or contesting the completeness or accuracy of the Preliminary Official Statement or any supplement or amendment thereto, or contesting the authority of the Issuer for the issuance of the Series 2018 Bonds, the adoption of the Bond Resolution, or the execution and delivery by the Issuer of this Bond Purchase Agreement, **[the Insurance Agreements]**, and the Continuing Disclosure Agreement;

(k) The Issuer will furnish such information, execute such documents and certificates and take such other action in cooperation with the Underwriters as the Representative may reasonably request in order to (i) qualify the Series 2018 Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Representative may designate and (ii) determine the eligibility of the Series 2018 Bonds for investment under the laws of such states and other jurisdictions or to continue such qualifications in effect so long as required for the distribution of the Series 2018 Bonds; provided, however, that the Issuer shall not be required to (A) spend money, (B) execute a general or special consent to service of process, (C) qualify to do business in such states and other jurisdictions in connection with any such qualification or determination in any jurisdiction or (D) register as a dealer or broker in any such jurisdiction;

(l) Any certificate or document signed by an Authorized Officer and delivered to the Underwriters in connection with the issuance of the Series 2018 Bonds and as required under this Bond Purchase Agreement shall be deemed a representation by the Issuer to the Underwriters as to the statements made therein;

(m) From the date hereof until the earlier of: (i) ninety (90) days after the End of the Underwriting Period (as defined herein), or (ii) the time when the Official Statement is available to any person from a nationally recognized municipal securities information repository, but in no case less than twenty-five (25) days following the End of the Underwriting Period, if any event occurs as a result of which the Issuer or the Representative believes it may be necessary to amend or supplement the Official Statement in order to correct any untrue statement of a material fact contained in the Official Statement or to include a statement of material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Issuer and the Representative will notify each other thereof and, if in the opinion of Disclosure Counsel (as defined herein), after consultation with the Issuer and the Representative, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Issuer will prepare and furnish to the Underwriters an amendment or supplement to the Official Statement, in form and substance jointly approved by the Issuer and the Representative, which approval shall not be unreasonably withheld, so the Official Statement, as so amended or supplemented, does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which such statements were made, not misleading; provided, however, the Underwriters shall not be liable to the Issuer for any claims arising out of the Issuer's decision not to amend or supplement the Official Statement. The cost of any such amendment or supplement shall be borne by the Issuer;

(n) For purposes of this Bond Purchase Agreement, the "End of the Underwriting Period" is used as defined in Rule 15c2-12 and shall occur on the later of (i) the Closing Date, or (ii) when the Underwriters no longer retain an unsold balance of the Series 2018 Bonds; unless otherwise advised in writing by the Representative on or prior to the Closing Date, or otherwise agreed to by the Issuer and the Representative, the Issuer may assume that the End of the Underwriting Period is the Closing Date;

(o) If a change referenced to in paragraph (m) above occurs subsequent to the Closing, the Issuer will furnish to the Underwriters such legal opinions, certificates, instruments, and documents as the Representative may reasonably request to evidence the truth and accuracy of such corrected information (thereafter, this Bond Purchase Agreement will refer to such corrected information);

(p) Between the date of execution of this Bond Purchase Agreement and the Closing Date, except as set forth in or contemplated by the Official Statement, (i) the Issuer has not incurred and will not have incurred any material liabilities or obligations relating to the System, direct or contingent, except in the ordinary course of business, and has not entered and will not have entered into any material transaction relating to the System not in the ordinary course of business, (ii) there has not been and will not have been any increase in the long term debt payable from System Pledged Revenues or material decrease in the funds and accounts of the Issuer which shall secure the payment of such long term debt, (iii) there has not been and will not have been any material adverse change in the business or the financial position or results of operations of the System, (iv) no loss or damage (whether or not insured) to the property of the System has been or will have been sustained which materially and adversely affects the operations of the System, and (v) no legal or governmental proceeding affecting the System or the transactions contemplated by this Bond Purchase Agreement has been or will have been instituted or threatened which is reasonably anticipated to have a material adverse effect on the financial conditions or operations of the Issuer;

(q) Except as disclosed in the Official Statement, the Issuer has not failed to comply with any prior undertakings to provide continuing disclosure on a timely basis pursuant to Rule 15c2-12; and

(r) The Issuer will furnish or otherwise make available to the Underwriters, upon request, for so long as the Series 2018 Bonds remain outstanding, annual audited financial statements of the Issuer as soon as such financial statements become available. The Issuer may satisfy its obligation to furnish such financial statements by making them available on its website, or by other electronic means.

Notwithstanding any provision to the contrary in this Bond Purchase Agreement, the Issuer makes no representation or warranty with respect to compliance with applicable federal or state securities laws or Blue Sky laws of any jurisdiction in connection with the issuance and sale of the Series 2018 Bonds.

6. On or before 5:00 p.m., Orlando, Florida time, on the Closing Date or at such other date and time as may be mutually agreed upon by the Issuer and the Representative, the

Issuer will, subject to the terms and conditions hereof, deliver the Series 2018 Bonds to the Underwriters in definitive form, duly executed and authenticated, together with the other documents required pursuant to Section 10 hereto, and, subject to the terms and conditions hereof, the Underwriters will accept such delivery and pay the Purchase Price, as set forth in Section 1 hereof, by wire transfer of Federal Funds, in an aggregate amount equal to the Purchase Price to the order of the Issuer[, **upon the receipt of which the Issuer shall return the Good Faith Check to the Representative**]. Delivery and payment as aforesaid shall be made at such place as may be mutually agreed upon by the Issuer and the Representative. The foregoing payments and deliveries are herein referred to as the "Closing." Delivery of the Series 2018 Bonds shall be accomplished by the issuance of one printed bond certificate in the appropriate denomination for each maturity, bearing a CUSIP number (provided neither the printing of a wrong CUSIP number on any Series 2017 Bond nor the failure to print a CUSIP number thereon will constitute cause to refuse delivery of any Series 2017 Bond) and registered in the name of Cede & Co., as nominee of DTC; provided, that each printed bond certificate shall be prepared and made available to the Representative at least 24 hours before the Closing for purposes of inspection.

7. The Underwriters may terminate their obligations hereunder by written notice to the Issuer if, at any time subsequent to the date hereof and on or prior to the Closing Date:

(a) An amendment to the Constitution of the United States or the State of Florida shall have been passed, or new legislation (including modifications or amendments to legislation that was pending or introduced prior to the date hereof) shall have been introduced in or enacted by the Congress of the United States or enacted by the State of Florida or any governmental body, department or agency thereof, or new legislation (including modifications or amendments to legislation that was pending or introduced prior to the date hereof) shall be pending in the Congress of the United States, or new legislation (including modifications or amendments to legislation that was pending or introduced prior to the date hereof) shall have been endorsed for passage by the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives or new legislation (including modifications or amendments to legislation that was pending or introduced prior to the date hereof) shall have been proposed for consideration by either such Committee, by the staff of such Committee or by the staff of the Joint Committee on Taxation of the Congress of the United States, or new legislation (including modifications or amendments to legislation that was pending or introduced prior to the date hereof) shall have been favorably reported for passage to either Chamber of Congress of the United States by a Committee of such Chamber to which such legislation has been referred for consideration, or a decision shall have been rendered by a court of the United States or the State of Florida, including the Tax Court of the United States, or a ruling shall have been made or a regulation shall have been proposed or made or some form of notice shall have been made or been issued by the Treasury Department of the United States, or the Internal Revenue Service or other Federal or State of Florida authority, with respect to Federal or State of Florida taxation upon revenues or other income of the general character to be derived by the Issuer or by any similar body, or upon interest on obligations of the general character of the Series 2018 Bonds, which new

legislation (including modifications or amendments to legislation that was pending or introduced prior to the date hereof) (i) may have the purpose or effect, directly or indirectly, of affecting the tax status of the Issuer, its property or income, its securities (including the Series 2018 Bonds) or the interest thereon, or the validity of any applicable tax exemption granted or authorized by the State of Florida and, (ii) which, in the reasonable opinion of the Representative, affects adversely the market for the Series 2018 Bonds, or the market price generally of obligations of the general character of the Series 2018 Bonds; or

(b) (i) in the Representative's reasonable judgment, the market price of the Series 2018 Bonds is materially adversely affected because: (A) additional material restrictions not in force as of the effective date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange; (B) the New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose, as to the Series 2018 Bonds or similar obligations, any material restrictions not now in force, or increase materially those now in force; (C) a general banking moratorium shall have been established by federal, New York or Florida authorities and be in force; or (ii) there shall be in force a general suspension of trading on any national securities exchange, the effect of which on the financial markets of the United States is such as, in the reasonable judgment of the Representative and the Issuer, would materially adversely affect the market for the Series 2018 Bonds or the sale, at the contemplated offering prices, by the Underwriters of the Series 2018 Bonds; or (iii) there shall have occurred any material change, or any other event which in the Representative's reasonable opinion, subsequent to consultation with appropriate representatives of the Issuer, materially adversely affects the marketability of the Series 2018 Bonds at the Purchase Price set forth in Section 1 herein; or (iv) any litigation shall be instituted, pending or threatened to restrain or enjoin the issuance, sale or delivery of the Series 2018 Bonds or in any way contesting or affecting any authority for or the validity of the Series 2018 Bonds, any of the proceedings of the Issuer taken with respect to the issuance or sale thereof, the pledge or application of any moneys or securities provided for the payment of the Series 2018 Bonds or the existence or powers of the Issuer; or

(c) (i) in the Representative's reasonable judgment, following consultation with appropriate representatives of the Issuer and the Underwriters listed in Exhibit B, the Purchase Price of the Series 2018 Bonds set forth in Section 1 herein is adversely affected because a war involving the United States of America shall have been declared, or (ii) any other national or international calamity shall have occurred (economic or otherwise), or any conflict involving the armed forces of the United States of America shall have escalated to such magnitude as to materially affect the Underwriters' physical or technical ability to market the Series 2018 Bonds, it being agreed by the parties hereto that any war or conflict in which the United States of America is currently involved has not escalated or risen to such a magnitude as of the date hereof; or

(d) a stop order, release, regulation, or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction over the subject matter shall have been issued or made to the effect that the issuance, offering, or sale of the Series

2018 Bonds, including all the underlying obligations as contemplated hereby or by the Official Statement, or any document relating to the issuance, offering or sale of the Series 2018 Bonds is subject to registration of qualification under the Securities Act of 1933, as amended (the "Securities Act"), or Trust Indenture Act of 1939, as amended (the "Trust Indenture Act of 1939") or would be in violation of any provision of the federal securities laws at the Closing Date, including the Securities Act, the Exchange Act and the Trust Indenture Act of 1939; or

(e) there shall be established any new restriction on transactions in securities materially affecting the free market for securities of the type and nature of the Series 2018 Bonds (including the imposition of any limitation on interest rates); or

(f) legislation shall be enacted or be proposed or actively considered for enactment, or a decision by a court of the United States shall be rendered, or a ruling, or regulation, by or on behalf of the SEC or other governmental agency having jurisdiction over the subject matter shall be made, to the effect that the Series 2018 Bonds or any securities of the Issuer, any obligations of the general character of the Series 2018 Bonds, or the Bond Resolution, are not exempt from the registration, qualification or other requirements of the Securities Act or the Trust Indenture Act of 1939, as then in effect, or otherwise, or would be in violation of any provision of the federal securities laws; or

(g) any event shall have occurred or shall exist which, in the reasonable opinion of the Representative, would (i) cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading as of such time and (ii) materially adversely affect the marketability of the Series 2018 Bonds; or

(h) any material amendment is made to the Official Statement which, in the reasonable judgment of the Representative, will materially adversely affect the market price of the Series 2018 Bonds or the ability of the Underwriters to enforce confirmations for the purchase of the Series 2018 Bonds; or

(i) there shall be a reduction or withdrawal in any of the underlying ratings assigned to the Series 2018 Bonds, or, as of the Closing Date, the failure by any of the rating agencies to assign the underlying ratings to the Series 2018 Bonds notes in Section 9(m) herein.

8. The Underwriters have entered into this Bond Purchase Agreement in reliance upon the representations and agreements of the Issuer contained herein, and in reliance upon the representations and agreements to be contained in the documents and instruments to be delivered at the Closing enumerated in Section 10 hereof, in form and substance mutually satisfactory to the Issuer, the Issuer's Counsel (as defined herein), Co-Bond Counsel, Disclosure Counsel, Greenberg Traurig, P.A., Orlando, Florida ("Underwriters' Counsel" ) and the Underwriters, and upon the performance by the Issuer of its obligations hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriters' obligations under this Bond Purchase

Agreement to purchase, to accept delivery of and to pay for the Series 2018 Bonds are conditioned upon the performance by the Issuer of its obligations to be performed hereunder and the delivery of such documents and instruments required to be delivered hereby, as described in Section 10 hereof, in form and substance reasonable under the circumstances, at or prior to the Closing, and are also subject to the following additional conditions:

(a) The representations and agreements of the Issuer contained herein shall be true, complete and accurate in all material respects on the date hereof and at the date of the Closing;

(b) At the time of the Closing, the Bond Resolution shall be in full force and effect in accordance with its terms and shall not have been amended, modified or supplemented, and the Official Statement shall not have been supplemented or amended in any material respect, except after notice to and approval by the Representative (such approval not to be unreasonably withheld); and

(c) At the time of the Closing, all official action of the Issuer relating to this Bond Purchase Agreement, the Series 2018 Bonds and the Twenty-Fourth Supplemental Resolution shall be in full force and effect in accordance with their respective terms and shall not have been amended, modified or supplemented in any material respect, except after notice to and approval by the Representative.

9. At or prior to the Closing, each of the following shall have been delivered to the Representative:

(a) Five copies of the Official Statement executed on behalf of the Issuer by its authorized officials;

(b) Copies of the Consulting Engineer's Report for the Revenue Bonds, Series 2018 dated [September 20, 2018] and the Traffic Engineer's FY 2017 General Traffic and Earnings Consultant's Annual Report dated May 2018, included in the Official Statement as Appendices C and D, together with the respective letters referenced in Section 10(l) hereof, and

(c) a copy of the Audited Financial Statements of the Issuer for the fiscal years ended June 30, 2018 and June 30, 2017, including the signed audit report of Moore Stephens Lovelace P.A. attached to the Official Statement as Appendix G thereto;

(d) The Bond Resolution certified by the Secretary or an Assistant Secretary as having been duly adopted by the Issuer and as being in full force and effect, with such supplements or amendments since the date hereof as may have been agreed to by the Underwriters;

(e) The unqualified approving opinions of Nelson Mullins Broad and Cassel, Orlando, Florida, and Marchena and Graham, P.A., Orlando, Florida, as co-bond counsel (collectively, "Co-Bond Counsel"), dated the Closing Date, addressed to the Issuer and the Underwriters in substantially the form attached to the Official Statement as Appendix H;

(f) The supplemental opinions of Co-Bond Counsel, dated the Closing Date, addressed to the Underwriters and the Issuer in substantially the form attached hereto as Exhibit C;

(g) The opinion of Joseph Passiatore, Esquire, General Counsel to the Issuer, Orlando, Florida ("Issuer's Counsel") dated the Closing Date, addressed to the Underwriters and the Issuer in substantially the form attached hereto as Exhibit D;

(h) An opinion of Nabors, Giblin & Nickerson, P.A. as disclosure counsel, Tampa, Florida ("Disclosure Counsel"), dated the Closing Date, in substantially the form attached hereto as Exhibit E and a reliance letter addressed to the Representative on behalf of the Underwriters dated the Closing Date;

(i) An opinion of Underwriters' Counsel dated the Closing Date, addressed to the Underwriters and in a form acceptable to the Representative;

(j) A certificate of the Issuer, dated the Closing Date, executed by the Chairman and Executive Director, to the effect that, to the best of their knowledge, the Issuer has performed all obligations to be performed hereunder as of the Closing Date;

(k) The General and Non-Litigation Certificate of the Issuer, dated the Closing Date, signed by the Chairman and Executive Director or other appropriate official reasonably satisfactory to the Representative, which shall state, among other things, that:

(i) the representations of the Issuer herein are true and correct in all material respects as of the Closing Date;

(ii) except as disclosed in the Official Statement, no litigation is pending or threatened, to a degree constituting a significant possibility that it will be instituted in any court or administrative body (A) to restrain or enjoin the issuance or delivery of any of the Series 2018 Bonds, or (B) in any way contesting or affecting any authority for the issuance of the Series 2018 Bonds or the validity or enforceability of the Series 2018 Bonds, the Bond Resolution, the Continuing Disclosure Agreement, **[the Insurance Agreements]** or this Bond Purchase Agreement; and

(iii) with respect to information in the Official Statement except for information relating to DTC or supplied by the Insurer and the Underwriters, such information did not, as of the date of the Official Statement, and does not, as of the Closing Date, contain any untrue statement of a material fact or omit to state a material fact which should be included therein for the purpose for which the Official Statement is to be used, or which is necessary in order to make the statements contained therein, in light of the circumstances in which they were made, not misleading;

(l) The respective letters, dated the date of the execution of this Bond Purchase Agreement, to be updated by letters dated the Closing Date, from the Traffic Engineer and the Consulting Engineer, to the effect that:

(i) they believe that the assumptions used in compiling their report and arriving at the conclusions stated therein are reasonable;

(ii) their report was prepared in accordance with generally accepted practices for similar traffic and earnings reports and consulting engineer's reports; and

(m) Copies of rating letters or other evidence satisfactory to the Representative that the **[Insured Series 2018 Bonds have been assigned ratings of "S&P Global Ratings, Inc. ("S&P") and that the]** Series 2018 Bonds have been assigned underlying ratings of "\_\_\_\_," "\_\_\_\_," and "\_\_\_\_" respectively from S&P, Fitch Ratings Inc. ("Fitch") and Moody's Investor Services ("Moody's"), in each case without regard to **[the Insurance Agreements]**, and that such ratings are in effect on the Closing Date;

(n) An executed copy of the Continuing Disclosure Agreement;

(o) A certificate of the Issuer deeming the Preliminary Official Statement "final" as of its date for purposes of Rule 15c2-12;

(p) **[Executed copies of the Insurance Agreements, along with a certificate of the Insurer regarding the accuracy of the information in the Official Statement regarding [the Insurance Agreements], an opinion of counsel to the Insurer to the effect that [the Insurance Agreements] constitute the legally binding and enforceable obligation of the Insurer subject to bankruptcy and other similar laws affecting creditors' rights generally and subject to general equitable principles affecting the remedy of specific performance];**

(q) Evidence of the refunding of the Refunded Notes in a form acceptable to the Representative;

(r) A copy of the Issuer's DTC Blanket Issuer Letter of Representations;

(s) A tax certificate of the Issuer, in a form satisfactory to Co-Bond Counsel;

(t) Evidence that a Form 8038-G relating to the Series 2018 Bonds has been executed by the Issuer and will be filed with the Internal Revenue Service; and

(u) Such additional legal opinions, certificates, instruments and other documents as the Underwriters may reasonable request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the Issuer representations and agreements contained herein and of the statements and information contained in the Official Statement and the due performance or satisfaction by the Issuer on or prior to the Closing Date of all the Bond Purchase Agreements then to be performed and conditions then to be satisfied by it.



10. The Underwriters shall be under no obligation to pay, and the Issuer shall pay from the proceeds of the sale of the Series 2018 Bonds, any expense incident to the performance of the Issuer's obligations hereunder including , but not limited to: (i) the cost of preparing, printing and delivery of the Bond Resolution, copies of the Preliminary Official Statement and copies of the Official Statement, including any supplements thereto; (ii) the cost of preparing and printing of the Series 2018 Bonds; (iii) all expenses related to the printing of CUSIP numbers on the Series 2018 Bonds; (iv) the fees and disbursements of Co-Bond Counsel, Disclosure Counsel, Issuer's Counsel, and such other legal counsel as the Issuer deems reasonable; (v) initial fees for bond ratings; (vi) fees and disbursements of the Traffic Engineers for their services as consultants to the Issuer; (vii) costs for any other engineers, accountants, and other experts, consultants or advisors retained by the Issuer; (viii) the costs of **[the Insurance Agreements]** and (ix) other reasonable costs of the Issuer incurred in connection with issuance of the Series 2018 Bonds; provided that the costs of printing described in (i), (ii) and (iii) above shall be paid by the Issuer only if the printers used are the printers designated and authorized by the Issuer. The Issuer shall pay for expenses (included in the expense component of the underwriting spread) incurred on behalf of the Issuer's employees which are incidental to implementing this Bond Purchase Agreement.

11. The Underwriters shall pay any expense incident to the performance of the Underwriters' obligations hereunder including but not limited to: (i) the Bond Purchase Agreement Among Underwriters, if any, and the Blue Sky Memorandum; (ii) all advertising expenses and Blue Sky filing fees in connection with the public offering of the Series 2018 Bonds and the cost, if any, to continue the eligibility of the Series 2018 Bonds for investment; (iii) all expenses associated with obtaining CUSIP numbers for the Series 2018 Bonds; (iv) all other expenses incurred by them or any of them in connection with the public offering of the Series 2018 Bonds and delivery of and the payment for the Series 2018 Bonds, including the fees and disbursements of Underwriters' Counsel. The Issuer has agreed to pay the Underwriters' discount set forth in this Bond Purchase Agreement and inclusive in the expense component of the Underwriters' discount are actual expenses incurred or paid for by the Underwriters on behalf of the Issuer in connection with the marketing, issuance, and delivery of the Series 2018 Bonds, including, but not limited to, fees and expenses of Underwriters' Counsel, the costs of any Preliminary and Final Blue Sky Memoranda, and CUSIP fees.

12. The Representative, on behalf of itself and each of the other Underwriters, represents and warrants to the Issuer that:

(a) The Representative is duly authorized to transact business in the State of Florida and shall have full authority to take such other actions in connection with this Purchase Agreement as it may deem advisable. Any actions taken under this Bond Purchase Agreement by the Representative will be binding upon all the Underwriters;

(b) The Representative has been duly authorized to execute this Bond Purchase Agreement on behalf of itself and each of the other Underwriters and that it has been authorized to act hereunder on behalf of the Underwriters;

(c) The Representative has the full power and authority to take all actions required or permitted to be taken by the Representative by or under, and to perform and

observe the covenants and agreements on its part contained in, this Bond Purchase Agreement;

(d) This Bond Purchase Agreement has been duly executed and delivered by the Representative, on behalf of itself and each of the other Underwriters and is legally valid, binding and enforceable against the Representative and the Underwriters;

(e) The execution of this Bond Purchase Agreement and the sale of the Series 2018 Bonds to the Underwriters shall not constitute a violation of Section 215.684, Florida Statutes;

(f) The Representative and each of the other Underwriters, on its own behalf, represents that it is either registered with the Financial Industry Regulatory Authority, Inc. ("FINRA") as a broker-dealer and the MSRB as a municipal securities dealer, or is otherwise registered with the necessary regulatory authorities required for it to serve as an underwriter for the Series 2018 Bonds under this Bond Purchase Agreement, and that at all times during the offering and sale of the Series 2018 Bonds, such entities will continue to be so registered; and

(g) To the best knowledge of the undersigned signatory of the Representative, after due inquiry, there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to the best knowledge of the undersigned signatory of the Representative, after due inquiry, threatened against or affecting the Representative to a degree constituting a significant possibility that they will be instituted, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby or by the Official Statement or the validity and legality of this Bond Purchase Agreement or the Official Statement. To the best knowledge of the undersigned signatory of the Representative, after due inquiry, the Representative is not aware of any violation of any of the rules and regulations of FINRA (to the extent it is regulated by the FINRA) and any other body which regulates it which would adversely affect the transactions contemplated hereby or by the Official Statement or the validity and legality of this Bond Purchase Agreement or the Official Statement.

The foregoing representations and warranties of the Representative and the obligations set forth under Section 11 hereof shall survive the execution and delivery of this Bond Purchase Agreement, the execution and delivery of the Series 2018 Bonds and the instruments and documents contemplated thereby.

Simultaneously with the delivery of this Bond Purchase Agreement, the Representative shall cause to be delivered to the Issuer certificates executed by the properly authorized representatives of each of the other Underwriters listed on Exhibit B attached hereto certifying the matters set forth in this Section 12 with respect to each such firm.

13. The provision of any data, document, or assurance required to be provided hereunder may be waived, in writing, by all of the signatories hereto. This Bond Purchase Agreement shall not be construed for or against any party because that party wrote it.

14. All notices provided for in this Bond Purchase Agreement shall be made in writing either by actual delivery of the notice into the hands of the parties entitled thereto, by confirmed facsimile transmission, or by sending the notice by air courier or mailing by certified or registered mail, return receipt requested, in the United States mail to the address as stated below (or at such other address as may have been designated by written notice), of the party entitled thereto. The notice shall be deemed to be received in case of actual delivery on the date of its actual receipt by the party entitled thereto, in case of delivery by facsimile, on the date receipt is confirmed, in case of delivery by air courier on the date of delivery, and in case of mailing on the date of receipt by United States mail, postage prepaid.

All communications hereunder, except as herein otherwise specifically provided, shall be in writing and mailed or delivered to the Issuer at 4974 ORL Tower Road, Orlando, Florida 32807 and to the Representative at [**Merrill Lynch, Pierce, Fenner & Smith Incorporated / BofAML Securities, Inc.**] 250 S. Park Avenue, Suite 400, Winter Park, FL 32789.

15. This Bond Purchase Agreement is made solely for the benefit of the Issuer and the Underwriters (including the successors of any of the parties) and no other person shall acquire or have any right hereunder or by virtue hereof. All of the Issuer's representations warranties and agreements contained in this Bond Purchase Agreement shall remain operative and in full force and effect regardless of: (i) any investigations made by or on behalf of any of the Underwriters; (ii) delivery of and payment for the Series 2018 Bonds pursuant to this Bond Purchase Agreement; and (iii) any termination of this Bond Purchase Agreement.

16. The Underwriters have provided the following statements in connection with the transaction contemplated by this Bond Purchase Agreement (the "Transaction"): (i) the primary role of the Underwriters, as underwriters, is to purchase securities, for resale to investors, in an arm's length commercial transaction between the Issuer and the Underwriters and the Underwriters have financial and other interests that differ from those of the Issuer; (ii) the Underwriters are acting solely as principals and are not acting as municipal advisors, financial advisors or fiduciaries to the Issuer and have not assumed any advisory or a fiduciary responsibility to the Issuer in connection with the matters contemplated by this Bond Purchase Agreement, and the discussions, understandings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or are currently providing other services to the Issuer on other matters); (iii) the only obligations the Underwriters have to the Issuer with respect to the Transaction contemplated hereby are expressly set forth in this Bond Purchase Agreement; and (iv) the Issuer should consult its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable.

17. This Bond Purchase Agreement shall become effective upon its execution by the appropriate officials of the Issuer and the Representative on behalf of the Underwriters and shall be valid, binding and enforceable at the time of such execution.

18. This Bond Purchase Agreement will be governed by and construed in accordance with the laws of the State of Florida. Venue of any action arising out of or relating to this Bond Purchase Agreement shall be solely in Orange County, Florida.

**SIGNATURE PAGE TO BOND PURCHASE AGREEMENT**

Very truly yours,

**[Merrill Lynch, Pierce, Fenner & Smith  
Incorporated / BofAML Securities, Inc.]**, on  
behalf of itself and as Representative of the other  
Underwriters listed in Exhibit B

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

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

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

**SIGNATURE PAGE TO BOND PURCHASE AGREEMENT**

Accepted:

**CENTRAL FLORIDA  
EXPRESSWAY AUTHORITY**

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

Lisa Lumbard  
Chief Financial Officer

## **EXHIBITS**

Exhibit A - Disclosure Statement

Exhibit B - List of Underwriters

Exhibit C - Form of Supplemental Opinions of Co-Bond Counsel

Exhibit D - Form of Opinion of Issuer's Counsel

Exhibit E - Form of Opinion of Disclosure Counsel

Exhibit F - Maturity Schedule and Redemption Provisions

Exhibit G - Form of Issue Price Certificate

## EXHIBIT A

### DISCLOSURE STATEMENT

November \_\_, 2018

Central Florida Expressway  
Authority 4974 ORL Tower Road  
Orlando, Florida 32807

**Re: \$[\_\_\_\_\_] Central Florida Expressway Authority Senior Lien  
Revenue Bonds, Series 2018**

Ladies and Gentlemen:

In connection with the proposed issuance by the Central Florida Expressway Authority (the "Authority") of the above-referenced bonds (the "Series 2018 Bonds"), [**Merrill Lynch, Pierce, Fenner & Smith Incorporated / BofAML Securities, Inc.**] (the "Representative"), on behalf of itself, J.P. Morgan Securities LLC, Wells Fargo Securities, RBC Capital Markets, Citigroup, Ramirez & Co., Inc., Jefferies, Barclays, Morgan Stanley and PNC Capital Markets LLC (collectively, the "Underwriters") are underwriting a public offering of the Series 2018 Bonds.

The purpose of this letter is to furnish, pursuant to the provisions of Section 218.385(6), Florida Statutes, certain information in respect to the arrangements contemplated for the underwriting of the Series 2018 Bonds as follows:

- (a) The nature and estimated amount of expenses to be incurred by the Representative in connection with the sale of the Series 2018 Bonds are set forth in Schedule I attached hereto.
- (b) No person has entered into an understanding with the Underwriters, or to the knowledge of the Underwriters, with the Authority, for any paid or promised compensation or valuable consideration, directly or indirectly, expressly or implied, to act solely as an intermediary between the Authority and the Underwriters or to exercise or attempt to exercise any influence to effect any transaction in the purchase of the Series 2018 Bonds.
- (c) The underwriting spread, the difference between the price at which the Series 2018 Bonds will be initially offered to the public by the Underwriters and the price to be paid to the Authority for the Series 2018 Bonds, exclusive of accrued interest will be (\$\_\_\_\_ per \$1,000 of Series 2018 Bonds issued),
- (d) As part of the estimated underwriting spread set forth in Paragraph (c) above, the Underwriters will charge a management fee of \$0.

- (e) No other fee, bonus or other compensation is estimated to be paid by the Underwriters in connection with the issuance of the Series 2018 Bonds to any person not regularly employed or retained by the Underwriters (including any "finder" as defined in Section 218.386(1)(a), Florida Statutes), except as specifically enumerated as expenses to be incurred by the Underwriters, as set forth in Paragraph (a) hereinabove.
- (f) Truth-in-Bonding Statement. The Authority is proposing to issue the Series 2018 Bonds to provide funds (i) finance all or a portion of the cost of the acquisition, construction and equipping of certain capital improvements to the System, (ii) refund all or a portion of the outstanding Series 2018 Notes, (iii) deposit funds or pay the premium on a reserve account credit facility to be deposited into a debt service reserve account created under the Bond Resolution, and (iv) pay certain costs in connection with the issuance of the Series 2018 Bonds .

The Series 2018 Bonds are expected to be repaid over a period of approximately [\_\_\_\_] years. Assuming a true interest cost rate of [\_\_\_\_] % the total estimated interest paid over the life of the Series 2018 Bonds will be \$[\_\_\_\_\_].

The source of repayment or security for the Series 2018 Bonds is limited solely to the System Pledged Revenues (as defined in the Official Statement). The authorization of this debt or obligation will result in an average of \$[\_\_\_\_\_] of System Pledged Revenues not being available to the Authority to finance other projects or services each year for approximately [\_\_\_\_] years.

- (g) The names and addresses of the Underwriters are:

**[Merrill Lynch, Pierce, Fenner & Smith Incorporated  
/BofAML Securities, Inc.]**  
250 S. Park Avenue, Suite 400  
Winter Park, FL 32789

J.P. Morgan Securities LLC  
[\_\_\_\_\_]
   
[\_\_\_\_\_]

Wells Fargo Securities  
[\_\_\_\_\_]
   
[\_\_\_\_\_]

RBC Capital Markets  
[\_\_\_\_\_]
   
[\_\_\_\_\_]

Citigroup  
[\_\_\_\_\_]
   
[\_\_\_\_\_]



Ramirez & Co., Inc.

[ ]  
[ ]

Jefferies

[ ]  
[ ]

Barclays

[ ]  
[ ]

Morgan Stanley

[ ]  
[ ]

PNC Capital Markets LLC

[ ]  
[ ]

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We understand that you do not require any further disclosure from the Underwriters pursuant to Section 218.385(6), Florida Statutes.

**[Merrill Lynch, Pierce, Fenner & Smith Incorporated / BofAML Securities, Inc.]**, on behalf of itself and as Representative of the other Underwriters

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

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

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

**SCHEDULE I**  
**REPRESENTATIVE'S ESTIMATED EXPENSES**

	<u>\$/1000</u>	<u>Amount</u>
Underwriters' Counsel Fee		
CUSIP		
IPREO Fee		
DTC		
Total		

**EXHIBIT B**

**LIST OF UNDERWRITERS**

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
Senior Lien Revenue Bonds, Series 2018**

**[Merrill Lynch, Pierce, Fenner & Smith Incorporated  
/BofAML Securities, Inc.]**  
250 S. Park Avenue, Suite 400  
Winter Park, FL 32789

J.P. Morgan Securities LLC

[ ]  
[ ]

Wells Fargo Securities

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RBC Capital Markets

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Citigroup

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Ramirez & Co., Inc.

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Jefferies

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Barclays

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Morgan Stanley

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PNC Capital Markets LLC


**EXHIBIT C**

**FORM OF SUPPLEMENTAL OPINIONS OF CO-BOND COUNSEL**

**[To Come]**

**EXHIBIT D**

**FORM OF OPINION OF ISSUER'S COUNSEL**

**[To Come]**

**EXHIBIT E**

**FORM OF OPINION OF DISCLOSURE COUNSEL**

**[To Come]**



**EXHIBIT F**

**MATURITY SCHEDULE AND REDEMPTION PROVISIONS**

**\$[\_\_\_\_\_]  
CENTRAL FLORIDA EXPRESSWAY  
AUTHORITY SENIOR LIEN REVENUE  
BONDS, SERIES 2018**

## EXHIBIT G

### FORM OF ISSUE PRICE CERTIFICATE

This Issue Price Certificate is furnished by **Merrill Lynch, Pierce, Fenner & Smith Incorporated/BofAML Securities, Inc.**, as representative of the underwriters (the "Representative") in connection with the sale and issuance by the Central Florida Expressway Authority (the "Authority") of its \$[\_\_\_\_\_] aggregate principal amount of Senior Lien Revenue Bonds, Series 2018 (the "Bonds") issued on November \_\_, 2018, and the Underwriter hereby certifies and represents the following, based upon information available to us:

1. ***Sale of the General Rule Maturities.*** As of Sale Date, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) The Representative offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Bond Purchase Agreement, the members of the Underwriting Group have agreed in writing that, (i) for each Maturity of the Hold-the-Offering- Price Maturities, they would neither offer nor sell any of the unsold Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the Bond Purchase Agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the Bond Purchase Agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any unsold Bonds of any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms.***

(a) *General Rule Maturities* means those Maturities of the Bonds- listed in Schedule A hereto as the "General Rule Maturities."

(b) *Hold-the-Offering-Price Maturities* means those Maturities of Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (which fifth business day is November \_\_, 2018), or (ii) the date

on which the Underwriters have sold at least 10% of such Hold-the- Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Issuer* means the Central Florida Expressway Authority.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is November \_\_, 2018.

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Representative's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate with respect to the Bonds and with respect to compliance with the federal income tax rules affecting the Bonds, and by Co-Bond Counsel in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the Issuer from time to time relating to the Bonds.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Executed as of this \_\_\_ day of November 2018.

**[Merrill Lynch, Pierce, Fenner & Smith  
Incorporated / BofAML Securities, Inc.]**, on  
behalf of itself and as Representative of the other  
Underwriters

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

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

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

**SCHEDULE A**  
**SALE PRICES OF THE GENERAL RULE**  
**MATURITIES**

**SCHEDULE B**  
**PRICING WIRE OR EQUIVALENT**  
**COMMUNICATION**

*(Attached)*

**EXHIBIT B**

**FORM OF PRELIMINARY OFFICIAL STATEMENT**  
[Attached]

**PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER \_\_, 2018**

**NEW ISSUE - BOOK-ENTRY ONLY**

**Ratings: See "RATINGS" herein**

*In the opinion of Nelson Mullins Broad and Cassel, Bond Counsel, under existing law assuming compliance with certain covenants, interest on the Series 2018 Bonds is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of the alternative minimum tax imposed on individuals under the Internal Revenue Code of 1986, as amended. However, interest on the Series 2018 Bonds will be taken into account in determining adjusted current earnings for purposes of computing the alternate minimum tax on corporations for taxable years beginning prior to January 1, 2018. The alternative minimum tax on corporations was repealed for taxable years beginning on and after January 1, 2018. For a more complete discussion of tax aspects, see "Tax Matters" herein for a discussion of the opinion of Bond Counsel.*



\$\_\_\_\_\_\*

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY**  
**SENIOR LIEN REVENUE BONDS,**  
**SERIES 2018**

**Dated: Date of Delivery**

**Due: July 1, as shown on inside cover**

This Official Statement relates to the issuance by the Central Florida Expressway Authority ("CFX") of \$\_\_\_\_\_\* in aggregate principal amount of its Senior Lien Revenue Bonds, Series 2018 (the "Series 2018 Bonds"). The Series 2018 Bonds are being issued as fully registered bonds, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Purchases of beneficial interests in the Series 2018 Bonds will be made in book-entry form only, in denominations of \$5,000 or any integral multiple thereof, as described therein. Purchasers of beneficial interests in the Series 2018 Bonds will not receive physical delivery of certificates. Transfers of beneficial interests in the Series 2018 Bonds will be effected through the DTC book-entry system as described herein. See "DESCRIPTION OF THE SERIES 2018 BONDS - Book-Entry Only System" herein.

The Series 2018 Bonds are being issued pursuant to Chapter 348, Part III, Florida Statutes and that certain Amended and Restated Master Bond Resolution adopted by CFX on February 3, 2003 (the "Master Bond Resolution"), as supplemented by that certain Twenty-Fourth Supplemental Revenue Bond Resolution adopted by CFX on October 11, 2018 (the "Twenty-Fourth Supplemental Resolution" and together with the Master Bond Resolution collectively hereinafter referred to as the "Bond Resolution"). All capitalized terms used herein and not otherwise defined herein are used with the meanings assigned



thereto in "APPENDIX A - AMENDED AND RESTATED MASTER BOND RESOLUTION" and "APPENDIX B - TWENTY-FOURTH SUPPLEMENTAL RESOLUTION" attached hereto.

The Series 2018 Bonds shall mature on such dates and in such principal amounts and shall bear interest at the rate or rates set forth on the inside cover of this Official Statement payable semiannually on January 1 and July 1 of each year, commencing on [January 1, 2019] (each, an "Interest Payment Date") until the respective maturities of the Series 2018 Bonds. Interest on the Series 2018 Bonds will be payable by Wells Fargo Bank, N.A., as registrar, paying agent and trustee, in Minneapolis, Minnesota (the "Paying Agent") to Cede & Co., as nominee of DTC at the close of business on the 15th day (whether or not a Business Day) of the month next preceding the Interest Payment Date. Payments of principal of, premium, if any, and interest on the Series 2018 Bonds will be made at the designated corporate trust office of the Paying Agent. See "DESCRIPTION OF THE SERIES 2018 BONDS" herein.

The Series 2018 Bonds are subject to redemption prior to maturity as described herein.

The Series 2018 Bonds are being issued by CFX to provide funds to: (i) finance all or a portion of the cost of acquisition, construction and equipping of certain capital improvements to the System as described herein, (ii) refund all or a portion of certain outstanding indebtedness of CFX, (iii) deposit funds or pay the premium on a reserve account credit facility to be deposited into the debt service reserve account created under the Bond Resolution and (iv) pay certain costs in connection with the issuance of the Series 2018 Bonds. See "PLAN OF FINANCE" and "ESTIMATED SOURCES AND USES OF FUNDS" herein and "APPENDIX B - TWENTY-FOURTH SUPPLEMENTAL RESOLUTION" attached hereto.

The Series 2018 Bonds are secured by a pledge of and lien on the System Pledged Revenues on a parity with the Outstanding Parity Bonds (as defined herein) and any additional Parity Bonds hereafter issued pursuant to the Bond Resolution and any Qualified Swap Payments related to such Bonds. See "SECURITY FOR THE SERIES 2018 BONDS," "SUMMARY OF CERTAIN TERMS AND PROVISIONS OF THE BOND RESOLUTION" and "VARIABLE RATE EXPOSURE AND INTEREST RATE EXCHANGE AGREEMENTS" herein.

All or a portion of the Series 2018 Bonds may be insured pursuant to the purchase of a municipal bond insurance policy from \_\_\_\_\_ which purchase will be at the option and expense of CFX. See "MUNICIPAL BOND INSURANCE" herein.

**NONE OF THE STATE OF FLORIDA (THE "STATE"), BREVARD COUNTY, FLORIDA, ORANGE COUNTY, FLORIDA, LAKE COUNTY,**

**FLORIDA, SEMINOLE COUNTY, FLORIDA, OSCEOLA COUNTY, FLORIDA (COLLECTIVELY, THE "COUNTIES"), THE CITY OF ORLANDO, FLORIDA (THE "CITY"), NOR ANY POLITICAL SUBDIVISION OF THE STATE SHALL BE LIABLE FOR THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2018 BONDS, AND THE FULL FAITH AND CREDIT OF THE STATE, THE COUNTIES, THE CITY OR OF ANY OTHER POLITICAL SUBDIVISION OF THE STATE SHALL NOT BE DEEMED TO HAVE BEEN PLEDGED FOR THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2018 BONDS. CFX HAS NO TAXING POWER. NO OWNER OF ANY OF THE SERIES 2018 BONDS SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE STATE, THE COUNTIES, THE CITY OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE, OR TAXATION IN ANY FORM OF REAL PROPERTY THEREIN, OR THE APPLICATION OF ANY FUNDS, OTHER THAN FUNDS PLEDGED TO THE PAYMENT OF THE SERIES 2018 BONDS. THE SERIES 2018 BONDS ARE NOT SECURED BY A MORTGAGE ON OR SECURITY INTEREST IN ANY OF THE REAL OR PERSONAL PROPERTY CONSTITUTING PART OF THE SYSTEM.**

This cover page contains limited information for quick reference only. It is not a summary of the matters relating to the Series 2018 Bonds. Potential investors must read the entire Official Statement (including the cover page and all Appendices attached hereto) to obtain information essential to the making of an informed investment decision.

*The Series 2018 Bonds are offered for delivery when, as and if issued, by CFX, subject to the approving opinion of Nelson Mullins Broad and Cassel, Orlando, Florida, Bond Counsel. Certain legal matters will be passed upon by CFX's General Counsel, Joseph Passiatore, Esq. Nabors, Giblin & Nickerson, P.A., Tampa, Florida is serving as Disclosure Counsel to CFX. PFM Financial Advisors LLC, Orlando, Florida is serving as Financial Advisors to CFX with respect to the Series 2018 Bonds. Greenberg Traurig, LLP, Orlando, Florida is serving as Counsel to the Underwriters. It is expected that the Series 2018 Bonds will be delivered through the facilities of DTC in New York, New York, on or about November \_\_, 2018.*

**[UNDERWRITERS]**

Dated: November \_\_, 2018

---

\*Preliminary, subject to change.

**MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES,  
YIELDS, PRICES AND INITIAL CUSIP NUMBERS**

\$\_\_\_\_\_\*

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY  
SENIOR LIEN REVENUE BONDS,  
SERIES 2018**

\$\_\_\_\_\_ Serial Bonds

<b>Maturity (July 1)</b>	<b>Principal Amount*</b>	<b>Interest Rate</b>	<b>Yield</b>	<b>Price</b>	<b>Initial CUSIP No.†</b>
------------------------------	------------------------------	--------------------------	--------------	--------------	-------------------------------

\$

\$\_\_\_\_\_ % Series 2018 Term Bond Due July 1, 20\_\_, Yield \_\_\_\_\_%, Initial CUSIP No. \_\_\_\_\_†

\$\_\_\_\_\_ % Series 2018 Term Bond Due July 1, 20\_\_, Yield \_\_\_\_\_%, Initial CUSIP No. \_\_\_\_\_†

\*Preliminary, subject to change.

†CUSIP numbers have been assigned to the Series 2018 Bonds by an organization not affiliated with CFX. CFX is not responsible for the selection or use of the CUSIP numbers in this Official Statement nor is any representation being made as to their accuracy on the Series 2018 Bonds, or as indicated above. The CUSIP numbers are included herein solely for the convenience of the readers of this Official Statement.

[Red Herring Language]

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. The Series 2018 Bonds may not be sold nor may offers to buy the Series 2018 Bonds be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy the Series 2018 Bonds in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. CFX shall deem this Preliminary Official Statement "final," except for certain permitted omissions within the contemplation of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY**  
**4974 ORL Tower Road**  
**Orlando, Florida 32807**

**BOARD MEMBERS**

Fred Hawkins, Jr., Osceola County Commissioner, Chairman  
Jay Madara, Vice Chairman  
Brenda Carey, Seminole County Representative, Treasurer  
Jim Barfield, Brevard County Commissioner, Board Member  
Buddy Dyer, Mayor of Orlando, Board Member  
Andria Herr, Board Member  
Teresa Jacobs, Orange County Mayor, Board Member  
Sean Parks, Lake County Commissioner, Board Member  
S. Michael Scheeringa, Board Member  
Jennifer Thompson, Orange County Commissioner, Board Member

**MANAGEMENT**

Laura Kelley, Executive Director  
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  
Joseph Passiatore, Esq., General Counsel

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**DISCLOSURE COUNSEL**

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Tampa, Florida

**INDEPENDENT CERTIFIED**

**PUBLIC ACCOUNTANTS**

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**TRAFFIC AND EARNINGS CONSULTANT**

CDM Smith  
Maitland, Florida

**GENERAL ENGINEERING CONSULTANT**

Dewberry Engineers Inc.  
Orlando, Florida

**FINANCIAL ADVISOR**

PFM Financial Advisors LLC  
Orlando, Florida

[MAP TO COME]

This Official Statement does not constitute a contract between CFX and any one or more owners of the Series 2018 Bonds, nor does it constitute an offer to sell or the solicitation of an offer to buy the Series 2018 Bonds in any jurisdiction to any person to whom it is unlawful to make such an offer in such jurisdiction.

No dealer, broker, salesman or any other person has been authorized by CFX to give any information or to make any representation, other than those contained in this Official Statement, in connection with the offering of the Series 2018 Bonds, and if given or made, such information or representations must not be relied upon as having been authorized by CFX. The information and expressions of opinion in this Official Statement are subject to change without notice, and this Official Statement speaks only as of its date. Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create the implication that there has been no change in the matters described herein since the date hereof. The information contained in this Official Statement, including in the appendices, has been obtained from representatives of CFX and from public documents, records and other sources considered to be reliable.

THE UNDERWRITERS HAVE PROVIDED THE FOLLOWING SENTENCES FOR INCLUSION IN THIS OFFICIAL STATEMENT. IN CONNECTION WITH THE OFFERING OF THE SERIES 2018 BONDS, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2018 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE SERIES 2018 BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE BOND RESOLUTION BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE SERIES 2018 BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF THE SECURITIES LAWS OF THE STATES, IF ANY, IN WHICH THE SERIES 2018 BONDS HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN CERTAIN OTHER STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE SERIES 2018 BONDS OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

In making an investment decision, investors must rely on their own examination of CFX, and the terms of the offering, including the merits and risks involved. The Series 2018 Bonds have not been recommended by any federal or state securities commission or regulatory authority. Furthermore, other than as expressly provided in certificates to be

delivered to the Underwriters in connection with the closing, CFX has not confirmed the accuracy or determined the adequacy of this Official Statement. Any representation to the contrary may be a criminal offense.

CERTAIN STATEMENTS INCLUDED OR INCORPORATED BY REFERENCE IN THIS OFFICIAL STATEMENT CONSTITUTE "FORWARD-LOOKING STATEMENTS." SUCH STATEMENTS GENERALLY ARE IDENTIFIABLE BY THE TERMINOLOGY USED, SUCH AS "PLAN," "EXPECT," "ESTIMATE," "BUDGET" OR OTHER SIMILAR WORDS. SUCH FORWARD-LOOKING STATEMENTS INCLUDE BUT ARE NOT LIMITED TO CERTAIN STATEMENTS CONTAINED IN THE INFORMATION UNDER THE CAPTIONS "FORWARD-LOOKING STATEMENTS," "SYSTEM REVENUES - HISTORICAL AND PROJECTED REVENUES," "HISTORICAL AND PROJECTED OPERATING RESULTS OF THE SYSTEM" HEREIN. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT. ASIDE FROM ITS CUSTOMARY FINANCIAL REPORTING ACTIVITIES, CFX DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR, SUBJECT TO ANY CONTRACTUAL OR LEGAL RESPONSIBILITIES TO THE CONTRARY.

THIS OFFICIAL STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS IN EITHER BOUND OR PRINTED FORMAT ("ORIGINAL BOUND FORMAT"), OR IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITES: [WWW.MUNIOS.COM](http://WWW.MUNIOS.COM) OR [WWW.EMMA.MSRB.ORG](http://WWW.EMMA.MSRB.ORG). PROSPECTIVE PURCHASERS MAY RELY ON THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT IN EITHER THE ORIGINAL BOUND FORMAT OR THE ELECTRONIC FORMAT, PROVIDED, HOWEVER THAT PROSPECTIVE PURCHASERS MUST READ THE ENTIRE OFFICIAL STATEMENT (INCLUDING THE COVER PAGE AND ALL APPENDICES ATTACHED HERETO) TO OBTAIN ALL OF THE INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.



The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their respective responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this final official statement for purposes of, and as that term is defined in, SEC rule 15c2-12.

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APPENDIX A	-	AMENDED AND RESTATED MASTER BOND RESOLUTION
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APPENDIX C	-	CONSULTING ENGINEER'S REPORT DATED _____, 2018
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APPENDIX H	-	FORM OF OPINION OF BOND COUNSEL

## OFFICIAL STATEMENT

relating to

\$ \_\_\_\_\_ \*

### CENTRAL FLORIDA EXPRESSWAY AUTHORITY SENIOR LIEN REVENUE BONDS, SERIES 2018

#### INTRODUCTION

The purpose of this Official Statement, which includes the cover page, the inside cover page and the Appendices attached hereto, is to furnish information concerning the Central Florida Expressway Authority ("CFX"), the System (as defined herein) and certain other information in connection with the sale by CFX of \$ \_\_\_\_\_ \* in aggregate principal amount of its Senior Lien Revenue Bonds, Series 2018 (the "Series 2018 Bonds").

CFX is an agency of the State of Florida which on June 20, 2014 assumed the governance and control of the Orlando-Orange County Expressway Authority (the "Prior Authority"), including the assets, personnel, contracts, obligations, liabilities, facilities and tangible and intangible property of the Prior Authority. See "CFX" herein.

The Series 2018 Bonds are being issued pursuant to Chapter 348, Part III, Florida Statutes (the "Act") and that certain Amended and Restated Master Bond Resolution adopted by CFX on February 3, 2003 (the "Master Bond Resolution"), as amended and supplemented, and particularly as supplemented by that certain Twenty-Fourth Supplemental Revenue Bond Resolution Authorizing the Issuance of Senior Lien Revenue Bonds, Series 2018 adopted by CFX on October 11, 2018 (the "Twenty-Fourth Supplemental Resolution" and together with the Master Bond Resolution collectively hereinafter referred to as the "Bond Resolution"). All capitalized terms used herein and not otherwise defined herein are used with the meanings assigned thereto in "APPENDIX A - AMENDED AND RESTATED MASTER BOND RESOLUTION" and "APPENDIX B - TWENTY-FOURTH SUPPLEMENTAL RESOLUTION" attached hereto.

The Series 2018 Bonds are subject to optional and mandatory redemption prior to maturity as described herein. See "DESCRIPTION OF THE SERIES 2018 BONDS - Redemption Provisions" herein.

Prior to issuance and delivery of the Series 2018 Bonds, the following Parity Bonds will be outstanding in the aggregate principal amount of \$ \_\_\_\_\_: [(a) Variable Rate Refunding Revenue Bonds, Series 2008B-1 (the "Series 2008B-1 Bonds"); (b) Variable Rate Refunding Revenue Bonds, Series 2008B-2 (the "Series 2008B-2 Bonds"); (c) Variable Rate Refunding Revenue Bonds, Series 2008B-3 (the "Series 2008B-3

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\*Preliminary, subject to change.

Bonds"); (d) Variable Rate Refunding Revenue Bonds, Series 2008B-4 (the "Series 2008B-4 Bonds" and together with the Series 2008B-1 Bonds, Series 2008B-2 Bonds and Series 2008B-3 Bonds, the "Series 2008B Bonds"); (e) Refunding Revenue Bonds, Series 2010B (the "Series 2010B Bonds"); (f) Refunding Revenue Bonds, Series 2012 (the "Series 2012 Bonds"); (g) Refunding Revenue Bonds, Series 2013A (the "Series 2013A Bonds"); (h) Refunding Revenue Bonds, Series 2013B (the "Series 2013B Bonds"); (i) Refunding Revenue Bonds, Series 2013C (the "Series 2013C Bonds"); (j) Senior Lien Refunding Revenue Bonds, Series 2016A (the "Series 2016A Bonds"); (k) Senior Lien Refunding Revenue Bonds, Series 2016B (the "Series 2016B Bonds"); (l) Senior Lien Refunding Revenue Bonds, Series 2017 (the "Series 2017 Bonds") and (m) Senior Lien Bond Anticipation Notes, Series 2018 (the "Series 2018 Notes"). Accordingly, such outstanding Series 2008B Bonds, Series 2010B Bonds, Series 2012 Bonds, Series 2013A Bonds, Series 2013B Bonds, Series 2013C Bonds, Series 2016A Bonds, Series 2016B Bonds, Series 2017 Bonds and Series 2018 Notes] are collectively referred to herein as the "Outstanding Parity Bonds." The Series 2018 Bonds, the Outstanding Parity Bonds and any Parity Bonds hereafter issued under the Bond Resolution are collectively referred to herein as the "Bonds." On October 19, 2018 CFX refunded all of its \$193,695,000 Senior Lien Bond Anticipation Notes, Series 2015 (the "Refunded Series 2015 Notes") from proceeds of a draw made against a loan (the "Junior TIFIA Loan") to CFX by the U.S. Department of Transportation acting by and through the Build America Bureau (the "TIFIA Lender") pursuant to a loan agreement effective March 25, 2015, between CFX and the TIFIA Lender (the "Junior TIFIA Loan Agreement"), all as described further herein. See "JUNIOR TIFIA LOAN AGREEMENT" herein.

The Series 2018 Bonds are being issued by CFX, to provide funds to (i) finance all or a portion of the cost of the acquisition, construction and equipping of certain capital improvements (the "Series 2018 Project") to the System, (ii) refund all or a portion of the outstanding Series 2018 Notes (the "Refunded Notes"), (iii) deposit funds or pay the premium on a reserve account credit facility to be deposited into a debt service reserve account created under the Bond Resolution, and (iv) pay certain costs in connection with the issuance of the Series 2018 Bonds. See "PLAN OF FINANCE," "ESTIMATED SOURCES AND USES OF FUNDS," and "APPENDIX B - TWENTY-FOURTH SUPPLEMENTAL RESOLUTION" attached hereto.

The Series 2018 Bonds will be secured by a pledge of and lien on the System Pledged Revenues on a parity with the Outstanding Parity Bonds and any Parity Bonds hereafter issued under the Bond Resolution and any Qualified Swap Payments related to such Bonds. See "SECURITY FOR THE SERIES 2018 BONDS" and "AMENDED AND RESTATED MASTER BOND RESOLUTION" attached hereto as Appendix A and "TWENTY-FOURTH SUPPLEMENTAL RESOLUTION" attached hereto as Appendix B.

In connection with the issuance of the Series 2018 Bonds, Dewberry Engineers Inc., Orlando, Florida (the "General Engineering Consultant"), was retained by CFX to prepare a Consulting Engineer's Report, dated \_\_\_\_\_, 2018 (the "Consulting Engineer's Report"). Similarly, CFX previously retained CDM Smith, Maitland, Florida (the "Traffic and Earning's Consultant") to prepare a FY 2017 General Traffic and Earning's Consultant's Report dated May 2018 (the "System Traffic and Earnings Report"). The Consulting Engineer's Report is attached hereto as APPENDIX C and the System Traffic and Earnings Report is attached hereto as APPENDIX D. **THE CONSULTING ENGINEER'S REPORT AND THE SYSTEM TRAFFIC AND EARNINGS REPORT ARE INTEGRAL COMPONENTS OF THIS OFFICIAL STATEMENT. PROSPECTIVE INVESTORS SHOULD CLOSELY REVIEW, IN THEIR ENTIRETY, THE CONSULTING ENGINEER'S REPORT AND THE SYSTEM TRAFFIC AND EARNINGS REPORT ATTACHED AS APPENDICES C AND D HERETO, RESPECTIVELY, PRIOR TO MAKING AN INVESTMENT DECISION WITH RESPECT TO THE SERIES 2018 BONDS.**

For a more complete description of the terms and conditions of the Series 2018 Bonds, reference is made to the proceedings authorizing the issuance of the Series 2018 Bonds. The descriptions of the Series 2018 Bonds, the Bond Resolution, the Lease-Purchase Agreement (as defined herein), the Junior TIFIA Loan Agreement, the Consulting Engineer's Report, the System Traffic and Earnings Report and the Continuing Disclosure Agreement (as defined herein) and any other matters or documents contained or referenced herein are brief outlines of certain provisions thereof and do not purport to be comprehensive or definitive. All references herein to such documents and statements are qualified in their entirety by the actual content of such documents and statements to which reference is made herein. Copies of such documents are available from the Office of the Chief Financial Officer, 4974 ORL Tower Road, Orlando, Florida 32807.

## **PLAN OF FINANCE**

### **Series 2018 Project**

A portion of the proceeds of the Series 2018 Bonds will be applied to pay costs of the Series 2018 Project which collectively consists of [various capital improvements to the System included in the Five-Year Work Plan (as defined herein) adopted by CFX from time to time, as the same may be amended, and includes reimbursing CFX for the costs of such improvements that were paid on an interim basis from other available funds of CFX.]

See "DESCRIPTION OF THE SYSTEM" herein and the Consulting Engineer's Report attached hereto as APPENDIX C for a further description of the System, the Five-Year Work Plan and the various capital improvements therein comprising the Series 2018 Project.

## Refunding of Refunded Notes

A portion of the proceeds of the Series 2018 Bonds will be used to refund and redeem the Refunded Notes in the aggregate principal amount of \$75,000,000. The Refunded Notes will be called for redemption on \_\_\_\_\_, 2018 at the redemption price of 100% of the principal amount thereof, together with interest accreted thereon to the date of such redemption.

## ESTIMATED SOURCES AND USES OF FUNDS

The proceeds of the Series 2018 Bonds are expected to be applied as follows:

### Sources of Funds

Par Amount	\$
Net Bond Premium/Discount	
<b>Total Sources of Funds</b>	<u>\$</u>

### Uses of Funds

Deposit to Construction Fund <sup>(1)</sup>	\$
Refunding of Refunded Notes	
Deposit to 2018 Subaccount of Debt Service Reserve Account <sup>(2)</sup>	
Costs of Issuance <sup>(3)</sup>	
<b>Total Uses of Funds</b>	<u>\$</u>

<sup>(1)</sup> To be applied to finance all or a portion of the Series 2018 Project.

<sup>(2)</sup> [Amount equals \_\_\_\_\_ on the Series 2018 Bonds.]

<sup>(3)</sup> Includes legal fees, underwriters' discount, financial advisor and consultant fees, rating agency fees, printing costs, any insurance premiums and other fees and costs.

## DESCRIPTION OF THE SERIES 2018 BONDS

### General

The Series 2018 Bonds are being issued as fully registered bonds without coupons in the denomination of the par amount of the Series 2018 Bonds; shall be dated the date of the initial delivery thereof, and shall bear interest from such date, payable semiannually on January 1 and July 1 of each year, commencing [January 1, 2019]. The Series 2018 Bonds shall mature on July 1 in the years and principal amounts, and shall bear interest at the rates set forth on the inside of the cover page hereof.



## **Registration and Payment**

Principal on the Series 2018 Bonds will be payable upon presentation and surrender of the Series 2018 Bonds at the designated corporate trust operations office of Wells Fargo Bank, N.A. or its successors or assigns as Registrar, Paying Agent and Trustee (the "Registrar," "Paying Agent" or "Trustee") in Minneapolis, Minnesota. Interest on the Series 2018 Bonds will be paid by check or draft drawn upon the Paying Agent and mailed to the registered Bondholders of the Series 2018 Bonds at the addresses as they appear on the registration books maintained by the Registrar, at the close of business on the 15th day (whether or not a Business Day) of the month next preceding the interest payment date (the "Record Date"), irrespective of any transfer or exchange of such Series 2018 Bonds subsequent to such Record Date and prior to such interest payment date, unless CFX shall be in default in payment of interest due on such interest payment date. In the event of any such default, such defaulted interest will be payable to the Bondholders in whose name such Series 2018 Bonds are registered at the close of business on a special record date for the payment of such defaulted interest as established by notice deposited in the U.S. mails, postage prepaid, by the Trustee to the registered Bondholders of such Series 2018 Bonds not less than 15 days preceding such special record date. Such notice shall be mailed to the Bondholders in whose name the Series 2018 Bonds are registered at the close of business on the fifth day (whether or not a Business Day) preceding the date of mailing.

If the date for payment of the principal of, prepayment price, if any, or interest on the Series 2018 Bonds is not a Business Day, then the date for such payment shall be the next succeeding Business Day, and payment on such Business Day will have the same force and effect as if made on the nominal date of payment, without accrual of additional interest.

Notwithstanding the foregoing, or anything provided in the Master Bond Resolution to the contrary, a registered Bondholder of \$1,000,000 or more in principal amount of Series 2018 Bonds may provide for payment of principal, redemption price and interest with respect to such Series 2018 Bonds by wire transfer in immediately available funds on the applicable payment date by written request submitted (i) in the case of principal or redemption price, to the Paying Agent with the presentation or surrender of the Series 2018 Bonds to be paid, and (ii) in the case of interest, to the Paying Agent, as registrar, at least 15 Business Days prior to the applicable Record Date. In the case of interest, the notice may provide that it will remain in effect for later interest payments until changed or revoked by another written notice.

CFX and the Registrar, Paying Agent, and Trustee may deem and treat the registered Bondholders of any Series 2018 Bond as the absolute Bondholders of such Series 2018 Bond for the purpose of receiving payment of the principal thereof and the interest and prepayment price, if any, thereon.

## **Transfer and Exchange**

Each Series 2018 Bond may be transferred upon the registration books of CFX kept for that purpose at the office of the Registrar as provided in the Bond Resolution. All Series 2018 Bonds presented for transfer, exchange, or payment (if so required by CFX or the Registrar) shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and with guaranty of signature satisfactory to CFX and the Registrar, duly executed by the Bondholders or by a duly authorized attorney. New Series 2018 Bonds delivered upon any transfer, purchase or exchange shall be valid obligations of CFX, evidencing the same debt as the Series 2018 Bonds surrendered, shall be secured by the Bond Resolution, and shall be entitled to all of the security and benefits thereof to the same extent as the Series 2018 Bonds surrendered.

In all cases of a transfer of the Series 2018 Bonds, the Registrar shall at the earliest practical time in accordance with the terms of the Bond Resolution enter the transfer of ownership in the registration books and shall deliver in the name of the new transferee new fully registered Series 2018 Bonds of the same Series, maturity and of authorized denomination, for the same aggregate principal amount and payable from the same source of funds.

CFX and Registrar may charge the Registered Owner for the registration of every transfer or exchange of the Series 2018 Bonds an amount sufficient to reimburse them for any tax, fee or any other governmental charge required (other than by CFX) to be paid with respect to or in connection with any such transfer or exchange, and may require that such amounts be paid before any such new Series 2018 Bonds shall be delivered.

## **Redemption Provisions**

*Optional Redemption.* The Series 2018 Bonds maturing on or before July 1, 20\_\_ shall not be subject to redemption prior to their respective maturity date. The Series 2018 Bonds maturing on or after July 1, 20\_\_ are subject to optional redemption by CFX in whole or in part at any time on or after July 1, 20\_\_, in such maturities or amortization installments as CFX may determine and by lot within any maturity or amortization installments, at a redemption price of 100% of the principal amount thereof to be redeemed, plus accrued interest to the redemption date.

*Mandatory Redemption.* The Series 2018 Bonds maturing on July 1, 20\_\_ are subject to mandatory redemption in part prior to maturity in accordance with the amortization installments at redemption prices equal to 100% of the principal amount thereof, plus accrued interest to the date of redemption, on July 1 in the years and in the principal amounts set forth below:

**Series 2018 Bonds maturing July 1, 20\_\_**

Year	Principal Amount
------	------------------

\*Maturity

*Selection of Bonds to be Redeemed or Purchased.* If and to the extent that less than all of the Series 2018 Bonds are to be redeemed or purchased in lieu thereof, the maturities and principal amounts of each such maturity to be redeemed or purchased shall be selected by CFX, and in the event less than all of the Series 2018 Bonds of an entire maturity thereof are redeemed or purchased, the Series 2018 Bonds of such maturity shall be selected at random by the Paying Agent, as trustee, in such manner as the Paying Agent, as trustee, in its discretion may deem fair and appropriate; provided, however, that the portion of any Series 2018 Bond of a denomination of more than \$5,000 to be redeemed or purchased shall be in the principal amount of \$5,000 or any integral multiple of \$5,000 in excess thereof, and in selecting portions of such Series 2018 Bonds for redemption or purchase, the Paying Agent, as trustee shall treat each such Series 2018 Bond as representing that number of Series 2018 Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such Series 2018 Bond to be redeemed or purchased in part by \$5,000.

**Notice of Redemption**

Unless waived by any Holder of the Series 2018 Bonds to be redeemed, notice of any optional redemption made pursuant to the Bond Resolution shall be given by the Paying Agent, as registrar, on behalf of CFX mailing a copy of an official redemption notice by first class mail, postage prepaid, at least 20 days prior to the date fixed for redemption to each Holder of the Series 2018 Bonds to be redeemed at the address of such Holder shown on the registration books maintained by the Registrar or at such other address as shall be furnished in writing by such Holder to the Registrar; provided, however, that no defect in any notice given pursuant to this section to any Holder of the Series 2018 Bonds to be redeemed, nor any failure to give such notice, shall in any manner defeat the effectiveness of a call for optional redemption as to all other Holders of the Series 2018 Bonds to be redeemed.

Every official notice of optional redemption shall be dated and shall state: (a) the redemption date, (b) the redemption price of the Series 2018 Bonds to be redeemed, (c) if less than all outstanding Series 2018 Bonds are to be redeemed, the number (and, in the case of partial redemption of any Series 2018 Bond, the principal amount) of each Series 2018 Bond to be redeemed, (d) that on the redemption date the redemption price will become due and payable upon each such Series 2018 Bond or portion thereof called

for redemption, and that interest thereon shall cease to accrue from and after said date, and (e) that such Series 2018 Bonds to be redeemed, whether as a whole or in part, are to be surrendered for payment of the redemption price plus accrued interest at the office of the Paying Agent.

In addition to the foregoing notice, further notice shall be given by CFX as set out below (provided however, the provisions of the Master Bond Resolution regarding notice of redemption is required solely with respect to the exercise by CFX of its right to optionally redeem the Series 2018 Bonds) but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed:

(a) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (i) the CUSIP numbers of all Series 2018 Bonds being redeemed; (ii) the original issue date of the Series 2018 Bonds; (iii) the rate of interest borne by each Series 2018 Bond being redeemed; (iv) the maturity date of each Series 2018 Bond being redeemed; and (v) any other descriptive information needed to identify accurately the Series 2018 Bonds being redeemed.

(b) Each further notice of redemption shall be sent by registered or certified mail or overnight delivery service or telecopy to any Rating Agency whose rating is then on the Series 2018 Bonds, to the issuer of any Bond Credit Facility and to all registered securities depositories then in the business of holding substantial amounts of obligations of types similar to the type of which the Series 2018 Bonds consist (such depositories now being Depository Trust Company of New York, New York, Midwest Securities Trust Company of Chicago, Illinois, and the Philadelphia Depository Trust Company of Philadelphia, Pennsylvania) and to one or more national information services that disseminate notices of prepayment or redemption of obligations such as the Series 2018 Bonds.

(c) Each such further notice shall be published one time in The Bond Buyer of New York, New York or, if such publication is impractical or unlikely to reach a substantial number of the Holders of the Series 2018 Bonds, in some other financial newspaper or journal which regularly carries notices of redemption of obligations similar to the Series 2018 Bonds.

So long as DTC (as defined herein) is effecting book-entry transfers of the Series 2018 Bonds, the Paying Agent shall provide the redemption notices referenced above only to DTC. It is expected that DTC shall, in turn, notify its participants and that the participants, in turn, will notify or cause to be notified the beneficial owners. Any failure on the part of DTC or a participant, or failure on the part of a nominee of a beneficial owner of a Series 2018 Bond to notify the beneficial owner of the Series 2018

Bond so affected, shall not affect the validity of the redemption of such Series 2018 Bond.

Any notice of optional redemption given pursuant to the provisions stated above or the Bond Resolution may state that it is conditional upon receipt by the Paying Agent of moneys sufficient to pay the redemption price, plus interest accrued to the redemption date, or upon the satisfaction of any other condition, or that it may be rescinded upon the occurrence of any other event, and any conditional notice so given may be rescinded at any time before payment of such redemption price and accrued interest if any such condition so specified is not satisfied or if any such other event occurs. Notice of such rescission shall be given by the Paying Agent to affected Bondholders of the Series 2018 Bonds as promptly as practicable upon the failure of such condition or the occurrence of such other event.

*Purchase in Lieu of Optional Redemption.* Notwithstanding anything in the Bond Resolution to the contrary, at any time the Series 2018 Bonds are subject to optional redemption pursuant to the Bond Resolution, all or a portion of the Series 2018 Bonds to be redeemed as specified in the notice of redemption may be purchased by the Paying Agent, as trustee, at the direction of CFX, on the date which would be the redemption date if such Series 2018 Bonds were redeemed rather than purchased in lieu thereof at a purchase price equal to the redemption price which would have been applicable to such Series 2018 Bonds on the redemption date for the account of and at the direction of CFX who shall give the Paying Agent, as trustee, notice at least ten days prior to the scheduled redemption date accompanied by Bond Counsel's Opinion to the effect that such purchase will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series 2018 Bonds. In the event the Paying Agent, as trustee, is so directed to purchase Series 2018 Bonds in lieu of optional redemption, no notice to the Registered Owners of Series 2018 Bonds to be so purchased (other than the notice of redemption otherwise required under the Bond Resolution) shall be required, and the Paying Agent, as trustee, shall be authorized to apply to such purchase the funds which would have been used to pay the redemption price for such Series 2018 Bonds if such Series 2018 Bonds had been redeemed rather than purchased. Each Series 2018 Bond so purchased shall not be canceled or discharged and shall be registered in the name of CFX. Series 2018 Bonds to be purchased under the Bond Resolution in the manner set forth above which are not delivered to the Paying Agent, as trustee, on the purchase date shall be deemed to have been so purchased and not optionally redeemed on the purchase date and shall cease to accrue interest as to the former Registered Owner on the purchase date.

### **Book-Entry Only System**

DTC will act as securities depository for the Series 2018 Bonds. The Series 2018 Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each

maturity of the Series 2018 Bonds, each in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants (the "Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the "Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of the Series 2018 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for such Series 2018 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2018 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2018 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of the Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2018 Bonds, except in the event that use of the book-entry system for the Series 2018 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2018 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2018 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2018 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2018 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping an account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements made among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2018 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2018 Bonds, such as defaults, and proposed amendments to the bond documents. For example, Beneficial Owners of Series 2018 Bonds may wish to ascertain that the nominee holding the Series 2018 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such Bonds to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2018 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to CFX as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2018 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption, proceeds, distributions, and dividend payments on the Series 2018 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from CFX or the Paying Agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of

such Participant and not of DTC, the Trustee, the Registrar, the Paying Agent or CFX, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of CFX and/or the Paying Agent for the Series 2018 Bonds. Disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of the Direct and Indirect Participants.

CFX, the Trustee, the Paying Agent and the Registrar do not have any responsibility or obligation to the Direct Participants, Indirect Participants or the Beneficial Owners with respect to (1) the accuracy of any records maintained by DTC or any Direct Participant or Indirect Participant, (2) the payment by DTC or any Direct Participant or Indirect Participant of any amount due to any Beneficial Owner in respect of the principal of an interest on the Series 2018 Bonds, (3) the delivery or timeliness of delivery by DTC or any Direct Participant or Indirect Participant of any notice to any Beneficial Owner which is required or permitted under the terms of the Bond Resolution to be given to Bondholders, or (4) any consent given or other action taken by DTC, or its nominee, Cede & Co., as Bondholders.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that CFX believes to be reliable, but CFX takes no responsibility for the accuracy thereof.

### **Discontinuance of Book-Entry Only System**

DTC may discontinue providing its services as securities depository with respect to the Series 2018 Bonds at any time by giving reasonable notice to CFX. Under such circumstances, in the event that a successor securities depository is not obtained, the Series 2018 Bond certificates are required to be printed and delivered directly to the Beneficial Owners of the Series 2018 Bonds, or their nominees.

CFX may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository) upon compliance with all applicable rules and procedures. In that event, the Series 2018 Bond certificates will be printed and delivered.

So long as Cede & Co. is the Registered Owner of the Series 2018 Bonds, as nominee of DTC, references in this Official Statement to the Bondholders of Series 2018 Bonds or Registered Owners of the Series 2018 Bonds shall mean Cede & Co., and shall not mean the Beneficial Owners of the Series 2018 Bonds.



## **SECURITY FOR THE SERIES 2018 BONDS**

### **General**

The Series 2018 Bonds are payable from and secured by a pledge of and lien on System Pledged Revenues, which currently consists of, among other things, Net Revenues and until applied in accordance with the provisions of the Bond Resolution, amounts on deposit in certain of the funds and accounts established under the Bond Resolution. See "SECURITY FOR THE SERIES 2018 BONDS - Net Revenues" herein.

The pledge of and lien on the System Pledged Revenues securing the Series 2018 Bonds is on a parity with the pledge thereof and lien thereon securing the other Outstanding Parity Bonds, any additional Parity Bonds hereafter issued pursuant to the Bond Resolution and any Qualified Swap Payments related to such Bonds, if any. See "SUMMARY OF CERTAIN TERMS AND PROVISIONS OF THE BOND RESOLUTION - Issuance of Senior Obligations" and "VARIABLE RATE EXPOSURE AND INTEREST RATE EXCHANGE AGREEMENTS" herein.

The Bond Resolution permits CFX to pledge Supplemental Payments (as defined therein), as additional security for the payment of one or more Series of Bonds to the extent System Pledged Revenues (and if pledged to a particular Series of Bonds, Series Payments), are insufficient therefor. See the definition of "Supplemental Payments" in "APPENDIX A - AMENDED AND RESTATED MASTER BOND RESOLUTION" attached hereto for the criteria for additional revenue sources to constitute Supplemental Payments. However, no such Supplemental Payments are currently pledged to the payment of the Series 2018 Bonds or any Outstanding Parity Bonds.

The Bond Resolution also permits CFX to pledge additional revenue sources as System Payments which shall constitute a portion of the System Pledged Revenues, however, no such System Payments are currently pledged to the payment of the Series 2018 Bonds or any other Bonds. See the definition of "System Payments" in "APPENDIX A - AMENDED AND RESTATED MASTER BOND RESOLUTION" attached hereto for the criteria for additional revenue sources to constitute System Payments and to be included as part of the System Pledged Revenues.

Pursuant to the Bond Resolution, a particular Series of Bonds may also be secured by a pledge of Series Payments. See the definition of "Series Payments" in "APPENDIX A - AMENDED AND RESTATED MASTER BOND RESOLUTION" attached hereto for the criteria for additional revenue sources to constitute Series Payments. There are no Series Payments currently pledged to the payment of the Series 2018 Bonds or any other Bonds.

The Outstanding Parity Bonds, including the Series 2018 Bonds, are also secured by and payable from monies in the respective subaccount within the Debt Service Reserve

Account related to such Series of Bonds and various funds and accounts created pursuant to the Bond Resolution. See "SUMMARY OF CERTAIN TERMS AND PROVISIONS OF THE BOND RESOLUTION - Flow of Funds" herein for a description of such funds and accounts. See "SECURITY FOR THE SERIES 2018 BONDS - Debt Service Reserve Account" herein for a description of the Debt Service Reserve Account and the Series 2018 Reserve Subaccount therein.

### **Net Revenues**

Net Revenues pledged to the payment of principal of and interest on the Series 2018 Bonds are derived by deducting from the Gross Revenues of the System, the Cost of Maintenance, the Cost of Operation, required deposits to the OM&A Reserve Account, and Administrative Expenses. The Bond Resolution defines "Gross Revenues" as (1) all tolls, leasehold payments, concession payments, revenues, rates, rents, charges and other income and receipts derived by or for the account of CFX from the leasing or operation of the System, (2) investment income received on any amounts held pursuant to the Bond Resolution or any Supplemental Authorizing Resolution in the System General Revenue Fund, the System General Reserve Fund, the System Projects Fund, the OM&A Fund and the Renewal and Replacement Fund, and (3) the proceeds of any use and occupancy insurance on any portion of the System. "Gross Revenues" do not include Supplemental Payments, Series Payments, System Payments, revenues derived from the operation of Non-System Projects (unless designated part of the System pursuant to the Bond Resolution), payments pursuant to a Bond Letter of Credit, payments pursuant to a Qualified Swap Agreement, or the proceeds of any gifts, grants, or other payments to CFX from the United States government, the State or any public or private instrumentality, individual or entity that are not in the nature of an operating, concession or rental payment with respect to the use and operation of the System. See "HISTORICAL AND PROJECTED OPERATING RESULTS OF THE SYSTEM" herein.

### **Debt Service Reserve Account**

The Bond Resolution creates the Central Florida Expressway Authority 2018 Bond Debt Service Reserve Subaccount (the "2018 Reserve Subaccount") as a separate subaccount within the Debt Service Reserve Account established pursuant to the Master Bond Resolution. The 2018 Reserve Subaccount shall be held by the Paying Agent and funded by cash and/or the deposit of a reserve account credit facility (the "2018 Reserve Account Credit Facility") issued by \_\_\_\_\_ (the "Credit Facility Provider") in an amount equal to the Debt Service Reserve Requirement applicable thereto. The Debt Service Reserve Requirement for the Series 2018 Bonds at issuance equals \_\_\_\_\_. Monies drawn from the 2018 Reserve Subaccount shall be used only for deposit into the Interest Account, the Principal Account, or the Bond Redemption Account when the monies in the System General Revenue Fund are insufficient to pay the principal of and interest on the Series 2018 Bonds. Draws from the 2018 Reserve Subaccount shall be restored from the first System Pledged Revenues available to CFX after all required

payments have been made to the Interest Account, the Principal Account and the Bond Redemption Account. [DESCRIBE COMMON RESERVE OPTION?]

The 2018 Reserve Account Credit Facility and any cash which may be deposited into the 2018 Reserve Subaccount shall solely secure the Series 2018 Bonds. All other money and Reserve Account Credit Facilities on deposit in the Debt Service Reserve Account, or subaccounts therein, shall secure the Outstanding Parity Bonds except as otherwise provided in the Bond Resolution. Unless the authorizing resolution for any Series of Bonds provides for the funding of the Debt Service Reserve Account in installments as permitted by the Bond Resolution, the Debt Service Reserve Account shall be fully funded immediately upon the issuance of such Series of Bonds.

See "AMENDED AND RESTATED MASTER BOND RESOLUTION" attached hereto as Appendix A and "TWENTY-FOURTH SUPPLEMENTAL RESOLUTION" attached hereto as Appendix B for the provisions concerning the funding of the Debt Service Reserve Account.

CFX has purchased Reserve Account Credit Facilities from various providers for the benefit of each Series of Bonds outstanding except the Series 2008B Bonds, the Series 2013C Bonds and the Series 2018 Notes. The Bond Resolution does not require minimum ratings for providers of Reserve Account Credit Facilities. The Debt Service Reserve Requirement associated with the Series 2008B Bonds is zero so long as the credit facilities supporting the Series 2008B Bonds remain in effect. The Debt Service Reserve Requirement for the Series 2016B Bonds was funded with a combination of cash and a Reserve Account Credit Facility and the 2016B Reserve Subaccount secures the repayment of the Series 2016B Bonds only. The Debt Service Reserve Requirement for the Series 2017 Bonds was funded with a combination of cash and a Reserve Account Credit Facility and the 2017 Reserve Subaccount secures the repayment of the Series 2017 Bonds only. Other Series of outstanding Bonds are secured by investments in subaccounts established for such Series in the Debt Service Reserve Account. The Series 2013C Bonds and the Series 2018 Notes are not secured by any amounts or Reserve Account Credit Facilities on deposit in the Debt Service Reserve Account.

### **Limited Obligations**

The Series 2018 Bonds and all obligations under the Bond Resolution are limited obligations of CFX payable solely from the System Pledged Revenues, and, if applicable, any Supplemental Payments or Series Payments hereafter pledged to the payment of the Series 2018 Bonds and earnings on funds held in certain funds and accounts, as respectively provided in the Bond Resolution.

**NONE OF THE STATE OF FLORIDA, BREVARD COUNTY, FLORIDA, ORANGE COUNTY, FLORIDA, LAKE COUNTY, FLORIDA, SEMINOLE COUNTY, FLORIDA, OSCEOLA COUNTY, FLORIDA (COLLECTIVELY, THE**

**"COUNTIES"), THE CITY OF ORLANDO, FLORIDA (THE "CITY"), NOR ANY POLITICAL SUBDIVISION OF THE STATE SHALL BE LIABLE FOR THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON, THE SERIES 2018 BONDS AND THE FULL FAITH AND CREDIT OF THE STATE, THE COUNTIES OR OF ANY OTHER POLITICAL SUBDIVISION OF THE STATE SHALL NOT BE DEEMED TO HAVE BEEN PLEDGED FOR THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2018 BONDS. NO OWNER OF ANY OF THE SERIES 2018 BONDS SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE STATE, THE COUNTIES, THE CITY OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE, OR TAXATION IN ANY FORM OF REAL PROPERTY LOCATED THEREIN, OR THE APPLICATION OF ANY FUNDS, OTHER THAN FUNDS PLEDGED FOR THE PAYMENT OF THE SERIES 2018 BONDS. CFX HAS NO TAXING POWER. THE SERIES 2018 BONDS ARE NOT SECURED BY A MORTGAGE ON OR SECURITY INTEREST IN ANY OF THE REAL OR PERSONAL PROPERTY CONSTITUTING PART OF THE SYSTEM.**

#### **MUNICIPAL BOND INSURANCE OPTION**

CFX has received a commitment from \_\_\_\_\_ (the "Insurer"), for the issuance of a municipal bond insurance policy on all or a portion of the Series 2018 Bonds. The determination as to whether to purchase such insurance, if available, and payment of all associated costs, including the premium charged by the Insurer, will be at the option and expense of CFX at the time of pricing the Series 2018 Bonds. If any portion of the Series 2018 Bonds is sold on an insured basis, reference to the insurance policy will appear in the final official statement and on the Series 2018 Bonds; however the provisions of the financing documents will not be altered, nor will CFX consent to make additional representations, undertakings or warranties.

#### **SUMMARY OF CERTAIN TERMS AND PROVISIONS OF THE BOND RESOLUTION**

##### **Toll Provisions**

*Toll Covenant.* Pursuant to the Bond Resolution, CFX covenants that, except as described below in this section under "Adjustments and Classifications of Tolls; Free Passage," it will at all times charge and collect or cause to be charged and collected, tolls, leasehold payments, concession payments, revenues, rates, rents and other charges for the use of the System at rates not less than as shall be required so that:

(a) System Pledged Revenues, plus Supplemental Payments, if any, in an amount not to exceed the aggregate Annual Debt Service Requirement for such Fiscal Year for all Series of Bonds to which such Supplemental Payments are pledged, in each Fiscal Year will be sufficient to make deposits required to be made into the Debt Service Reserve Account pursuant to the Bond Resolution and shall equal at least 120% of the Annual Debt Service Requirement in such Fiscal Year with respect to all Bonds then outstanding; provided, however, that System Pledged Revenues will in no event provide in each Fiscal Year less than 120% of the Annual Debt Service Requirement with respect to all Bonds then outstanding; and

(b) Gross Revenues shall be sufficient to pay all payments required by the terms of the Bond Resolution including:

(i) 100% of the Cost of Operation during such Fiscal Year as provided in the Annual Budget of CFX for such year prepared in conformity with the Bond Resolution;

(ii) 100% of the Administrative Expenses of CFX, as provided in the Annual Budget of CFX prepared in conformity with the Bond Resolution;

(iii) 100% of the Cost of Maintenance during such Fiscal Year as provided in the Annual Budget of CFX prepared in conformity with the Bond Resolution; and

(iv) 100% of the required deposits to the OM&A Reserve Account in such Fiscal Year.

(c) System Pledged Revenues for each Fiscal Year shall be sufficient to pay 100% of:

(i) deposits and payments required pursuant to the Bond Resolution;

(ii) deposits and payments required pursuant to any resolution, indenture or other authorizing instrument under which any obligations of CFX secured by a pledge of the System Pledged Revenues junior and subordinate to the Bonds are issued; and

(iii) the Renewal and Replacement Requirement.

The definition of "Annual Debt Service Requirement" provides for certain credits against debt service and assumptions in calculating debt service on Bonds with respect to interest earnings, capitalized interest, Series Payments, Qualified Swap Payments and inverse floating rate bonds. See the definition of "Annual Debt Service Requirement" in "APPENDIX A - AMENDED AND RESTATED MASTER BOND RESOLUTION" attached hereto.

Failure in any Fiscal Year to comply with the rate covenant described in the Bond Resolution shall not constitute an Event of Default under the Bond Resolution if CFX complies with the requirements of the Bond Resolution with respect to annual review of the financial condition of the System and the sufficiency of the Gross Revenues, System Pledged Revenues, Supplemental Payments and Series Payments and implementation of schedules of tolls and other rates and charges recommended by an Independent Consultant; provided that if an Independent Consultant shall be of the opinion that a schedule of tolls and other rates and charges for the System which would meet such rate covenant is impracticable at the time, and CFX therefore cannot comply with such requirements, then CFX shall fix and establish such tolls and other rates and charges as to be recommended by an Independent Consultant to comply as nearly as practicable with such rate covenant, and in such event, failure to comply with the rate covenant will not be an Event of Default under the Bond Resolution. See "AMENDED AND RESTATED MASTER BOND RESOLUTION" attached hereto as Appendix A.

In addition to the foregoing, CFX is bound by certain covenants under the Junior TIFIA Loan Agreement regarding tolls rates and related coverage ratios which are similar to the above-described covenants under the Bond Resolution. See "JUNIOR TIFIA LOAN AGREEMENT - Affirmative Covenants - Rate Coverage" herein for a description of such toll covenants under the Junior TIFIA Loan Agreement.

*Reduction of Tolls.* Except as described below in this section under "Adjustments and Classification of Tolls; Free Passage," CFX also covenants in the Bond Resolution not to reduce any rate of toll fixed for transit over the System unless, it shall first obtain or certify as follows in connection with any action of CFX authorizing such reduction: (a) CFX shall have obtained a certificate of an Independent Consultant setting forth estimates of the Gross Revenues, System Pledged Revenues, Supplemental Payments and Series Payments pledged to the Bonds for the then current and each future Fiscal Year to and including the latest maturity of the Bonds, which may take into consideration, among other things, the additional use of the System projected to result from such reduction in the rate of tolls; (b) CFX shall have received a favorable recommendation from an Independent Consultant that such proposed reduction be placed in effect, (c) approval by the Department, if applicable, and (d) CFX has filed with the Department, if applicable, a certificate of an Authorized Officer of CFX setting forth (i) the Annual Debt Service Requirement for the then current and each future Fiscal Year, (ii) that the estimated System Pledged Revenues for the then current and each future Fiscal Year are not less than 1.50 times the Annual Debt Service Requirement for such respective current or future Fiscal Year, (iii) that CFX is not in default in the performance of any of the covenants, conditions, agreements or provisions contained in the Bond Resolution, and (iv) that immediately prior to such proposed reduction, the amount on deposit in the Debt Service Reserve Account was equal to the Debt Service Reserve Requirement with respect to the Bonds. The certificate of an Independent Consultant referenced above is to be based, in part, on estimates of the Cost of Operation, the Cost of Maintenance, deposits to the OM&A

Reserve Account and the Administrative Expenses of CFX for the System prepared by CFX and certified by an Authorized Officer of CFX.

*Adjustments and Classification of Tolls; Free Passage.* CFX covenants in the Bond Resolution that tolls will be classified in a reasonable way to cover all traffic, so that tolls will be uniform in application to all traffic falling within any reasonable class regardless of status or character of any person, firm or corporation participating in the traffic, except that classification of tolls based upon frequency, volume, time of such traffic, distance traveled, method of payment, or other method of classification used by comparable tolling authorities shall be deemed to be a reasonable classification for the purposes of the Bond Resolution. CFX may increase toll rates at any time and, with the approval of the Department with respect to those portions of the System for which the Department pays the Cost of Operation, increase the number of toll gates at any time upon recommendation of an Independent Consultant. CFX may make any other adjustment or reclassification of toll rates or establish special toll rates, introductory tolls or temporary tolls, provided that such action is recommended by an Independent Consultant and will not cause CFX to fail to comply with the respective toll covenants in the Bond Resolution. For a discussion of CFX's current program of toll volume discounts, see "SYSTEM REVENUES - Discount Programs" herein.

CFX further covenants in the Bond Resolution that they will not allow or permit any free use of the toll facilities of the System except to officials or employees of CFX and the Department engaged in official business of CFX and the Department, or law enforcement officers, or emergency vehicles while in the discharge of their official duties, or except as required by existing law. See "SYSTEM REVENUES - Toll Suspension" herein.

### **Issuance of Senior Obligations**

CFX covenants in the Bond Resolution that it will not issue any bonds, evidences of indebtedness or other obligations payable on a senior or priority basis to the Bonds from the System Pledged Revenues and Supplemental Payments, nor shall it voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or any other charge having priority to the lien of the Bonds issued pursuant to the Bond Resolution. CFX further covenants in the Bond Resolution that it will not issue any bonds, evidences of indebtedness or other obligations except upon the conditions and in the manner provided in the Bond Resolution, payable on a parity from the System Pledged Revenues and Supplemental Payments, nor voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or any other charge payable on a parity basis with the lien of the Bonds issued pursuant to the Bond Resolution and the interest thereon, upon any of the System Pledged Revenues and Supplemental Payments. Notwithstanding the foregoing, CFX may issue other obligations secured by a pledge of the System Pledged Revenues and Supplemental Payments in addition to the Bonds authorized by the Bond Resolution provided such obligations contain an express statement that such obligations are junior,

inferior and subordinate in all respects to the Bonds issued pursuant to the Bond Resolution as to lien on and source and security for payment from the System Pledged Revenues and Supplemental Payments and in all other respects.

Additionally, the Junior TIFIA Loan Agreement imposes certain conditions on the issuance of such senior obligations and the creation of any additional lien rights outside of the Bond Resolution and the Master Junior Lien Bond Resolution, adopted by CFX on March 12, 2015 with respect to its Junior Lien Bonds (as supplemented from time to time, the "Master Junior Lien Bond Resolution") with respect to System Pledged Revenues. See "JUNIOR TIFIA LOAN AGREEMENT - Issuance of Additional Indebtedness" herein for more complete statement of the terms and conditions related to senior obligations under the Junior TIFIA Loan Agreement.

### **Issuance of Parity Bonds**

CFX may issue Parity Bonds (a) for the purpose of financing System Projects, either alone or jointly with other persons, public bodies or private bodies, (b) for the purpose of financing Non-System Projects, either alone or jointly with other persons, public bodies or private bodies, (c) for the purpose of refunding outstanding Bonds, (d) for the purpose of completing any System Project for which Bonds have been previously issued pursuant to the Bond Resolution, or (e) for the purpose of refunding subordinated indebtedness.

Except with respect to Refunding Bonds and Completion Bonds, no such Parity Bonds shall be issued unless the following, among other conditions, are complied with:

(a) The amount of the System Pledged Revenues and any Supplemental Payments received or available during the immediately preceding Fiscal Year or any 12 consecutive calendar months selected by CFX out of the 15 consecutive calendar months immediately preceding the issuance of said Parity Bonds, adjusted as described in the Bond Resolution, as verified by the Verification Agent, equaled at least 120% of the Annual Debt Service Requirement on the Bonds then outstanding and the Parity Bonds proposed to be issued; and such System Pledged Revenues without regard to Supplemental Payments must equal at least 120% of the Annual Debt Service Requirement on the Bonds then outstanding and the Parity Bonds proposed to be issued.

The System Pledged Revenues calculated pursuant to this paragraph (a) may be adjusted, at the option of CFX, if CFX, prior to the issuance of the proposed Parity Bonds, has increased the tolls for transit over the toll facilities of the System. The Net Revenues for the 12 consecutive months out of the 15 months immediately preceding the issuance of said Parity Bonds, shall be adjusted, based upon a certificate of an Independent Consultant, showing the Net Revenues which would have been derived from the System in such 12 consecutive months as if such increased tolls of the System had been in effect during all of such 12 consecutive months.



(b) (i) If CFX is constructing or acquiring a System Project from the proceeds of such Parity Bonds and assuming, except as described below, that the toll rates and charges in effect at the time of issuance of such Parity Bonds will be the toll rates and charges to be charged and collected from users of the System when such System Project is completed and open for transit, the annual System Pledged Revenues estimated by an Independent Consultant to be derived during ten full Fiscal Years of operation after the estimated date of completion of the construction or acquisition of said System Project, plus an amount equal to the Supplemental Payments (not to exceed the portion of the Maximum Annual Debt Service Requirement attributable to the Series of Bonds secured by such Supplemental Payments) available (or, as provided by a projection of an Independent Consultant that would have been available had the pledge of such Supplemental Payments been in effect) during any 12 consecutive calendar months out of the 15 consecutive calendar months preceding the date of calculation, will be equal to at least 120% of the corresponding Annual Debt Service Requirement on the Bonds then outstanding and the Parity Bonds then proposed to be issued; and such System Pledged Revenues without regard to Supplemental Payments must equal at least 120% of such Annual Debt Service Requirement. Any adjustment (including any increase or decrease) in the toll rate structure or other charges scheduled to be put in place may be incorporated into the System Pledged Revenues estimate by an Independent Consultant pursuant to this subparagraph (i) only if CFX has established a forecast of tolls or other charges to be charged and collected from users of the System when such System Project is completed and open for transit. For purposes of calculating the System Pledged Revenues, the amount of System Payments to be included shall be equal to the amount of such System Payments received (or, as provided by a projection of an Independent Consultant, that would have been received had such System Payment been in effect) in any 12 consecutive calendar months out of the 15 consecutive calendar months preceding the date of calculation.

(ii) System Pledged Revenues for the System, plus Supplemental Payments pledged to the Bonds for the preceding Fiscal Year or for 12 consecutive months of the preceding 15 months, must equal at least the Maximum Annual Debt Service Requirement. In calculating the System Pledged Revenues for purposes of this paragraph only, such System Pledged Revenues may be adjusted as follows:

(A) If a toll increase has been adopted for the System prior to the issuance of the proposed Parity Bonds, the System Pledged Revenues may be adjusted, based on a certificate of an Independent Consultant to show the System Pledged Revenues which would have been derived from said System in such 12 consecutive months as if such tolls of said System had been in place during all of such 12 consecutive months; and

(B) Such System Pledged Revenues for the System may also be estimated by an Independent Consultant for the first full Fiscal Year of operation of the System Project to be financed from the proposed Parity Bonds. Such projection, as certified by an Independent Consultant, may not be for a Fiscal Year which exceeds three full Fiscal Years beyond the year of issuance of such Parity Bonds.

See "AMENDED AND RESTATED MASTER BOND RESOLUTION" attached hereto as Appendix A for a more complete statement of the terms and conditions for the issuance of Parity Bonds, including the conditions for the issuance of Parity Bonds for purposes of financing Non-System Projects.

As previously described herein, CFX is bound by additional covenants regarding the issuance of Parity Bonds pursuant to the Junior TIFIA Loan Agreement. See "JUNIOR TIFIA LOAN AGREEMENT - Issuance of Additional Indebtedness" herein for a discussion of the limitations thereunder.

### **Issuance of Refunding Bonds and Completion Bonds**

CFX may issue Refunding Bonds and Completion Bonds under the Bond Resolution payable on a parity with the outstanding Bonds in the manner and upon compliance with the conditions set forth under "SUMMARY OF CERTAIN TERMS AND PROVISIONS OF THE BOND RESOLUTION - Issuance of Parity Bonds" herein, except that CFX need not comply with the provisions of sub-paragraph (b)(i) and (ii) thereunder nor the requirements under the Bond Resolution relating to a supplemental Lease-Purchase Agreement, System Payments, Series Payments and Supplemental Payments nor the delivery of a certificate of an Authorized Officer and a certificate of the Independent Consultant. See "AMENDED AND RESTATED MASTER BOND RESOLUTION" attached hereto as Appendix A for a more complete discussion of the requirements for the issuance of Refunding Bonds and Completion Bonds.

Notwithstanding the foregoing, the Junior TIFIA Loan Agreement requires that, and prior to the issuance of any Completion Bonds, CFX comply with certain additional requirements as stated therein including the provisions of sub-paragraph (b)(i) discussed in the immediately preceding paragraph and excepted under the Bond Resolution.

### **Qualified Swap Agreements**

The Bond Resolution permits CFX to enter into one or more Qualified Swap Agreements with respect to one or more Series of Bonds. Qualified Swap Payments payable by CFX under any such agreement will be payable from the Interest Account on a parity with interest payments with respect to Bonds. Certain termination fees and payments associated with the Qualified Swap Agreements will be subordinate to the payment of the Bonds and Qualified Swap Payments. See "VARIABLE RATE EXPOSURE AND

INTEREST RATE EXCHANGE AGREEMENTS" herein and "AMENDED AND RESTATED MASTER BOND RESOLUTION" attached hereto as Appendix A.

Additionally, the Junior TIFIA Loan Agreement provides that, during the term of the Junior TIFIA Loan, with respect to any Parity Bonds or Junior Lien Bonds bearing interest at a variable rate issued after March 25, 2015, CFX shall have in full force and effect a Qualified Swap Agreement with a stated maturity date not earlier than the final maturity date of the related Parity Bond or Junior Lien Bond, as applicable. See "JUNIOR TIFIA LOAN AGREEMENT - Swap Covenants Under Junior TIFIA Loan Agreement" herein for a discussion of such requirements.

### **Flow of Funds**

Pursuant to the Bond Resolution, the entire Gross Revenues derived from the operation of the System shall be collected by CFX, or its agents, and, to the extent practicable, deposited daily in the System General Revenue Fund. Upon the pledging of any System Payments, there shall also be created in the System General Revenue Fund a separate account designated the "System Payments Account." Funds on deposit in the System General Revenue Fund and the System Payments Account will constitute System Pledged Revenues under the Bond Resolution.

In addition to the System General Revenue Fund and the accounts thereunder, the following funds and accounts shall be continued and maintained under the Bond Resolution so long as Bonds are outstanding and shall constitute funds and accounts established under the Bond Resolution:

(a) The "Expressway System Operation, Maintenance and Administrative Expenses Fund" (the "OM&A Fund"). There are also created four separate accounts in the OM&A Fund to be known as the "Cost of Operation Account," the "Cost of Maintenance Account," the "Administrative Expenses Account" and the "OM&A Reserve Account."

(b) The "Expressway System General Reserve Fund" (the "System General Reserve Fund").

(c) The "Expressway System Renewal and Replacement Fund" (the "Renewal and Replacement Fund").

(d) The "Expressway System Projects Fund" (the "System Projects Fund").

In addition to the foregoing, the following funds and accounts are created by the Bond Resolution for the benefit of outstanding Bonds:

(a) The "Expressway System Sinking Fund" (the "Sinking Fund") and four separate accounts therein to be known as the "Interest Account," the "Principal Account," the "Bond Redemption Account," and the "Debt Service Reserve Account."

(b) The "Expressway System Series Payment Fund" (the "Series Payment Fund") provided that a Series of Bonds to which Series Payments are pledged is outstanding. The creation and establishment from time to time of separate accounts in the Series Payment Fund are also authorized.

(c) The "Expressway System Supplemental Payments Fund" (the "Supplemental Payments Fund") provided that a Series of Bonds to which Supplemental Payments are pledged is outstanding. The creation and establishment from time to time of separate accounts in the Supplemental Payments Fund are also authorized.

(d) The "Expressway System Construction Fund" (the "Construction Fund"). CFX may by Supplemental Authorizing Resolution establish individual Construction Accounts for particular Series of Bonds issued pursuant to such Supplemental Authorizing Resolution. The Twenty-Fourth Supplemental Resolution creates a Series 2018 Construction Account within the Construction Fund into which a portion of the proceeds of the Series 2018 Bonds will be deposited and applied to finance a portion of the Series 2018 Project. See "ESTIMATED SOURCES AND USES OF FUNDS" herein.

(e) The "Expressway System Rebate Fund" (the "Rebate Fund"). CFX may, by Supplemental Authorizing Resolution, establish individual Rebate Accounts for particular Series of Bonds.

(f) Such other funds, accounts, or sub-accounts as CFX shall determine pursuant to a Supplemental Authorizing Resolution.

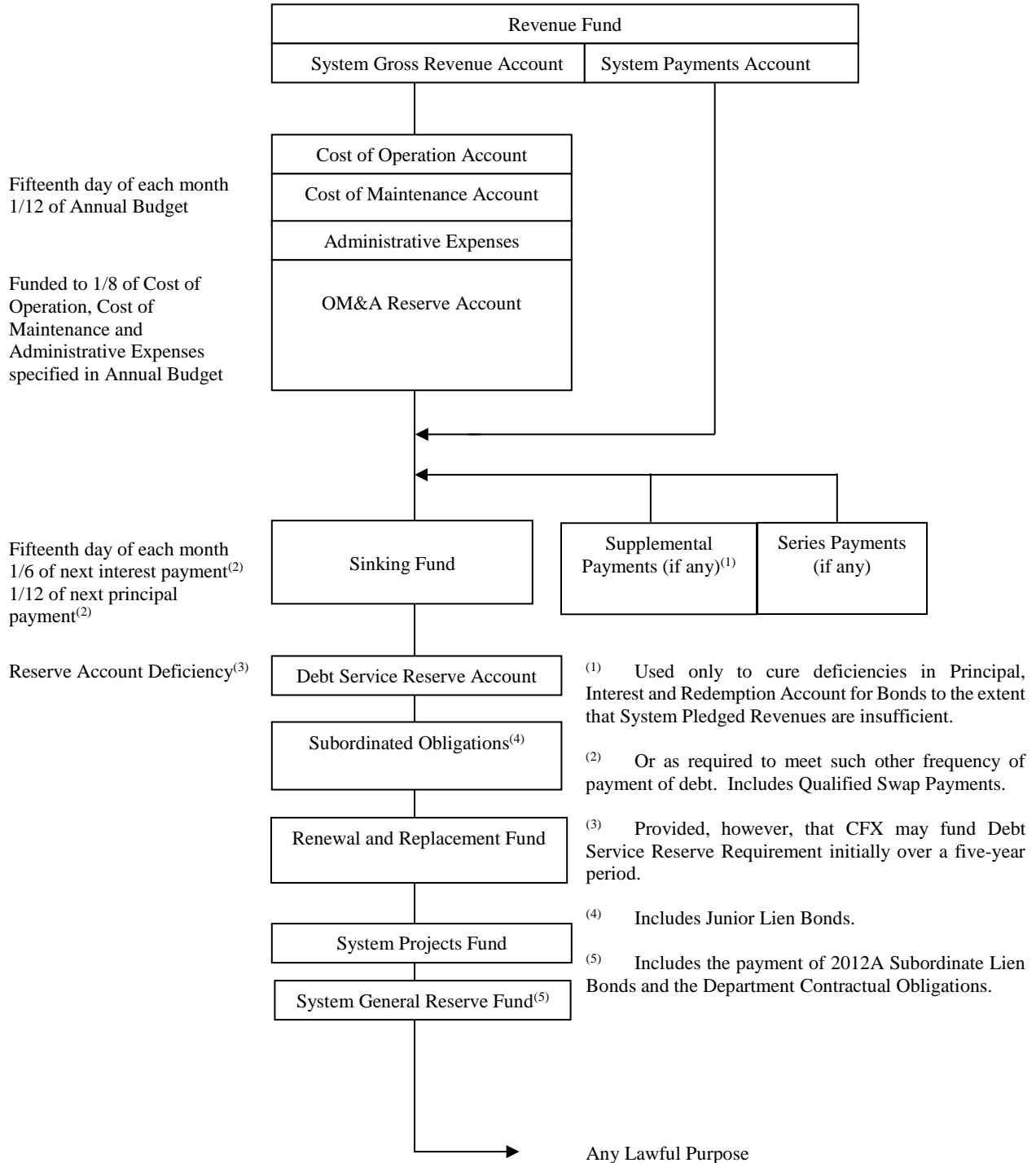
The amounts on deposit in the funds and accounts created by or continued under the Bond Resolution including, but not limited to, the System General Revenue Fund, the OM&A Fund, the System General Reserve Fund, the System Projects Fund and the Renewal and Replacement Fund shall constitute System Pledged Revenues, and trust funds for the purposes provided in the Bond Resolution, and for the purposes of accounting are required to be kept separate and distinct from all other funds of CFX and used only for the purposes and in the manner provided for in the Bond Resolution. The Sinking Fund and the accounts therein are required to be held pursuant to the Bond Resolution by a trustee. The Supplemental Payments Fund and the accounts therein shall be established and held in compliance with the document or agreement providing for such Supplemental Payments.

All System Payments shall be deposited by CFX into the System Payments Account in the System General Revenue Fund immediately upon receipt thereof. All Series Payments shall be deposited by CFX into the Series Payments Fund (or if established, the applicable subaccount therein) immediately upon receipt thereof.

Amounts at any time remaining on deposit in the System General Revenue Fund and the System Gross Revenue Account shall be applied in accordance with the provisions of the Bond Resolution.

The following diagram presents a summary of the application of Gross Revenues, System Payments, Series Payments and Supplemental Payments to the various funds and accounts as provided in the Bond Resolution. See "AMENDED AND RESTATED MASTER BOND RESOLUTION" attached hereto as Appendix A and "TWENTY-FOURTH SUPPLEMENTAL RESOLUTION" attached hereto as Appendix B for a complete description of the application of such funds under the Bond Resolution.

## Flow of Funds Diagram



## SYSTEM FINANCING

### Bonded Indebtedness

The following table summarizes CFX's Outstanding Parity Bonds prior to the issuance and delivery of the Series 2018 Bonds and the refunding of the Refunded Notes.

Bonded Indebtedness	Purpose	Outstanding Par Amount
[Series 2008B-1 Bonds	Refunded certain Bonds]	\$
Series 2008B-2 Bonds	Refunded certain Bonds	
[Series 2008B-3 Bonds	Refunded certain Bonds]	
Series 2008B-4 Bonds	Refunded certain Bonds	
Series 2010B Bonds	Refunded certain Bonds	
Series 2012 Bonds	Refunded certain Bonds	
Series 2013A Bonds	Refunded certain Bonds	
Series 2013B Bonds	Refunded certain Bonds	
Series 2013C Bonds	Refunded certain Bonds	
Series 2016A Bonds	Refunded certain Bonds	
Series 2016B Bonds	Refunded certain Bonds	
Series 2017 Bonds	Refunded certain Bonds	
Series 2018 Notes	Funded a portion of the Five-Year Work Plan	
Total		\$

Source: CFX.

[Remainder of page intentionally left blank]

## Estimated Annual Debt Service

The following table presents the estimated annual debt service obligations of CFX on the Outstanding Parity Bonds prior to the issuance and delivery of the Series 2018 Bonds and the refunding of the Refunded Notes. See "VARIABLE RATE EXPOSURE AND INTEREST RATE EXCHANGE AGREEMENTS" herein.

### Estimated Annual Debt Service

Year Ending June 30	Outstanding Parity Bonds <sup>(1,2)</sup>	Series 2018 Bonds		Total Annual Debt Service
		Principal	Interest	
2019	\$	\$	\$	\$
2020				
2021				
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				
2041				
2042				
2043				
2044				
2045				
2046				
2047				
2048				
<b>Total</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>

<sup>(1)</sup> [Estimated debt service on the Outstanding Parity Bonds, including the Series 2008B Bonds, which is net of ongoing expenses such as Bond Credit Facility fees, letter of credit fees, and remarketing fees, where applicable, as the same are not included as part of debt service under the Bond Resolution. Debt service on the Series 2008B Bonds has been calculated based upon the fixed rate provided in the Interest Rate Swap Agreements relating to such Series of Bonds plus any applicable spreads for sub-series privately placed with banks for the duration of the placement. Debt service on the Series 2008B-1 Bonds includes an assumed spread of 55 basis points through May 7, 2020. Debt service on the Series 2008B-2 Bonds includes an assumed spread of 58 basis points through July 30, 2018. Debt service on the Series 2008B-3 Bonds and the Series 2008B-4 Bonds includes an assumed spread of 53.5 basis points through September 10, 2019. The interest rate on the Series 2013C Bonds, which was issued in the form of a bank loan directly with the bondholder, STI Institutional & Government, Inc. was renegotiated and was lowered from 3.60% to 2.75%, effective on November 2, 2016. Accordingly, debt service on the 2013C Bonds assumes the new rate as of such date.]

<sup>(2)</sup> Per the Bond Resolution, amounts due on July 1 of any year are included in the previous Fiscal Year.

Totals may not add due to rounding.

Source: Prepared by PFM Financial Advisors LLC and approved by CFX.



## **Certain Subordinated Obligations**

2012A Subordinate Lien Bonds. On November 29, 2012, CFX issued its General Reserve Fund Obligation Bond, Series 2012A (Subordinate Lien) (the "2012A Subordinate Lien Bonds") in the original aggregate principal amount of \$59,060,000 to fund termination payments associated with the optional termination of a portion of CFX's Qualified Swap Agreements. The 2012A Subordinate Lien Bonds are secured by a pledge of and lien on System Pledged Revenues junior, inferior and subordinate in all respects to the pledge of and lien on System Pledged Revenues securing CFX's payment obligations with respect to: (1) Bonds and Qualified Swap Payments that are currently issued and outstanding or may be issued in the future under CFX's Master Bond Resolution and (2) certain other subordinate obligations of CFX, including Junior Lien Bonds issued by CFX pursuant to its Master Junior Lien Bond Resolution. As of the date hereof, the 2012A Subordinate Lien Bonds were outstanding in the aggregate principal amount of \$\_\_\_\_\_.

Under the Master Junior Lien Bond Resolution, upon the payment in full or discharge of the LPA Repayments (defined below) under the Lease-Purchase Agreement, the 2012A Subordinate Lien Bonds shall be deemed to be issued and outstanding under the Master Junior Lien Resolution and therefore, entitled to the pledge of and lien on System Pledged Revenues provided therein. In addition, under the Junior TIFIA Loan Agreement CFX has agreed to: (i) reclassify the 2012A Subordinate Lien Bonds as a Junior Lien Bond reissued and delivered pursuant to the Master Junior Lien Bond Resolution and (ii) provide notice and a copy of the replacement 2012A Junior Lien Bond to the TIFIA Lender. In Fiscal Year 2017, CFX made a prepayment in satisfaction of all accumulated and future LPA Repayments due under the Lease-Purchase Agreement, as described further below. [The obligations currently evidenced by the 2012A Subordinate Lien Bonds shall be entitled to the benefits of a Junior Lien Bond (including payment of principal and interest on parity with any other Junior Lien Bonds) at such time as a new 2012A Junior Lien Bond is executed, authenticated and issued in accordance with the terms of the Junior TIFIA Loan Agreement and the Master Junior Lien Bond Resolution. CFX is currently working with the Department and the Florida Division of Financial Services to complete certain other contingencies required prior to the reclassification of the 2012A Subordinate Lien Bonds.] Under the Junior TIFIA Loan Agreement and unless waived in writing by the TIFIA Lender, such reclassification is a condition precedent to disbursement of any proceeds of the Junior TIFIA Loan.

Department Contractual Obligations. On May 29, 2012 the Department and CFX signed a memorandum of understanding (the "Wekiva MOU") setting forth the required terms of the hereinafter described and subsequently executed Wekiva Interlocal Agreement pursuant to which the parties would build the extension of SR 429 known as the "Wekiva Parkway." Certain key provisions of the Wekiva MOU were codified in Sections 348.7546 and 348.757(9), Florida Statutes, effective July 1, 2012. See "DESCRIPTION OF THE SYSTEM - Wekiva Parkway (SR 429)" and " - Capital Improvement Program" herein for

a more detailed description of the Wekiva Parkway and the Wekiva Interlocal Agreement, respectively. Pursuant to such statutes and the Wekiva Interlocal Agreement, CFX was required to repay its long-term debt owing to the Department under the Lease-Purchase Agreement (the "Department Contractual Obligations"), by making annual payments (the "LPA Repayments") from the System General Reserve Fund beginning on July 1, 2013 through July 1, 2025. On October 12, 2016, CFX exercised its discretionary authority to make a prepayment in satisfaction of all accumulated and future LPA Repayments due under the Lease-Purchase Agreement in the amount of \$150,870,102 from moneys on deposit and legally available for such purpose in the System General Reserve Fund. The prepayment of the LPA Repayments did not have a material adverse effect on CFX's finances or its ability to undertake and fund the Five-Year Work Plan (as defined herein). Any future Department Contractual Obligations of CFX under the Lease-Purchase Agreement which remain outstanding are junior and subordinate to the lien on System Pledged Revenues under the Bond Resolution. See "SUMMARY OF CERTAIN TERMS AND PROVISIONS OF THE BOND RESOLUTION - Flow of Funds" and "DESCRIPTION OF THE DEPARTMENT OF TRANSPORTATION AND ITS RELATIONSHIP TO THE EXPRESSWAY SYSTEM" herein for a further discussion of the flow of funds and priority of payments under the Bond Resolution.

See Note 5 of the "AUDITED FINANCIAL STATEMENTS OF CFX FOR THE FISCAL YEAR ENDED JUNE 30, 2017 AND JUNE 30, 2016" attached hereto as Appendix G for further information regarding the subordinated obligations and other indebtedness of CFX.

## **JUNIOR TIFIA LOAN AGREEMENT**

### **General**

In July 2015, CFX issued the Refunded Series 2015 Notes to, among other things, provide short-term financing for the portion of the Wekiva Parkway project for which CFX is responsible (the "2015 Project"). Pursuant to the Junior TIFIA Loan Agreement, the TIFIA Lender has agreed to extend the Junior TIFIA Loan to CFX in an amount not to exceed approximately \$193.7 million. The proceeds of the Junior TIFIA Loan were applied to the payment, reimbursement or refinancing of certain costs of the 2015 Project that were eligible to be financed with proceeds of the Junior TIFIA Loan pursuant to federal law, including repayment of the Refunded Series 2015 Notes. The Junior TIFIA Loan is secured by a pledge of and lien on System Pledged Revenues which is junior, inferior and subordinate in all respects to the pledge of and lien on System Pledged Revenues under the Bond Resolution. The Junior TIFIA Loan is currently in full force and effect and CFX is in full compliance with the terms thereof. The proceeds of the Junior TIFIA Loan were drawn and received by CFX on September 17, 2018, and such proceeds were applied to pay the Refunded Series 2015 Notes in full on October [19], 2018.

The following is a brief summary of certain terms of the Junior TIFIA Loan Agreement which may, under certain circumstances, affect the rights of the Holders of the Series 2018 Bonds.

## **Events of Default and Remedies**

### *Events of Default.*

The Junior TIFIA Loan Agreement specifies various events constituting events of default thereunder, including but not limited to:

(a) *Payment Default.* CFX fails to pay any of the principal amount of or interest on the Junior TIFIA Loan, when due.

(b) *Covenant Default.* CFX fails to observe or perform any covenant, agreement or obligation of CFX under the Junior TIFIA Loan Agreement, or any other TIFIA loan document, and such failure is not cured within 30 days after receipt by CFX from the TIFIA Lender of written notice thereof.

(c) *Acceleration of Bonds or Other Material Indebtedness.* Any acceleration shall occur of the maturity of any Bonds, or junior lien obligations under the Master Junior Lien Bond Resolution or of any other indebtedness of CFX, in an aggregate principal amount equal to or greater than \$1 million.

(d) *Cross Default.*

(i) Any of the representations, warranties or certifications of CFX made in or delivered pursuant to the documents under which certain indebtedness shall be created, shall prove to be false or misleading in any material respect, or any default shall occur in respect of the performance of any covenant, agreement or obligation of CFX under such documents, if the effect of such default shall permit the immediate acceleration of the maturity of any or all of such indebtedness.

(ii) CFX shall fail to pay principal of, or interest on any bond, note, certificate, warrant, lease, contract or other financial obligation or security of CFX that is not secured, in whole or in part, by a lien on the System Pledged Revenues, as and when such amounts become due and payable.

(e) *Judgments.* One or more judgments for the payment of money in an aggregate amount in excess of \$5,000,000 and not otherwise covered by insurance shall be rendered against CFX and the same shall remain undischarged for a period of 30 consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon any assets of CFX to enforce any such judgment.

### Remedies.

Whenever any event of default under the Junior TIFIA Loan Agreement that occurred and is continuing, in addition to the other remedies otherwise described therein, the TIFIA Lender:

(a) shall be entitled and empowered to institute any actions or proceedings at law or in equity to enforce the collection of any sums due and unpaid under the Junior TIFIA Loan Agreement or any other TIFIA loan documents;

(b) may prosecute any such judgment or final decree against CFX and collect in the manner provided by law out of the property of CFX the moneys adjudged or decreed to be payable, but only in accordance with and to the extent permitted under the Master Junior Lien Bond Resolution;

(c) may take such actions at law or in equity as may appear necessary or desirable to collect all amounts payable by CFX under the Junior TIFIA Loan Agreement or the other TIFIA loan documents then due and thereafter to become due; and

(d) to the extent the Florida Uniform Commercial Code is applicable to any collateral then pledged to the TIFIA Lender pursuant to the Master Junior Lien Bond Resolution including, but not limited to, the System Pledged Revenues, shall have all of the rights and remedies of a secured creditor under the Uniform Commercial Code with respect to such collateral.

### **Issuance of Additional Indebtedness**

In addition to certain limitations imposed by the Bond Resolution and discussed hereinafter, CFX has covenanted in the Junior TIFIA Loan Agreement that, except for certain types of permitted debt as described therein, including Parity Bonds ("Permitted Debt"), CFX must receive prior written consent of the TIFIA Lender to issue or incur indebtedness of any kind; provided, that CFX shall not incur any indebtedness of any kind payable from or supported by the System Pledged Revenues, including Permitted Debt, without the prior written consent of the TIFIA Lender following the occurrence of and during the continuation of an event of default under the Junior TIFIA Loan Agreement. The Junior TIFIA Loan Agreement requires that prior to the issuance by CFX of any Permitted Debt, including Parity Bonds and Junior Lien Bonds, it must comply with certain conditions precedent listed therein, including, but not limited to, securing the TIFIA Lender's consent to the issuance of such Debt or certifying of compliance with certain requirements and financial ratios listed therein. The applicability of specific conditions precedent is based on the type of Permitted Debt proposed to be issued, and in certain circumstances may affect CFX's ability to issue debt under the Bond Resolution, the Master Junior Lien Bond Resolution, or otherwise. The definition of Permitted Debt under the

Junior TIFIA Loan Agreement allows for the issuance of Additional Bonds, including the Series 2018 Bonds, by CFX pursuant to certain conditions specified therein.

See "SUMMARY OF CERTAIN TERMS AND PROVISIONS OF THE BOND RESOLUTION" herein for a description of the aforementioned additional limitations on additional indebtedness under the Bond Resolution.

### **Swap Covenants Under Junior TIFIA Loan Agreement**

CFX has covenanted in the Junior TIFIA Loan Agreement to comply with certain requirements pertaining to interest rate exchange agreements, including, but not limited to the following:

(a) With respect to variable rate Parity Bonds issued after March 25, 2015 and at all times when the TIFIA Loan is outstanding, CFX shall have in full force and effect floating-to-fixed interest rate protection agreements (defined individually therein as a "Qualified Hedge") with an aggregate notional amount of not less than 98% and not more than 102% of the aggregate principal amount of such Bonds projected by CFX from time to time to be outstanding during the term of the TIFIA Loan, and such Qualified Hedges shall have a stated maturity date not earlier than the final maturity date of such related Bonds.

(b) Each Qualified Hedge shall provide for a fixed interest rate or interest rate cap resulting in fixed payment amounts payable by CFX. CFX's payment and termination obligations under such Qualified Hedges shall be from the sources and in the priority specified in the Bond Resolution. CFX shall ensure that, as of the day following the termination date of any Qualified Hedge, either (i) a subsequent Qualified Hedge is in full force and effect to the extent any such Bonds, bear interest at a variable interest rate, or (ii) such variable rate Bonds have been converted to a fixed rate, in each case in accordance with the Junior TIFIA Loan Agreement.

(c) Other than as provided in the Junior TIFIA Loan Agreement, CFX shall neither terminate, transfer nor consent to any transfer of any existing Qualified Hedge without the TIFIA Lender's prior written consent as long as CFX is required to maintain a Qualified Hedge pursuant to the Junior TIFIA Loan Agreement; and

(d) Notwithstanding the foregoing, CFX's affirmative covenants under the Junior TIFIA Loan Agreement related to Qualified Hedges shall not apply to (i) any Qualified Swap Agreements with respect to Outstanding Parity Bonds that were entered into prior to March 25, 2015 and that are described in the Junior TIFIA Loan Agreement (each an "Existing Hedge"), and (ii) the replacement of any Existing Hedge resulting from a novation (not a termination) of such Existing Hedge, provided that, with respect to subclause (b), (1) the terms and conditions of any replacement Qualified Swap Agreement shall be substantially the same as the terms and conditions of the Qualified Swap

Agreement related to the Existing Hedge and (ii) the counterparty to such replacement Qualified Hedge is a qualified provider under the terms of the Junior TIFIA Loan Agreement.

### **Junior TIFIA Loan Agreement**

The Junior TIFIA Loan Agreement was attached in its entirety as an appendix to the Official Statement related to the Refunded Series 2015 Notes and may be accessed through the Municipal Securities Rulemaking Board's EMMA website at the following address: <http://emma.msrb.org/EA731073-EA573166-EA969026.pdf>.

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## **VARIABLE RATE EXPOSURE AND INTEREST RATE EXCHANGE AGREEMENTS**

### **Variable Rate Exposure**

[As of the date of this Official Statement, CFX has variable rate demand debt in the aggregate outstanding par amount of approximately \$[496,620,000]. Of this amount, the Series 2008B-1 Bonds are outstanding in the amount of \$[130,360,000] and are privately placed with Barclays Bank PLC, the Series 2008B-2 Bonds are outstanding in the amount of \$[117,865,000] and are privately placed with RBC Capital Markets, and the Series 2008B-3 Bonds and the Series 2008B-4 Bonds are outstanding in the aggregate amount of \$[248,395,000] and are privately placed with Wells Fargo Bank, National Association. The Series 2008B Bonds are each in the "Bank Rate Mode" pursuant to which they bear interest at a variable rate at a defined spread over the SIFMA Index but are not by supported by a credit facility and/or a liquidity facility.][TO BE UPDATED] CFX continues to closely manage its rollover and re-pricing risks and seek opportunities to reduce such risks in accordance with its current Interest Rate Risk Management Policy and market conditions. However, any inability of CFX to obtain replacement credit facilities and/or liquidity facilities with respect to any of its variable rate demand debt supported by credit facilities and/or liquidity facilities could require CFX to refinance such Bonds at substantially higher interest rates than the current interest rates on such Bonds and/or could force CFX to accept a shorter term out or the acceleration of the maturity of such Bonds as a condition to obtaining a substitute facility. Any such acceleration would be subject to the consent of the TIFIA Lender under the Junior TIFIA Loan Agreement. Additionally, the Junior TIFIA Loan Agreement imposes certain conditions to the issuance by CFX of Permitted Debt, including variable rate demand debt. See "JUNIOR TIFIA LOAN AGREEMENT - Issuance of Additional Indebtedness" herein. For more information relating to CFX's variable rate portfolio, see Note 5 of the "AUDITED FINANCIAL STATEMENTS OF CFX FOR THE FISCAL YEAR ENDED JUNE 30, 2017 AND JUNE 30, 2016" attached hereto as Appendix G. See "VARIABLE RATE EXPOSURE AND INTEREST RATE EXCHANGE AGREEMENTS - Interest Rate Exchange Agreements" herein for a discussion of CFX's interest rate exchange agreements.

### **Interest Rate Exchange Agreements**

*General.* CFX has entered into the transactions described below, and may enter into additional interest rate exchange agreements, forward purchase agreements, or other synthetic financial instruments in the future for the purpose of managing the interest cost of its debt and its capacity to fund additional projects. Interest rate exchange agreements and other synthetic financial instruments involve risks that could result in an economic loss to CFX. CFX's payment obligations under the transactions described below constitute Qualified Swap Payments under the Bond Resolution and are therefore payable from System Pledged Revenues on a parity with CFX's payment obligations with respect to the Series 2018 Bonds, the Outstanding Parity Bonds and any Parity Bonds hereafter issued

under the Bond Resolution, provided however, that any termination payments payable by CFX under the transactions described below are payable from System Pledged Revenues on a subordinate basis to CFX's payment obligations with respect to the Series 2018 Bonds, the Outstanding Parity Bonds and any Parity Bonds hereafter issued under the Bond Resolution, unless CFX elects to finance any such termination payment payable by CFX with the proceeds of Parity Bonds. CFX has adopted an Interest Rate Risk Management Policy for the purpose of managing its risk with respect to these transactions and has complied with all relevant provisions of such policy as in effect from time to time.

Governmental accounting standards require derivative instruments, such as the interest rate exchange agreements described below, to be reported on the face of the entity's financial statement. Since the interest rate exchange agreements described below meet the definition of "qualified hedge," the fair market value of such interest rate exchange agreements is recorded in CFX's audited financial statements as an asset and liability. See "AUDITED FINANCIAL STATEMENTS OF CFX FOR THE FISCAL YEAR ENDED JUNE 30, 2017 AND JUNE 30, 2016" attached hereto as Appendix G.

*Outstanding Qualified Swap Agreements.* In July 2004, CFX entered into five floating-to-fixed interest rate exchange agreements in connection with the issuance of CFX's Variable Rate Revenue Bonds, Series 2005 (the "Series 2005 Bonds") having a combined notional amount of \$[499,105,000] (the "2004 Swaps"). Such interest rate exchange agreements were amended and restated on February 8, 2005. Pursuant to the terms of the 2004 Swaps, CFX has agreed to pay a fixed rate of 4.7753% to each of UBS AG, Citibank, N.A., Morgan Stanley Capital Services Inc., Royal Bank of Canada and JPMorgan Chase Bank, pursuant to a novation agreement transferring the obligation from Bear Stearns Financial Products Inc. (collectively, the "2004 Counterparty") and the 2004 Counterparty will make payments at a variable rate based on the SIFMA Index to CFX. The contractual amounts due for payment by or on behalf of CFX under the 2004 Swaps are guaranteed under a separate insurance policy issued by Ambac Assurance Corporation ("Ambac") in favor of each 2004 Counterparty. Effective March 24, 2010, Ambac established an optional segregated account pursuant to Wisconsin Statute §611.24 (the "Segregated Account") for the purpose of segregating certain segments of its liabilities and consented to the rehabilitation of the Segregated Account. Based upon petition of the Commissioner of Insurance for the State of Wisconsin (the "CIW"), an Order of Rehabilitation was entered by the Circuit Court in Dane County, Wisconsin, the Segregated Account was placed in rehabilitation and a "Rehabilitator" was appointed to take possession of the assets in the Segregated Account and proceed in accordance with the Plan of Operation proposed by the CIW. All five of the insurance policies issued in connection with the 2004 Swaps have been included in the Segregated Account.

The Series 2005 Bonds were refunded with the proceeds of the Series 2008B Bonds. Pursuant to the Amended Ninth Supplemental Bond Resolution authorizing the issuance of the Series 2008B Bonds, the 2004 Swaps were designated as Qualified Swap



Agreements with respect to the Series 2008B Bonds and are currently in place with respect to the Series 2008B Bonds.

### **Termination Risk**

CFX previously acquired swap insurance policies for the swaps associated with the 2004 Swaps. Under certain conditions set forth in the swap agreements, neither CFX nor the respective counterparty may designate an early termination date without the consent of the respective insurer of the related swap unless an "Insurer Event" has occurred whereby such 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 Global, Inc. ("S&P") or Moody's Investors Service, Inc. ("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 separate Credit Support Annex was negotiated with each of the respective counterparties. During Fiscal Year 2009, Ambac, the insurer on the 2004 Swaps, was downgraded below the A-/A3 level. As such, an "Insurer Event" under the 2004 Swaps did take place. Three of the five 2004 Swaps required that CFX demonstrate that it had maintained its own rating above the A-/A3 levels, to prevent a termination, which CFX has and continues to maintain. One of the 2004 Swaps 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 and no posting of collateral is required at this time because the amount of the termination value is below the threshold amount. One of the 2004 Swaps required that CFX either replace the insurance policy with another credit support facility or post collateral in the amount of the termination value in excess of \$15 million, 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 (Fiscal Year 2010). The collateral funds were drawn from an internal discretionary reserve which CFX has established to, among other things, manage the termination risks associated with its swap portfolio. As of the date of this Official Statement, CFX has allocated \$160 million to such internal discretionary reserve. All investment income on the securities posted as collateral and the securities themselves, are income to and assets of CFX, respectively. The original collateral has been returned to CFX and no other notice to post collateral has been received by CFX.

For more information regarding the termination value of CFX's swap portfolio as of June 30, 2017 and a full discussion of the objectives of CFX's swap portfolio, the fair value thereof as well as certain other risks associated with CFX's swap portfolio, see Note 5 of the "AUDITED FINANCIAL STATEMENTS OF CFX FOR THE FISCAL YEAR ENDED JUNE 30, 2017 AND JUNE 30, 2016" attached hereto as Appendix G.

# CFX

## Introduction

The Central Florida Expressway Authority 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 (the "CFX Bill"), 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, Orange and Brevard 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 ten members, consisting of: (a) one member each appointed by the respective chairs of the county commissions of Brevard, 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 ("FTE") Executive Director serves as a non-voting advisor.

CFX is responsible for the planning, design, construction and operation of the "System." The Master Bond Resolution defines the "Expressway System" or "System" as the entire Orlando-Orange County Expressway (now Central Florida Expressway) System in existence on the date of adoption of the Master Bond Resolution, including but not limited to, all approaches, roads, bridges, avenues of access for such System and those extensions, additions or improvements to the System as contemplated by the Master Bond Resolution or the Act, including System Projects. See "DESCRIPTION OF THE SYSTEM" herein. The Master Bond Resolution also provides that in no event shall Non-System Projects be part of the System unless such Non-System Projects shall meet the requirements of the Master Bond Resolution for conversion to a System Project. See "AMENDED AND RESTATED MASTER BOND RESOLUTION" attached hereto as Appendix A. Since its establishment, CFX has constructed 118 centerline miles of limited access expressways, which currently includes portions of the Martin B. Andersen Beachline Expressway (formerly Bee Line Expressway) (SR 528), the Spessard Lindsay Holland East-West Expressway/Arnold Palmer Expressway (SR 408), the Central Florida GreeneWay (SR 417), the Daniel Webster Western Beltway/Wekiva Parkway (SR 429), the John Land Apopka Expressway (SR 414), the Western Beltway Connector (SR 451) and SR 453. CFX is authorized to issue revenue bonds to finance extensions and improvements to the System under the provisions of the Act.

The Florida Transportation Commission is required to monitor the efficiency, productivity and management of the various transportation authorities in the State including CFX and has developed and delivered performance measures which are used to review each such transportation authority once a year.

## CFX Governing Board

The current members of CFX's Governing Board, officers and terms of office are as follows:

<u>Name</u>	<u>Position</u>	<u>CFX Governing Board Term Expires</u>
Fred Hawkins, Jr.	Chairman	At the discretion of the Chair of the Osceola County Board of County Commissioners
Jay Madara	Vice-Chairman	December 31, 2018
Brenda Carey	Treasurer	At the discretion of the Chair of the Seminole County Board of County Commissioners
Jim Barfield	Board Member	At the discretion of the Chair of the Brevard County Board of County Commissioners
Buddy Dyer	Board Member	At conclusion of tenure as Mayor of Orlando, Florida
Andria Herr	Board Member	December 31, 2018
Teresa Jacobs	Board Member	At conclusion of tenure as Mayor of Orange County, Florida
Sean Parks	Board Member	At the discretion of the Chair of the Lake County Board of County Commissioners
S. Michael Scheeringa	Board Member	December 31, 2018
Jennifer Thompson	Board Member	At the discretion of the Chair of the Orange County Board of County Commissioners

CFX's Governing Board operates through various standing and ad hoc committees. The Committees are composed of at least seven voting members with six members being staff members or citizen representatives from all the jurisdictions of CFX and the rest being a citizen representative appointed by the CFX Governing Board after receiving nominations submitted by the gubernatorial Board appointees. The members of the Finance Committee should have financial management expertise in governmental accounting and experience in public finance. The Finance Committee reviews all matters related to CFX's finances and makes recommendations to CFX's Governing Board with respect to such matters. The members of the Audit Committee should have financial expertise in general accounting principles and experience reviewing financial statements and audit reports. The Audit Committee oversees all internal and external audit functions. The members of the Right-of-Way Committee have experience in Florida eminent domain matters and possess sufficient experience in property acquisition and disposition. The Right-of-Way Committee is responsible for providing oversight and control of the property

acquisition and disposition process. The members of the Operations Committee should have operations and management experience. The Operations Committee is responsible for reviewing operational information such as toll collection and violation processing functions, and to establish agency performance indicators to monitor agency operations.

### **CFX Management**

The System is managed by an Executive Director who is appointed by CFX's Governing Board and oversees a staff of approximately 77 full-time employees.

Biographical data concerning certain key officials of CFX is set forth below.

#### *Laura Kelley, Executive Director.*

Laura L. Kelley, Executive Director since May 14, 2015, has been with the agency since 2006. Ms. Kelley holds a Bachelor of Science Degree in Accounting from Florida State University. Prior to joining CFX, she served as the Executive Director for the Florida Transportation Commission in Tallahassee, Florida. Among her accomplishments, Ms. Kelley developed the Florida Transportation Commission Investment Plan for Continued Economic Growth. She has more than 20 years of experience in transportation policy analysis and management.

#### *Lisa Lumbar, Chief Financial Officer.*

Lisa Lumbar, Chief Financial Officer, has been with CFX since 1998. She oversees all of CFX's financial areas, including finance, accounting, budget, procurement and supplier diversity. Ms. Lumbar holds Bachelor of Science Degrees in Finance and International Business from Florida State University. Ms. Lumbar is active in the Florida Government Finance and Officers' Association and the Government Finance Officers Association. Ms. Lumbar is also on the Finance Standing Committee and Investment Subcommittee for the International Bridge, Tunnel and Turnpike Association.

#### *Joseph L. Passiatore, Esq., General Counsel.*

Joseph L. Passiatore, General Counsel, has been with CFX since June 2007. Mr. Passiatore provides primary legal representation and oversees all legal services for CFX. He received his Bachelor of Arts degree in government from the University of Notre Dame in 1974 and his Juris Doctorate from Stetson College of Law in 1977. He has been a member of the Florida Bar since 1978.

Joseph A. Berenis, P.E., Chief of Infrastructure.

Joseph A. Berenis, P.E., Chief of Infrastructure, has been with CFX since March 1988. He oversees all phases of design, construction, and maintenance. Mr. Berenis holds both a Bachelor and Master of Science in Civil Engineering from the University of Nebraska and is a registered Professional Engineer in Florida and in Nebraska.

Corey Quinn P.E., Chief of Technology/Operations.

Corey Quinn P.E., Chief of Technology/Operations, has been with CFX since 2013. Mr. Quinn oversees Information Technology, Tolling Operations and Intelligent Transportation Systems. Mr. Quinn holds a Bachelor of Science Degree in Civil Engineering from Florida State University and a Masters in Business Administration from the University of Central Florida. Mr. Quinn is a registered Professional Engineer in Florida and serves as the Transportation, Systems, Management and Operations Committee Chairman for MetroPlan Orlando. He is also in the ITS Florida organization, serving on the board.

Michelle Maikisch, Chief of Staff/Public Affairs Officer.

Michelle Maikisch, Chief of Staff/Public Affairs Office, has more than 15 years in the transportation industry and has been with the agency since 2008. As Chief of Staff/Public Affairs Officer, Ms. Maikisch oversees Human Resources, Records Management and Communications, including legislative affairs. She received her Bachelor of Science Degree in Communication from Florida State University. She is a member of Women in Transportation Services.

## **Pension Funding**

Most permanent employees of CFX participate in the State of Florida Retirement System (the "FRS"), a multiple-employer, cost-sharing, public retirement system administered by the Florida Department of Administration, Division of Retirement. Beginning in 2002, the FRS became one system with two primary plans; a defined benefit pension plan (the "FRS Pension Plan") and a defined contribution plan alternative to the defined benefit plan known as the Public Employee Optional Retirement Program (the "FRS Investment Plan") to provide retirement, disability, and death benefits for active members, retirees, surviving beneficiaries, and deferred retirement option program participants. Benefits under the FRS are established by Chapter 121, Florida Statutes, and Chapter 605, Florida Administrative Code. 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. Benefits are computed on the basis of age, average final compensation, and service credit. Employees are classified in either the regular service class or the senior management service class for

members who fill senior-level management positions. In addition, the FRS administers a deferred retirement option program ("DROP") which 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.

The State of Florida issues a publicly available financial report that includes financial statements, required supplementary information for the FRS and other information including historical data regarding funding progress and actuarial values and liabilities. The most recent available report for the plan year ended June 30, 2017 may be obtained by writing the Florida Division of Retirement, P.O. Box 9000, Tallahassee, Florida 32315-9000 or by accessing their website at [http://www.dms.myflorida.com/workforce\\_operations/retirement/publications/annual\\_reports](http://www.dms.myflorida.com/workforce_operations/retirement/publications/annual_reports).

The 2017 FRS Annual Report available as mentioned in the preceding paragraph stated that as of June 30, 2017, the market value of assets for the FRS Pension Plan was approximately \$153.6 billion. This reflects a 13.77% annualized investment return. The fiduciary net position as of June 30, 2017, was \$154.1 billion, an 8.66% increase over the previous year. As of July 1, 2016, the date of the last actuarial valuation, the FRS Pension Plan was 84.3% funded on a valuation funding basis and 83.9% funded on a Governmental Accounting Standards Board Statement No. 67 reporting basis.

CFX has no responsibility to the FRS other than to make the periodic payments required by Florida Statutes. Participating employers must comply with the statutory contribution requirements. Section 121.031(3), Florida Statutes, requires an annual actuarial valuation of the FRS Pension Plan, which is provided to the Florida Legislature as guidance for funding decisions. Employer contribution rates under the uniform rate structure (a blending of both the FRS Pension Plan and FRS Investment Plan rates) are recommended by the actuary but set by the Florida Legislature. The Fiscal Year 2018 contribution rate for the FRS Pension Plan applied to regular employee salaries was \_\_\_\_\_%, including \_\_\_\_\_% for a post-retirement health insurance subsidy ("HIS"). The Fiscal Year 2017 contribution rate was 7.52%, which included 1.66% for HIS. The Fiscal Year 2018 contribution rate applied to senior management salaries was \_\_\_\_\_%, including \_\_\_\_\_% for HIS. The Fiscal Year 2017 contribution rate was 21.77%, which included 1.66% for HIS. The Fiscal Year 2018 contribution rate applied to the salaries of employees in DROP was \_\_\_\_\_%, including \_\_\_\_\_% for HIS. The Fiscal Year 2017 contribution rate was 12.99%, which included 1.66% for HIS.

For the Fiscal Years ended June 30, 2018 and 2017 CFX's actual contributions to the FRS totaled \$\_\_\_\_\_ and \$710,000, respectively, which were equal to the required actuarially determined contributions for such Fiscal Years. Therefore CFX does not have a pension asset or liability as determined in accordance with GASB Statement No. 27.

Prior to the spring 2011 legislative session, the FRS was noncontributory for members. However, as of July 1, 2011, Chapter 2011-68 of the Laws of Florida requires members of the FRS not enrolled in DROP to contribute 3% of their salary to the FRS in order to reduce employers' required contributions. Employee contributions were \$\_\_\_\_\_ and \$177,000 for the Fiscal Years ended June 30, 2018 and 2017, respectively.

In June 2012, the Government Accounting Standards Board ("GASB") issued Statement No. 68 "Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27" ("GASB No. 68"). The scope of GASB No. 68 addresses accounting and financial reporting for pensions that are provided to employees of state and local governmental employers that meet certain characteristics. GASB No. 68 establishes standards for measuring and recognizing liabilities, deferred outflows/inflows of resources and expense/expenditures. For defined benefit pensions such as the FRS Pension Plan, GASB No. 68 identifies methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to periods of employee service.

The component of the collective net pension liability of CFX for Fiscal Year 2017 and Fiscal Year 2016 are shown in the following table:

<b>Fiscal Year</b>	<b>FRS</b>	<b>HIS</b>	<b>Total</b>
2018	\$_____	\$_____	\$_____
2017	4,812,490	2,017,719	6,830,209

The net pension liability as of June 30, 2018 and June 30, 2017 was measured as of June 30, 2017 and June 30, 2016, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of those dates. The [increase] in FRS and HIS contributions between Fiscal Years 2017 and 2018 was primarily attributable to [an increase in salaries for all CFX employees as well as the addition of a new managerial position].

At June 30, 2016, CFX's proportion of the FRS was 0.0191%, which was an increase of 0.0017% from its proportion measured as of June 30, 2015. At June 30, 2016, CFX's proportion of the HIS was 0.0173%, which was an increase of 0.0016% from its proportion measured as of June 30, 2015.

For the Fiscal Years ended June 30, 2018 and 2017, CFX recognized pension expense of approximately \$\_\_\_\_\_ and \$1,270,000, respectively.

See Note 8 of the "AUDITED FINANCIAL STATEMENTS OF CFX FOR THE FISCAL YEAR ENDED JUNE 30, 2018 AND JUNE 30, 2017" attached hereto as Appendix G for further information regarding the FRS and the retirement plans available to the employees of CFX.

## **Legislative Matters**

[CFX is an independent special district established by the Florida Legislature. CFX may, from time to time in the future, be subject to changes in laws or regulations, many of which are beyond the control of CFX, that could have an effect on the existence, revenues, management, operations and finances of CFX. Notwithstanding the foregoing, pursuant to the current provisions of the Act, the State has covenanted not to limit or alter the rights vested in CFX and the Department under the Act until all outstanding Bonds, including the Series 2018 Bonds, are fully paid and discharged.][TO BE CONFIRMED]

### **Osceola County Expressway System Transfer**

[Pursuant to the CFX Bill, all powers, governance, and control of the Osceola County Expressway System (the "OCX System") and the assets, liabilities, facilities, property, and any other legal rights of the Osceola County Expressway Authority ("OCX"), shall be transferred to CFX effective December 31, 2018. Upon such transfer, the OCX System facilities shall each be considered Non-System Projects of CFX. However, the effective date of such transfer shall be extended until the date on which the current and forecasted total debt service coverage ratio with respect to all bonds, notes, loans, and other debt obligations issued to finance such facilities to be transferred is certified by the financial advisor for CFX to be equal to or greater than 1.5x for each and every year during which such obligations are then scheduled to be outstanding, including scheduled reimbursement obligations to other governmental entities. The CFX Bill provides that after the transfer of the OCX System to CFX, CFX shall include the uncompleted elements of the OCX May 8, 2012 Master Plan (the "OCX Master Plan"), and the additional extension of the Osceola Parkway as described therein (the "Osceola Parkway Extension") in the equivalent CFX master or long-range plan, each as Non-System Projects.

Upon the transfer of the OCX System to CFX, CFX shall comply with any and all obligations of the OCX to reimburse other governmental entities for costs incurred on behalf of the OCX System from revenues of the OCX System available after payment of all amounts required for operation and maintenance of the OCX System and all amounts required to be paid under the terms of any resolution authorizing the issuance of bonds to fund the acquisition, design, or construction of any portion of the OCX System. This reimbursement obligation specifically includes, but is not limited to, any obligation of the OCX to reimburse Osceola County and Polk County for costs incurred, or debt issued, to fund the acquisition, development, construction, operation, and maintenance of the OCX System.

The transfer of any reimbursement obligation of the OCX does not make any reimbursement obligation a general obligation of CFX, and does not constitute an independent pledge or lien on revenues of the CFX for the benefit of any person or entity. To the extent that revenues generated by the OCX System are insufficient to pay a



reimbursement obligation, CFX may, but is not required to, make any payment from other revenues of CFX available for such purpose after payment of all amounts required:

- (a) otherwise by law or contract;
- (b) by the terms of any resolution authorizing the issuance of bonds by CFX or the former Orlando-Orange County Expressway Authority; and
- (c) under the Wekiva MOU.

Pursuant to the CFX Bill, CFX shall have no obligation to financially support any elements of the OCX Master Plan, or the additional extension of the Osceola Parkway Extension, from System Pledged Revenues. To the extent the Governing Board, in its sole discretion, votes to financially support any elements of the OCX Master Plan, or the Osceola Parkway Extension, it must treat any such element as a Non-System Project and shall only finance such element from System Pledged Revenues to the extent permitted by and in accordance with the terms of the Bond Resolution. For the purpose of advancing the design, acquisition, and construction of the elements of the OCX Master Plan, and the Osceola Parkway Extension, CFX is specifically authorized to enter into new or amended lease-purchase agreements with Osceola County for the leasing, construction, operation, and maintenance of any facility described in the OCX Master Plan, and the Osceola Parkway Extension.

In order to provide for the orderly transition of responsibility for the design, acquisition and construction of the elements of the OCX Master Plan in accordance with the CFX Bill, on September 8, 2016, CFX, Osceola County and OCX entered into an Interlocal Agreement (the "OCX Interlocal Agreement") to address CFX's role in the future development of OCX System facilities. Under the OCX Interlocal Agreement, CFX agrees to add the unconstructed portions of the OCX System facilities to its long range Master Plan and CFX has added such facilities to its long range Master Plan. The only OCX System facility currently in operation or under construction is the Poinciana Parkway, an approximately 10 mile limited access, all electronic toll facility owned by Osceola County and leased to OCX. [A portion of this facility was opened to traffic in May, 2016 with the remaining portion currently scheduled to open in December 2016.] CFX currently provides toll operations and maintenance for this facility. Under the OCX Interlocal Agreement, CFX has the right to continue to operate the Poinciana Parkway in accordance with its existing contractual obligations with OCX, or alternatively can operate it as a Non-System Project. Subject to satisfying several conditions, including compliance with the applicable terms and provisions of the Master Bond Resolution and the repayment of the outstanding Osceola County bonds issued to finance the Poinciana Parkway, CFX also has the right under the OCX Interlocal Agreement to designate the Poinciana Parkway as a System Project. CFX currently intends to operate the Poinciana Parkway in accordance with its existing contractual agreements with OCX and has no current plan to designate the Poinciana Parkway as a System Project.

System Pledged Revenues are not pledged to the repayment of the revenue bonds issued by Osceola County, Florida to finance the Poinciana Parkway, and, until such time as CFX elects to designate the Poinciana Parkway as a System Project, System Pledged Revenues are not otherwise pledged to support the Poinciana Parkway. Under the OCX Interlocal Agreement, CFX has committed to undertake a preliminary concept and feasibility study of the OCX System facilities to determine the feasibility of, and relative order of priorities for the future development, design, acquisition and construction of the OCX System facilities. In future years during which the OCX Interlocal Agreement is in effect, to the extent that portions of the OCX System facilities become financially feasible for CFX to undertake (as determined by CFX in accordance with its current practices, policies and procedures) CFX has agreed to add such facilities to the next annual update of its then current five-year work plan and pursue the development and construction of such facilities, subject to compliance with its current policies and procedures for the design, acquisition, equipping and construction of additions to its System and the requirements of the Master Bond Resolution. Under the OCX Interlocal Agreement, Osceola County retains the right, during the initial, pre-financing and pre-construction phases of such OCX System facilities, to rescind and terminate the Interlocal Agreement with respect to any such facilities, provided that, as a condition to such rescission and termination, Osceola County shall have fully reimbursed CFX for its costs and expenses incurred up to the date of rescission and termination.][TO BE CONFIRMED]

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## DESCRIPTION OF THE SYSTEM

[TO BE REVIEWED]

The following includes information describing the System provided by CFX in addition to summaries of certain information describing the System contained in the Consulting Engineer's Report attached hereto as Appendix C. The Consulting Engineer's Report should be read in its entirety to obtain a more complete description of the System and other proposed roadways. A map of the System is set forth at the beginning of this Official Statement for the reader's reference.

### System Overview

Since the establishment of CFX in 1963, it has opened to traffic 118 centerline miles of limited access expressways consisting of 820 lane miles (including ramps), 69 interchanges, 339 bridges, 14 mainline toll plazas and 74 ramp toll facilities (including three ramp gantries) for a total of 321 tolled lanes. The System consists of seven expressways: the Beachline Expressway (SR 528), the East-West Expressway (SR 408), the Central Florida GreeneWay (SR 417), the Western Beltway/Wekiva Parkway (SR 429), the Apopka Expressway (SR 414), the Western Beltway Connector (SR 451) and SR 453. Traffic on the System has more than tripled since 1994. Between Fiscal Years 2016 and 2017, the System has experienced an increase in transactions of approximately 5.7%.

CFX also operates the Goldenrod Road Extension as a Non-System Project. The Goldenrod Road Extension is a four-lane two mile tolled controlled access highway, meaning there are some cross streets with traffic signals. Revenues generated and expenses incurred by the Goldenrod Road Extension are tracked separately and are not included as a part of the System Pledged Revenues.

In 2004, the Florida Legislature amended the Act to authorize, as part of the System, the financing and construction of the Wekiva Parkway (SR 429 Northern Extension) and the Apopka Expressway (SR 414), including realignment of SR 429 north from the interchange with SR 414.

### Beachline (formerly Bee Line) Expressway (SR 528)

The Martin B. Andersen Beachline Expressway was formerly known as the Bee Line Expressway, and was CFX's first project. The Beachline Expressway provides access to Universal Studios, Sea World, the Orange County Convention Center, Orlando Central Park and Orlando International Airport. The entire SR 528 extends from I-4 on the west to the John F. Kennedy Space Center on the east. CFX's portion of the Beachline Expressway extends from McCoy/Boggy Creek Road on the west to SR 520 on the east, a distance of 23 miles, and includes two mainline toll plazas, ten ramp toll facilities,

(including two ramp gantries). Other portions of the Beachline Expressway, to the east and to the west of CFX's section, were constructed and are owned and operated by the FTE. The Dallas Mainline Toll Plaza, located between the Dallas Boulevard Interchange and SR 520, opened to traffic in March 2012. In November 2014, CFX began construction on a project (the "Airport Mainline Toll Plaza Demolition Project") to remove the Airport Mainline Toll Plaza, construct new ramp toll plazas to/from the Beachline Expressway east at Tradeport Drive and to/from the Beachline Expressway east and west at Boggy Creek Road, and widen the existing portion of the Beachline Expressway from McCoy Road to SR 436. The new tolling scheme was implemented on January 31, 2016, and through an agreement with FTE, tolls are collected at the Beachline West Main Plaza and at the new ramp plazas constructed as part of such Project. The Airport Mainline Toll Plaza Demolition Project was completed in Fall 2016. The FTE-owned portions of the Beachline Expressway connect to CFX's portion and extend further west to I-4 and extend further east to Brevard County coastal areas, including the John F. Kennedy Space Center and I-95. See the map of the System on the inside cover of this Official Statement.

See "DESCRIPTION OF THE SYSTEM - Summary of Level of Service for System" herein for a table summarizing historical traffic volume and roadway capacity for the Beachline Expressway.

#### **East-West Expressway (SR 408)**

The Spessard Lindsay Holland East-West Expressway was opened to traffic in 1973 and now extends from an interchange with Florida's Turnpike in the west to an interchange with SR 50 east of SR 434 (Alafaya Trail) on the east. CFX is responsible for the 22 miles of the East-West Expressway between SR 50 west (at Clarke Road) and SR 50 east. There are five mainline toll plazas and 22 ramp toll facilities on this portion of the East-West Expressway. The Department is responsible for the remainder of the East-West Expressway. On July 1, 2017, the segment of the East-West Expressway extending from Clarke Road to Kirkman Road was redesignated as the Arnold Palmer Expressway. See the map of the System on the inside cover of this Official Statement.

See "DESCRIPTION OF THE SYSTEM - Summary of Level of Service for System" herein for a table summarizing historical traffic volume and roadway capacity for the East-West Expressway.

#### **Central Florida GreeneWay (SR 417)**

CFX operates and maintains the portion of the Central Florida GreeneWay that begins at an intersection with International Drive near SR 535 and runs east and north to the Seminole County/Orange County line for a total of 32 miles. The Central Florida GreeneWay provides a high-speed connection between I-4 on the west and the Beachline Expressway on the east and also provides southerly access to Orlando International Airport, which provides relief to the existing north access from the airport to the Beachline

Expressway and is considered essential for continued airport expansion. As it operates today, the Central Florida GreeneWay includes four mainline toll plazas and 26 ramp toll facilities.

In 1996, the Department extended the Central Florida GreeneWay as a toll road southwest from CFX terminus at International Drive to I-4 south of US 192 in Osceola County. The Central Florida GreeneWay was extended north from the Orange County/Seminole County line one-half mile to SR 426 (Aloma Avenue) in 1988 by the Seminole County Expressway Authority and an additional 12 miles to US 17-92 in 1994 by the Department.

In 2002, the segment of the Central Florida GreeneWay from US 17-92 to I-4 south of SR 46 in Seminole County was opened to traffic completing the eastern beltway around Orlando. These extensions of the Central Florida GreeneWay are a part of FTE's system, owned and managed by the Department and are not a part of the System. See the map of the System on the inside cover of this Official Statement.

See "DESCRIPTION OF THE SYSTEM - Summary of Level of Service for System" herein for a table summarizing historical traffic volume and roadway capacity for the Central Florida GreeneWay.

### **Western Beltway/Wekiva Parkway (SR 429)**

*Western Beltway.* Located in western Orange County, CFX operates and maintains 23 miles of the Daniel Webster Western Beltway, a four-lane limited access expressway that begins at Seidel Road and runs north to its terminus at US 441 in Apopka. Three of the 23 miles are part of a dual route with the Apopka Expressway. The initial portion of the Western Beltway was opened to traffic in July 2000 and extended from Florida's Turnpike in Ocoee to US 441 in Apopka, for a total of approximately 11 centerline miles. In December 2002, the next segment of the Western Beltway was opened to traffic extending the Western Beltway approximately 3.5 miles from CR 535 north to Florida's Turnpike. The remaining segment of the Western Beltway, extending approximately 7.5 miles from CR 535 to Seidel Road, opened to traffic in December 2005. The last segment of the Western Beltway, the dual route SR 429/SR 414, opened to traffic in January 2013 and extends the Western Beltway from SR 429/SR 414 in Apopka to US 441 near Plymouth Sorrento Road. With the opening of the SR 429/SR 414 dual route, the two mile segment of SR 429 north of SR 414 to US 441 near Vick Road was redesignated as SR 451.

Previously, FTE extended SR 429 an additional 11 miles south of CFX terminus at Seidel Road. FTE's first segment of the Western Beltway was opened to traffic in December 2005 and extends from US 192 to Seidel Road. FTE's final segment of the Western Beltway was opened in December 2006 and extends from an interchange with I-

4 in Osceola County to US 192. See the map of the System on the inside cover of this Official Statement.

Wekiva Parkway. The Northern extension of SR 429 from US 441 to I-4 is called the Wekiva Parkway. This extension of SR 429 is a planned approximately 24-mile toll road that will complete the beltway around Metropolitan Orlando. Authorized in 2004 by the Wekiva Parkway and Protection Act (Chapter 369, Part III, Florida Statutes), the Wekiva Parkway provides alternatives to US 441, SR 46 and many local roads in the greater Apopka, Mount Dora and Sanford areas in addition to providing a much needed connection through the environmentally sensitive Wekiva River protection areas.

As a dual agency project, CFX is responsible for the design and construction of approximately 11 miles and the Department is responsible for the design and construction of approximately 13 remaining miles. The CFX section of the Wekiva Parkway includes three mainline toll gantries in an open road, all electronic toll collection facility, with interchanges at US 441, Kelly Park Road, and SR 46 in Lake County. In July 2017, CFX opened the first four miles of its portion of the Wekiva Parkway from US 441 to Kelly Park Road including one mainline toll gantry. The final segment of the CFX portion connecting Kelly Park Road to the Department owned section at CR 435 opened to traffic in March 2018 and includes two mainline toll gantries. The Department's portion of the Wekiva Parkway is currently under construction and will be owned and operated by the Department upon its expected completion in 2023. See "DESCRIPTION OF THE SYSTEM - Capital Improvement Program" herein for a discussion of the Wekiva Parkway and the respective obligations of CFX and the Department related thereto.

As it operates today, SR 429 includes two mainline toll plazas, two mainline gantries and 12 ramp toll facilities. See "DESCRIPTION OF THE SYSTEM - Summary of Level of Service for System" herein for a table summarizing historical traffic volume and roadway capacity for the Western Beltway/Wekiva Parkway.

### **Apopka Expressway (SR 414)**

The John Land Apopka Expressway opened to traffic in May 2009. The Apopka Expressway is a nine mile limited access expressway which extends east from the Western Beltway to Maitland Boulevard at SR 500/US 441. The Apopka Expressway provides direct access to the Western Beltway, I-4, and employment centers such as the Maitland Center, while relieving congestion on US 441 and many local roads in the greater Apopka area. In addition, the Apopka Expressway serves primarily as a bypass route around the heavily congested Apopka urban area. The Apopka Expressway was constructed with four interchanges, one mainline toll plaza, and four ramp toll facilities. In June 2010, construction began for Phase II of this project. The new System interchange with the Western Beltway and the extension of the Apopka Expressway from the Western Beltway to Boy Scout Road was completed in September 2012. Phase II also includes the extension

of Boy Scout Road to US 441 West, which opened to traffic in January 2013. See the map of the System on the inside cover of this Official Statement.

See "DESCRIPTION OF THE SYSTEM - Summary of Level of Service for System" herein for a table summarizing historical traffic volume and roadway capacity for the Apopka Expressway.

### **Western Beltway Connector (SR 451)**

The Western Beltway Connector was previously the northern portion of the Western Beltway, which opened to traffic in July 2000. With the opening of the dual route SR 429/SR 414 in January 2013, this two mile segment north of the Apopka Expressway to US 441 near Vick Road was redesignated as the Western Beltway Connector (SR 451). There are no mainline or ramp toll plazas associated with this portion of the System.

### **SR 453**

SR 453 is a 1.6-mile limited access spur road facility connecting the Wekiva Parkway (SR 429) to SR 46 near Mount Dora in Lake County. SR 453 includes one mainline toll gantry and connects with the Wekiva Parkway's interchange at Haas Road-Ondich Road and Plymouth Sorrento Road (CR 437). Locally referred to as the "Mount Dora Connector," SR 453 was constructed as part of CFX's overall contribution to the Wekiva Parkway project and opened to traffic in March 2018. For August 2018, approximately 6,800 vehicles per weekday traveled on SR 453.

### **Traffic Volumes**

The following table provides the historic traffic volumes and roadway capacity for the mainline toll plazas of the System for calendar years 2008 through 2017 as well as the generalized Level of Service ("LOS") "E" traffic volume for the mainline in the vicinity of each plaza. LOS provides a measure of the congestion level of a particular roadway; each letter designation describes a range of operating conditions on a particular type of facility, where LOS "A," is the least congested and LOS "F" is the worst or forced flow conditions. The basis for this level of service analysis is generalized daily roadway level of service volumes for urban freeways derived from the FDOT 2013 Quality/Level of Service Handbook. The LOS "E" volume is the largest average weekday traffic volume that could be processed by the expressway before forced flow conditions are reached.

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## Traffic Volumes at Mainline Toll Plazas/Selected Expressway Segments - Existing System

[TO BE REVIEWED AND CONFORMED TO PREVIOUS TABLES]

Expressway Mainline Toll Plazas	Beachline Expressway (SR 528)			East-West Expressway (SR 408)				
	Airport Mainline Toll Plaza <sup>(1)</sup>	[SR 528 Mainline Boggy Creek Road to Tradeport Drive <sup>(2)</sup> ]	Beachline Mainline Toll Plaza	Dallas Mainline Toll Plaza <sup>(3)</sup>	Hiawassee Mainline Toll Plaza	Pine Hills Mainline Toll Plaza	Conway Mainline Toll Plaza <sup>(4)</sup>	Dean Mainline Toll Plaza
LOS E Volume <sup>(5)</sup> (Calendar Year)	N/A	123,300	79,900	79,900	79,900	123,300	210,300	79,900
	<b>Average Annual Weekday Traffic (AAWT)</b>							
2017	Demolished	109,200	65,500	51,100	72,200	94,900	147,200	83,600
2016	Demolished	110,500	60,700	46,900	73,500	89,100	140,400	79,600
2015 <sup>(7)</sup>	91,300	104,500	56,100	45,500	69,500	85,200	132,900	74,200
2014 <sup>(8)</sup>	83,800	98,500	53,500	40,900	61,400	77,200	125,900	71,100
2013	80,700	92,200	49,200	39,200	57,800	72,200	116,700	67,300
2012 <sup>(9)(10)</sup>	80,800	94,300	48,400	38,400	56,300	71,200	118,000	67,200
2011	78,700	90,800	46,900	Not Open	57,200	72,100	120,100	66,700
2010 <sup>(11)</sup>	77,800	88,800	46,300	Not Open	56,700	71,200	118,200	68,100
2009 <sup>(12)</sup>	75,200	85,300	43,300	Not Open	55,900	69,800	113,200	65,900
2008	76,300	85,700	42,500	Not Open	61,600	77,800	112,200	66,000

<sup>(1)</sup> In February 2016, the Airport Mainline Toll Plaza was taken out of service and demolished as part of the SR 528 widening project from Boggy Creek to SR 436. The toll is now collected at the Beachline Mainline Toll Plaza.

<sup>(2)</sup> [There are no mainline toll plazas associated with the SR 528 Mainline Boggy Creek Road to Tradeport Drive segment. Used traffic data obtained from traffic sensors for this segment. Toll collection changed to ramp configuration in February 2016.][TO BE DISCUSSED]

<sup>(3)</sup> The Dallas Mainline Toll Plaza, located east of the Dallas Boulevard Interchange opened to traffic in March 2012.

<sup>(4)</sup> The Holland East Plaza was renamed to the Conway Mainline Toll Plaza based on the re-construction of the toll plaza. For the year 2008, the AAWT for Holland East Plaza is lower than previous years based on the new SR 436/Andes Avenue eastbound off-ramp tolled ramp terminal. Traffic to SR 436/Andes Avenue now exits before the toll plaza. The new SR 436/Andes Avenue ramp terminal opened to traffic in September 2007.

<sup>(5)</sup> Capacities used were obtained from the generalized daily LOS E volumes for urban freeways shown in the FDOT 2013 Quality / Level of Service Handbook.

<sup>(6)</sup> The year 2016 AAWT volumes were developed collecting traffic counts and applying the appropriate year 2016 seasonal/monthly adjustment factors.

<sup>(7)</sup> The year 2015 AAWT volumes were developed by collecting traffic counts and applying the appropriate year 2015 seasonal/monthly adjustment factors.

<sup>(8)</sup> The year 2014 AAWT volumes were developed collecting a 3-Day traffic count and applying the appropriate year 2014 seasonal/monthly adjustment factors.

<sup>(9)</sup> The year 2012 AAWT volumes were revised based on updated and revised seasonal/monthly adjustment factors to reflect the calendar year 2012 numbers versus Fiscal Year 2012 numbers previously developed.

<sup>(10)</sup> A System-wide toll increase was applied in July 2012.

<sup>(11)</sup> The year 2010 AAWT volumes were revised based on updated and revised seasonal/monthly adjustment factors to reflect the calendar year 2010 numbers versus Fiscal Year 2010 numbers previously developed.

<sup>(12)</sup> A System-wide toll increase took effect in Fiscal Year 2009.

Source: CFX and Consulting Engineer's Report dated \_\_\_\_\_, 2018 attached hereto as APPENDIX C.



**Traffic Volumes at Mainline Toll Plazas/Selected Expressway Segments - Existing System  
(continued)**

Expressway Mainline Toll Plazas	Central Florida GreeneWay (SR 417)				Western Beltway/Wekiva Parkway (SR 429)				Apopka Expressway (SR 414)	SR 451 <sup>(1)</sup>
	John Young Mainline Toll Plaza	Boggy Creek Mainline Toll Plaza	Curry Ford Mainline Toll Plaza	University Mainline Toll Plaza	Forest Lake Mainline Toll Plaza	Independence Mainline Toll Plaza	[SR 451/414 to SR 429 Connector Road]	[Ponkan Mainline Gantry]	Coral Hills Mainline Toll Plaza	SR 429/414 to US 441
LOS E Volume <sup>(2)</sup> (Calendar Year)	79,900	79,900	123,300	123,300	79,900	79,900	123,300	N/A	123,300	79,900
	<b>Average Annual Weekday Traffic (AAWT)</b>									
2017	76,900	78,800	105,700	103,000	61,000	41,300	30,000	9,600	36,900	17,300
2016 <sup>(3)</sup>	62,200	66,700	97,300	95,700	53,500	31,600	28,500	Not Opened	33,900	15,800
2015 <sup>(4)</sup>	51,500	54,600	86,000	86,700	46,400	26,200	24,500	Not Opened	29,100	14,600
2014 <sup>(5)</sup>	44,800	44,900	73,800	74,100	38,900	19,500	21,300	Not Opened	24,100	12,800
2013	41,800	40,300	66,600	71,700	34,400	16,600	18,700	Not Opened	20,900	12,300
2012 <sup>(6)(7)</sup>	41,300	38,400	65,000	72,800	31,700	15,900	Not Open	Not Opened	16,300	26,100
2011	41,400	38,300	62,500	74,900	29,600	14,100	Not Open	Not Opened	13,800	26,700
2010 <sup>(8)</sup>	39,600	36,500	63,200	72,900	29,500	13,700	Not Open	Not Opened	13,000	26,400
2009 <sup>(9)</sup>	38,200	35,900	63,300	70,500	27,600	12,500	Not Open	Not Opened	10,500	26,400
2008	43,500	40,400	68,900	75,600	27,000	13,500	Not Open	Not Opened	Not Open	25,100

- (1) There are no mainline toll plazas associated with SR 451. Used traffic data obtained from traffic sensors for this segment. With the opening of SR429/414 in January 2013, the existing north portion of SR 429 was re-designated as SR 451. SR 451 provides a connection from SR 414 to US 441 near Vick Road.
- (2) Capacities used were obtained from the generalized daily LOS E volumes for urban freeways shown in the FDOT 2013 Quality / Level of Service Handbook.
- (3) The year 2016 AAWT volumes were developed collecting traffic counts and applying the appropriate year 2016 seasonal/monthly adjustment factors.
- (4) The year 2015 AAWT volumes were developed by collecting traffic counts and applying the appropriate year 2015 seasonal/monthly adjustment factors.
- (5) The year 2014 AAWT volumes were developed collecting a 3-Day traffic count and applying the appropriate year 2014 seasonal/monthly adjustment factors.
- (6) The year 2012 AAWT volumes were revised based on updated and revised seasonal/monthly adjustment factors to reflect the calendar year 2012 numbers versus Fiscal Year 2012 numbers previously developed.
- (7) A systemwide toll increase was applied in July 2012.
- (8) The year 2010 AAWT volumes were revised based on updated and revised seasonal/monthly adjustment factors to reflect the calendar year 2010 numbers versus Fiscal Year 2010 numbers previously developed.
- (9) A System-wide toll increase took effect in Fiscal Year 2009.

Source: CFX and Consulting Engineer's Report dated \_\_\_\_\_, 2018 attached hereto as APPENDIX C.

## **Summary of Level of Service for System**

The following table provides a general summary of the level of service, for selected expressway segments, at which the System is operating. The System generally operates at acceptable levels of service (LOS "D" or better) throughout the day and has adequate capacity to accommodate near-term traffic volume increases. However, some ramps and roadway segments experience congestion or significant delays, usually during the morning or evening peak hours. Improvements to the System to reduce congestion and delays on these segments are addressed in the current Five-Year Work Plan. See "DESCRIPTION OF THE SYSTEM - Capital Improvement Program" herein.

[Remainder of page intentionally left blank]

## Summary of Level of Service for Selected Expressway Segments

[TO BE REVIEWED AND CONFORMED TO PRIOR TABLES]

Expressway/Location	Existing Conditions		Calendar Year 2017 Average Annual Weekday Traffic <sup>(2)</sup>	Generalized Level of Service (LOS)		
	Number of Lanes (mainline)	Level of Service "E" Volume <sup>(1)</sup>		Volume to LOS E Volume Capacity Ratio	Density <sup>(3)</sup> pc/mi/ln	Level of Service (LOS)
<b>Beachline Expressway (SR 528)</b>						
Airport Mainline Toll Plaza <sup>(4)</sup>	Taken out of service and demolished February 2016					
[SR 528 Mainline Boggy Creek Road to Tradeport Drive] <sup>(5)</sup>	6	123,300	109,200	0.89	25.50	C
Beachline Mainline Toll Plaza	4	79,900	65,500	0.82	23.08	C
Dallas Mainline Toll Plaza <sup>(6)</sup>	4	79,900	51,100	0.64	15.94	B
<b>East-West Expressway (SR 408)</b>						
Hiawasse Mainline Toll Plaza <sup>(7)</sup>	4	79,900	72,200	0.90	40.31	E
Pine Hills Mainline Toll Plaza	6	123,300	94,900	0.77	26.96	D
Conway Mainline Toll Plaza <sup>(8)</sup>	8	210,300	147,200	0.88	31.52	D
Dean Mainline Toll Plaza <sup>(9)</sup>	4	79,900	83,600	1.05	38.62	E
<b>Central Florida GreeneWay (SR 417)</b>						
John Young Mainline Toll Plaza	4	79,900	76,900	0.96	39.74	E
Boggy Creek Mainline Toll Plaza	4	79,900	78,800	0.99	33.37	D
Curry Ford Mainline Toll Plaza	6	123,300	105,700	0.86	32.84	D
University Mainline Toll Plaza	6	123,300	103,000	0.84	34.64	D
<b>Western Beltway (SR 429)</b>						
Forest Lake Mainline Toll Plaza	4	79,900	61,000	0.76	27.50	D
Independence Mainline Toll Plaza	4	79,900	41,300	0.52	17.52	B
[SR 451/414 to SR 429 Connector Road]	6	123,300	30,000	0.24	7.99	A
[Ponkan Gantry]	4	123,300	9,600	0.68	4.21	A
<b>Apopka Expressway (SR 414)</b>						
Coral Hills Mainline Toll Plaza	6	123,300	36,900	0.30	10.72	A
<b>SR 451<sup>(10)</sup></b>						
SR 429/414 to US 441	4	79,900	17,300	0.22	7.34	A

(1) Capacities used were obtained from the generalized daily LOS E volumes for urban freeways shown in the FDOT 2013 Quality / Level of Service Handbook.

(2) The year 2017 AAWT volumes were obtained from traffic sensors and plaza counts and applying the appropriate year 2017 seasonal/monthly adjustment factors.

(3) Level of Service Criteria for the basic freeway segments per the new 2010 Highway Capacity manual is to be defined by Density (pc/mi/ln). Density LOS is described as follows: LOS A <= 11; 11 < LOS B <= 18; 18 < LOS C <= 26; 26 < LOS D <= 35; 35 < LOS E <= 45.

(4) In February 2016, the Airport Mainline Toll Plaza was taken out of service and demolished as part of the SR 528 widening project from Boggy Creek to SR 436.

(5) There are no mainline toll plazas associated with the SR 528 Mainline Boggy Creek Road to Tradeport Drive segment. Used traffic data obtained from traffic sensors for this segment.

(6) The Dallas Mainline Toll Plaza, located east of the Dallas Boulevard Interchange opened to traffic in March 2012.

(7) The Hiawasse Mainline Toll Plaza is scheduled to be widened to six general use lanes beginning in October 2016. Following completion of this widening project, it is anticipated that this segment will operate at LOS C volumes.

(8) SR 408 milling and resurfacing project underway which when completed will add one additional open road tolling lane in each direction.

(9) Widening project currently under construction.

(10) There are no mainline toll plazas associated with SR 451. With the opening of SR 429/414 in January 2013, the existing north portion of SR 429 was re-designated as SR 451.

Source: CFX and Consulting Engineer's Report dated \_\_\_\_\_, 2018 and attached hereto as APPENDIX C.

## **Toll Collection**

CFX processes both cash and electronic transactions. CFX's electronic toll collection ("ETC") system has been a highly successful program. The ETC system improved the effectiveness of CFX's toll revenue operations by reducing operating costs and improving traffic operation. The fully computerized ETC system includes lane controller computers on each toll lane, plaza computers at each mainline toll plaza, a service center with computers and a system host computer. As of August 29, 2018, the number of vehicles equipped with E-PASS transponders was 791,607, representing 407,259 accounts. Over 88% of all toll revenues and over 89% of transactions are paid using ETC. The ETC System has offered the following benefits to CFX:

- (a) Provides CFX with more effective management, accounting and auditing capability;
- (b) Helps accommodate the projected traffic growth of the System through enhanced traffic management capability;
- (c) Provides increased toll facility capacity by allowing faster transactions and non-stop movement of traffic which has allowed CFX to delay or reduce the need for toll facility expansion; and
- (d) Enhances security through software which allows access only by authorized operations and management personnel.

The ETC system features automatic vehicle identification technology, referred to a "E-PASS," which allows motorists with prepaid accounts to electronically pay the required tolls without stopping at toll booths. The ETC system also includes a violation enforcement system which uses a camera to capture a picture of a toll violator's vehicle and license plate. Currently, the E-PASS transponders are interoperable with all other toll agencies within the State and the North Carolina Turnpike (Quick Pass) and Georgia State Road Tolling Authority (Peach Pass) systems. On September 1, 2018, CFX joined the E-ZPASS group which currently provides interoperable ETC across 16 eastern states. On October 1, 2018, CFX began offering "E-PASS Extra" transponders powered by E-ZPASS, which will allow CFX customers to use a single transponder on both the System and whilst traveling up and down the Eastern Seaboard on E-ZPASS compatible facilities.

CFX has begun an initiative to replace the current ETC system which is more than 15 years old and is now at the end of its service life. Integrated video tolling/enhanced violation enforcement with robust optical character recognition and automated processes will be some of the new features included in the replacement system. The replacement system is also expected to include improved express lane features, overview and monitoring capabilities, and a major upgrade of the back office, customer service center

and IT environment in general. CFX implemented a pay-by-plate program concurrent with the opening of the first Wekiva Parkway segment in July 2017.

Due to the success of the E-PASS program, CFX has recently completed a plan to convert all traditional barrier style toll plazas into open road tolling plazas. At open road tolling plazas, E-PASS customers can travel through exclusive mainline E-PASS lanes and pay their toll while maintaining the posted speed without slowing or stopping. Non-ETC users must exit the mainline lanes to a separate cash toll plaza. With the recent demolition of the Airport Mainline Toll Plaza on SR 528, all 14 of CFX's mainline toll plazas are operating in an open road tolling configuration.

Currently, CFX has privatized its toll collections operations. In 1995, Florida Toll Services was selected as the toll facility operations and management services contractor and continued to serve CFX in that capacity through September 2015. In December 2015, the Governing Board entered into a new contract for toll facility operations and management services with URS Energy & Construction, Inc. The contract expires in December 2020 with five one-year extension options.

The privatization of toll collections has allowed CFX to increase its control over revenue collections and toll facility operations. Through the toll facility operations and management contractor, CFX now is better able to address customer relations during the toll collection process. Overall, privatization has increased the efficiency of the toll collections process and has resulted in cost savings in toll plaza operations.

[As mentioned above, E-PASS transponders are interoperable with all other State toll agency ETC systems, including "SunPass," the statewide ETC system operated by FTE for use by customers utilizing FTE, Tampa-Hillsborough County Expressway Authority ("THEA") and Miami-Dade Expressway Authority ("MDX") toll roads. Additionally, SunPass transponders are interoperable for toll collection by CFX's ETC system. Tolls charged to customers using SunPass at System tolling plazas are [processed by FTE] and remitted to CFX (and vice-versa for E-PASS customers using FTE, THEA and MDX facilities) on a [weekly basis]. On June 5, 2018, the Department, [on behalf of FTE] began implementing an upgrade to the SunPass system including the implementation of a new statewide Centralized Customer Service System ("CCSS") designed to provide all electronic tolling customer support functions for FTE, THEA and MDX under a single operation. CCSS operations include billing, invoicing and customer account management. As part of the upgrade process, the SunPass system was expected to experience downtime as the new third-party vendor implemented its system. However, the third-party vendor has experienced problems with properly processing transactions following the activation of the updated system and ongoing delays in processing toll transactions. During this time, SunPass tolls have remained in effect statewide, and all related toll activity has been recorded for subsequent processing throughout the implementation period. As a result, remittance of tolls owed to CFX from SunPass users, and to FTE from E-PASS users, has been delayed. The Department and CFX are actively working to reconcile all affected

transactions to calculate a net reimbursement figure owed to one of the entities (likely CFX, as there are significantly more SunPass users than E-PASS users). While this issue persists, the Department has been making weekly payments to CFX in the amount of \$5 million, which is an estimate of weekly toll revenues owed. The Department intends to send CFX a lump sum payment to bring CFX current with all transactions and revenue owed since the system interruption began. However, CFX does not believe that this issue will have any material effect on its financial position nor does it expect any disruption in the funding or payment of debt service on any of its Bonds, including the Series 2018 Bonds.][TO BE UPDATED]

See "SYSTEM REVENUES - Discount Programs" herein for a discussion of the discount programs offered to certain users of the System.

### **Intelligent Transportation Systems**

In 1999, CFX concluded a systemwide Intelligent Transportation Systems ("ITS") Master Plan study that identified opportunities to improve the management of incidents and the operation of the System. In January 2000, CFX commissioned the construction of its existing fiber optic network (the "FON") which is comprised of over 200 miles of fiber optic cable extending on both sides of CFX's right-of-way in a route-redundant configuration along all CFX-maintained expressway corridors. The FON serves CFX's immediate and long-term telecommunications needs for data, voice, video transmission, and any future ITS applications by providing linked telecommunication services for CFX between its headquarters office, mainline and ramp facilities. A direct fiber optic connection also exists between CFX Headquarters and the FDOT District 5 Regional Traffic Management Center to allow for sharing of video and data for traffic management purposes. CFX currently leases a portion of one of the eight total FON conduits to a third party. Additionally, the FON enabled CFX to advance an ITS program of projects known as the "Expressway Management System." The Expressway Management System provides systemwide expressway coverage, and equips CFX with real-time operational tools to manage incidents and provide decision quality information to its customers.

See the Consulting Engineer's Report attached hereto as Appendix C for a detailed discussion of CFX's current ITS program, including the Expressway Management System and the related projects CFX plans to undertake in the future.

### **Physical Condition of Expressway System**

The Bond Resolution requires that the General Engineering Consultant for CFX, perform an annual inspection of the System and issue an Annual Inspection Report regarding the physical condition of the System. The Annual Inspection Report summarizes the findings of these examinations by category for (a) roadways, (b) bridges and (c) buildings. CFX uses the Annual Inspection Report as a guide for their maintenance staff to perform needed repairs and improvements to the System. The 2017 Annual

Inspection Report was completed in January, 2018 by the General Engineering Consultant, and found that overall, the System is in good repair, working order and condition. Most of the conditions identified in this most recent Annual Inspection Report are correctable and will be addressed by CFX under the routine maintenance programs funded by CFX and supplemented by the Department. Those conditions not corrected under the routine maintenance programs will be corrected as renewal and replacement projects under the Five-Year Work Plan. See "MAINTENANCE OF SYSTEM" herein.

### **Capital Improvement Program**

In August 1983, CFX finalized the first of its Long-Range Expressway Plans to meet the transportation improvement needs of the Orlando urban area through the year 2000. Since then, CFX has periodically updated its Long-Range Expressway Plan to continuously meet the growing and changing needs of the Orlando urban area. Most recently, in May 2016, CFX adopted its 2040 Master Plan which serves as CFX's blueprint for System improvements and new projects that support its mission, and accrues economic, customer and community benefits to the region and the State.

The 2040 Master Plan is the basis for the current five-year work plan (the "Five-Year Work Plan"). The Five-Year Work Plan is an important tool used by CFX to effectively manage its program of improvements, enhancements and rehabilitation to the System with the purpose of identifying those projects which CFX anticipates funding during the next five years. The Five-Year Work Plan is updated annually to reflect and prioritize the needs of CFX and was most recently approved by CFX's Governing Board on June 29, 2018. Once approved, the Five-Year Work Plan is then submitted to MetroPlan Orlando for its use in development of a regional transportation improvement plan. The current Five-Year Work Plan covers the five-year period from Fiscal Year 2019 to Fiscal Year 2023 and contains 134 projects (of which a portion will comprise the Series 2018 Project), with a combined total estimated project cost of approximately \$1.91 billion. See the Consulting Engineer's Report attached hereto as APPENDIX C for a detailed discussion of the Five-Year Work Plan and the capital improvements included therein.

Pursuant to the aforementioned Wekiva MOU and in accordance with Sections 348.7546 and 348.757(9), Florida Statutes, CFX and the Department entered into an Interlocal Agreement (the "Wekiva Interlocal Agreement"), dated June 11, 2014, setting forth the terms of their partnership to build the Wekiva Parkway Project. The Wekiva Interlocal Agreement provides that CFX will finance, acquire, design, construct, own, operate, manage, and maintain 11.32 miles of the Wekiva Parkway Project, to be located in Orange and Lake Counties, while the Department will finance, acquire, design, construct, own, operate, manage and maintain the remaining 12.81 miles of the Wekiva Parkway Project. Under the Wekiva Interlocal Agreement, CFX was required to repay the Department Contractual Obligations by making the previously described annual LPA Repayments. See "SYSTEM FINANCING - Certain Subordinated Obligations - Department Contractual Obligations" herein.

On October 12, 2016, CFX exercised its discretionary authority under the Wekiva Interlocal Agreement to make a prepayment in satisfaction of all accumulated and future LPA Repayments due under the Lease-Purchase Agreement from moneys on deposit and legally available for such purpose in the System General Reserve Fund. The prepayment of the LPA Repayments did not have a material adverse effect on CFX's finances or its ability to undertake and fund the Five-Year Work Plan. After satisfaction of said prepayment by CFX, it was no longer be subject to the covenants regarding the LPA Repayments or the requirement to obtain the consent of the Department to issue additional indebtedness.

Pursuant to the Wekiva Interlocal Agreement, the Department and CFX also agreed to execute an amendment to the Lease-Purchase Agreement and to include in all future CFX bond issues, including the issuance of the Series 2018 Bonds, the following disclosure language describing such amendment:

CFX has entered into the Wekiva Interlocal Agreement with the Department, effective June 11, 2014, in which the parties have agreed to discontinue the obligations of the Department under the existing Lease-Purchase Agreement after July 1, 2028. The parties have also agreed to terminate the Lease-Purchase Agreement upon the earlier of the defeasance, redemption or payment in full of CFX's bonds issued and outstanding as of the effective date of the Wekiva Interlocal Agreement or the receipt of sufficient bondholder consents to such termination. Upon the termination of the Lease-Purchase Agreement, title to CFX System shall remain vested in CFX.

Accordingly, and simultaneously with the execution of the Wekiva Interlocal Agreement, CFX and the Department executed a Third Supplement to Lease-Purchase Agreement, dated June 11, 2014 (the "Third Supplement") which amended the Lease-Purchase Agreement in accordance with the terms of Section 348.757(9), Florida Statutes to: (a) discontinue the obligations of the Department under the Lease-Purchase Agreement after July 1, 2028; (b) terminate the Lease-Purchase Agreement upon the earlier to occur of (1) the defeasance, redemption, or payment in full of CFX's Bonds issued and outstanding as of June 11, 2014, or (2) the receipt of the requisite consents of CFX's bondholders to such termination; and (c) eliminate a prior provision so that CFX will now retain title to the System upon termination of the Lease-Purchase Agreement. The Third Supplement shall become effective on the first date that it may take effect under the terms of the existing Lease-Purchase Agreement.

### **Funding of the Five-Year Work Plan**

CFX anticipates funding all projects comprising the Five-Year Work Plan, including ongoing costs for projects commenced during prior Five-Year Work Plan periods and future costs for projects that commence within the current Five-Year Work Plan, with a combination of (a) available and projected surplus revenues, (b) proceeds of the Series



2018 Bonds, Series 2018 Notes, Refunded Series 2015 Notes, the Junior TIFIA Loan and proceeds of several Series of additional Parity Bonds which the Authority plans to issue through Fiscal Year 2025, and (c) other sources, which may include contributions from other public agencies or private entities or the issuance of additional unplanned Parity Bonds. Such amounts and sources may change depending on other circumstances affecting CFX, its revenues and the Five-Year Work Plan, as the same may be revised on an annual basis. Available funding for the Five-Year Work Plan is based on the current toll rate policy and assumes adjustments as currently provided under CFX's current toll rate schedule and policy. The next toll rate increase is scheduled to go into effect on July 1, 2019. See "SYSTEM REVENUES - System Toll Structure" herein for a description of CFX's current toll policy. Any additional toll rate adjustment will affect the Five-Year Work Plan both by changing the funds available to construct projects and by potentially changing the year of need of the projects (as traffic patterns may shift). See "SUMMARY OF CERTAIN TERMS AND PROVISIONS OF THE BOND RESOLUTION - Issuance of Parity Bonds" for a description of the conditions for the issuance of additional Parity Bonds under the Master Bond Resolution.

### **Acquisition of SR 528 Super Corridor**

In December 2015, CFX completed all of its real property acquisitions related to right-of-way for SR 528. This "SR 528 Super Corridor" runs east to west starting from the intersection of SR 520 and SR 528 and ending at the Orlando International Airport. The approximately 516.35 acres of newly acquired right-of-way will be used for future expansion of SR 528 and to accommodate a 50 foot wide railway easement for the All Aboard Florida inter-city passenger rail project from Miami to Orlando. This railway easement was conveyed to All Aboard Florida – Operations LLC by CFX for a purchase price of \$31,737,187. In accordance with the Bond Resolution, a report of an Independent Consultant was filed with CFX projecting the potential loss of toll revenues due to the operation of a competing facility and a corresponding payment of \$4,003,848 to account for such loss was included in the purchase price of the easement.

### **MAINTENANCE OF SYSTEM**

In the Bond Resolution, CFX covenants that it will operate the System, or cause the System to be operated, properly and in a sound economic manner and that it will maintain or cause the same to be maintained in good repair, working order and condition, and shall from time to time make all necessary and proper repairs, replacements and renewals so that at all times the operation of the System may be properly and advantageously conducted. See "DESCRIPTION OF THE DEPARTMENT OF TRANSPORTATION AND ITS RELATIONSHIP TO THE EXPRESSWAY SYSTEM" herein and "AMENDED AND RESTATED MASTER BOND RESOLUTION" attached hereto as Appendix A and "LEASE-PURCHASE AGREEMENT" attached hereto as Appendix E. The Lease-Purchase Agreement requires the Department to operate the System in a sound and

economic manner and to maintain or cause it to be maintained in good repair, working order and condition and to make all necessary and proper repairs, replacements and renewals. The Lease-Purchase Agreement, however, permits the Department, with the approval of CFX, to reassign to CFX any duties or responsibilities, other than payment obligations, arising out of the Lease-Purchase Agreement. In 1993 the Department transferred to CFX all responsibility for maintenance of the System.

After taking over direct responsibility for maintenance of the System in 1993 CFX privatized most maintenance activities. CFX does retain staff to manage the various private contractors which perform maintenance services on the System. For Fiscal Year 2017, CFX received a maintenance rating of 89 from the Department. Historical ratings have ranged from a low of 85 in 1993, when CFX assumed maintenance responsibility from the Department, to a high of 94 in Fiscal Year 2002 and Fiscal Year 2009. CFX strives to maintain a minimum score of 90, well above the Department's minimum acceptable standard score of 80. Effective July 1, 2012, the Department has revised the calculation for their maintenance rating program such that the weightings for the elements and characteristics have been revised to more accurately reflect the overall maintenance condition. Notwithstanding this change in the Department's maintenance rating program, CFX does not anticipate making any significant changes to the scope of its maintenance activities.

## **DESCRIPTION OF THE DEPARTMENT OF TRANSPORTATION AND ITS RELATIONSHIP TO THE EXPRESSWAY SYSTEM**

CFX and the Department have entered into that certain Lease-Purchase Agreement, dated as of December 23, 1985 (the "Original Lease-Purchase Agreement"), as amended and supplemented by that certain (i) First Supplement to Lease-Purchase Agreement dated as of November 25, 1986, among CFX, the Department and the Division of Bond Finance of the State of Florida Department of General Services (the "Division"); (ii) Second Supplement to Lease-Purchase Agreement, dated as of October 27, 1988, among CFX, the Department, and the Division; and (iii) Third Supplement to Lease-Purchase Agreement, dated as of June 11, 2014, between CFX and the Department and set to become effective on the first date it may take effect under the Original Lease-Purchase Agreement (collectively, the "Lease-Purchase Agreement"), executed copies of which are attached hereto as Appendix E. See "DESCRIPTION OF THE SYSTEM - Capital Improvement Program" herein.

Under the terms of the Lease-Purchase Agreement, all tolls collected on the System are deposited into the System General Revenue Fund. Such toll revenues are then applied by CFX in accordance with the terms of the Master Bond Resolution and the application thereof constitutes the payment of all rental and purchase price payments due from the Department under the Lease-Purchase Agreement. See "SUMMARY OF CERTAIN TERMS AND PROVISIONS OF THE BOND RESOLUTION - Flow of Funds" for a

description of the application of toll revenues under the Master Bond Resolution. At the end of the lease term as described below, CFX shall retain title and absolute ownership to the System. See "DESCRIPTION OF THE SYSTEM - Capital Improvement Program" herein.

Under the terms of the Lease-Purchase Agreement, the Department is obligated to operate or cause to be operated the System property in a sound and economic manner and to maintain, preserve and keep the System in good repair, working order and condition and, from time to time, to make all necessary and proper repairs, replacements and renewals so that at all times the operation of the System may be advantageously conducted. The Lease-Purchase Agreement permits the Department, with the approval of CFX, to reassign to CFX its duties and responsibilities, other than its payment obligations, regarding the System. In 1993, CFX assumed responsibility for the maintenance of the System. On January 20, 1995, the Department and CFX entered into that certain FDOT/OCX Interagency Agreement Reassignment of Operations (as amended, the "Interagency Agreement"), pursuant to which the Department reassigned to CFX the duty and responsibility for operating the System, other than the Department's payment obligations under the Lease-Purchase Agreement.

While CFX currently has responsibility for operating and maintaining the System, under the Lease-Purchase Agreement responsibility for paying the costs of operating and maintaining certain portions of the System is divided between CFX and the Department.

Payment of Cost of Operation and Cost of Maintenance attributable to the Department are made from funds of the Department and not from Gross Revenues, while the Cost of Operation and Cost of Maintenance attributable to CFX are paid by CFX from Gross Revenues. The amount of money that the Department contributes for maintenance of those portions of the System for which it is obligated to pay the cost of maintenance is determined by a formula tied to the roads' rating under the Department's Maintenance Rating Program. Under the Interagency Agreement, the Department pays such obligation in a lump sum amount to CFX annually. In order to achieve a higher maintenance standard, CFX uses Gross Revenues to pay for maintenance at levels above that which the Department will fund. See "MAINTENANCE OF SYSTEM" herein.

On May 26, 2011, Governor Scott exercised his line item veto authority to remove from the State's fiscal year 2011-12 budget approved by the Florida Legislature \$11,152,281 from the State's Transportation Trust Fund which was intended to fund the Department's payment obligations to local transportation authorities pursuant to agreements such as the Lease-Purchase Agreement; \$5,569,167 of this amount is estimated to have been allocated towards the advances to CFX. On April 17, 2012, Governor Scott once again exercised his line item veto authority to remove from the State's fiscal year 2012-13 budget approved by the Florida Legislature \$12,322,862 from the State's Transportation Trust Fund intended to, among other things, fund the Department's payment obligations under the Lease-Purchase Agreement; \$5,482,652 of this amount is estimated

to have been allocated towards the advances to CFX. Notwithstanding the foregoing, based on the express language in the Lease-Purchase Agreement, CFX continues to maintain that the Department's payment obligations under the Lease-Purchase Agreement is an absolute, irrevocable contractual obligation and is not subject to appropriation.

Neither the express language of the Lease-Purchase Agreement nor CFX's enabling act indicates that the Department's payment obligations are subject to appropriation or to the best efforts of the Department in obtaining an appropriation. Accordingly, notwithstanding the Department's position, CFX continues to maintain that the Department's obligation under the Lease-Purchase Agreement to pay for the costs of operations on certain segments of the System is an absolute, irrevocable contractual obligation and is not subject to appropriation. Although the failure of the Department to make its payment obligations under the Lease-Purchase Agreement is not expected to have a material adverse impact on CFX's financial position, CFX is currently evaluating its rights and remedies under the Lease-Purchase Agreement. In addition, the Bondholders have the right to enforce all provisions of the Lease-Purchase Agreement against the Department and CFX in a court proceeding.

However, CFX and the Department have entered into a Memorandum of Agreement dated February 14, 2013, (the "LPA MOA") with respect to the payment by the Department of future operations and maintenance payments to CFX as provided in the Lease-Purchase Agreement. Pursuant to the LPA MOA, beginning with the final approval of the Department's 2014 fiscal year budget and continuing for each successive fiscal year thereafter until the Department's obligations under the Lease-Purchase Agreement are terminated, the Department will make all operations and maintenance payments to CFX as provided in the Lease-Purchase Agreement. CFX will then exercise its right under the Bond Resolution to fully reimburse the Department for the costs of operations and maintenance on certain portions of the System that are paid by the Department to CFX under the Lease-Purchase Agreement, within 60 days of receipt by CFX of a payment from the Department for such costs, from surplus revenues available for such purpose and remaining on deposit in the General Reserve Fund after CFX has met its financial obligations (the "Reimbursement Obligation"). If CFX fails to meet this Reimbursement Obligation at any time, the amount not reimbursed by CFX will be added to the Department Contractual Obligations due and owing under the Lease-Purchase Agreement. In addition, in the event CFX fails to reimburse the Department as provided in the LPA MOA, CFX will be obligated to raise tolls, defer projects, or reduce its administrative and other expenses until CFX is able to fully reimburse the Department for such costs that are paid by the Department under the Lease-Purchase Agreement. The LPA MOA is legally sufficient to bind the parties without further interlocal agreements.

On October 12, 2016, CFX exercised its discretionary authority to make a prepayment in satisfaction of all accumulated and future LPA Repayments due under the Lease-Purchase Agreement from moneys on deposit and legally available for such purpose

in the System General Reserve Fund. The prepayment of the LPA Repayments did not have a material adverse effect on CFX's finances or its ability to undertake and fund the Five-Year Work Plan. CFX is currently working with the Department and the Florida Division of Financial Services to establish a defeasance escrow for the purpose of depositing from generally available funds on deposit in CFX's General Reserve Fund into escrow in an amount equal to the Reimbursement Obligation. The Lease Purchase Agreement and the respective future obligations of CFX and the Department thereunder shall remain in effect through July 1, 2028.

The estimated Net Revenues available for debt service included in this Official Statement assume advances from the Department for operations and maintenance will continue to be made annually pursuant to the Lease-Purchase Agreement, the Interagency Agreement and the LPA MOA. See "HISTORICAL AND PROJECTED OPERATING RESULTS OF THE SYSTEM" and "MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS" herein.

Other obligations of the Department under the Lease-Purchase Agreement include inspection of the System on an annual basis, and preparation of a corresponding report regarding conditions of the System.

In accordance with Section 348.757(9), Florida Statutes and the Wekiva Interlocal Agreement, the Lease-Purchase Agreement will stay in effect until the earlier of (i) such time as all Bonds issued under the Master Bond Resolution (and any Bonds refunding the same) have been fully paid, redeemed or defeased; or (ii) the receipt of sufficient CFX Bondholder consent to termination of the Lease-Purchase Agreement. See "DESCRIPTION OF THE SYSTEM - Capital Improvement Program" herein.

Additionally, and pursuant to the CFX Bill, the Department shall also include elements of the OCX Master Plan and an additional extension of the Osceola Parkway Extension, in its work program as tolled facilities. The Department of Transportation shall cooperate with the OCX, CFX, and Osceola County in working to identify solutions to potential barriers to implementation of the projects included in the OCX Master Plan, and an additional extension of the Osceola Parkway Extension, including funding sources and revenues that may be available for implementation of those improvements. See "CFX - Osceola County Expressway System Takeover" herein for a discussion of CFX's obligations with respect to the OCX System under the CFX Bill.

## **CONSENT TO FUTURE AMENDMENT TO LEASE-PURCHASE AGREEMENT**

CFX has entered into the Wekiva Interlocal Agreement with the Department effective June 11, 2014, in which the parties have agreed to discontinue the obligations of the Department under the existing Lease-Purchase Agreement after July 1, 2028. The parties have also agreed to terminate the Lease-Purchase Agreement upon the earlier of the

defeasance, redemption or payment in full of CFX's bonds issued and outstanding as of the effective date of the Wekiva Interlocal Agreement or the receipt of sufficient bondholder consents to such termination. Upon the termination of the Lease-Purchase Agreement, title to CFX System shall remain vested in CFX.

Purchasers of the Series 2018 Bonds, by their purchase and acceptance thereof, are deemed to have expressly and irrevocably consented, in writing, to amend the terms and provisions of the Lease-Purchase Agreement to discontinue the Department's payment obligations for operation and/or maintenance of certain portions of the System effective July 1, 2028. CFX will comply with the terms of the Lease-Purchase Agreement in connection with any additional modifications, amendments or supplements to the Lease-Purchase Agreement.

## **SYSTEM REVENUES**

### **General**

The following is a summary of certain information contained in the System Traffic and Earnings Report prepared by the Traffic and Earning's Consultant which was commissioned by CFX to study the historical and projected traffic and revenues of the System, including the impact of the latest available data on economic conditions, fuel cost trends, land use assumptions in Central Florida, and actual System traffic trends. The System Traffic and Earnings Report attached hereto as Appendix D speaks as of its date and should be read in its entirety to obtain information essential to understanding the projections and assumptions therein. The System Traffic and Earnings Report has not been updated since May 2018.

Certain data regarding area growth and recent economic activity are included in the System Traffic and Earnings Report, attached hereto as Appendix D and will not be updated in connection with the issuance of the Series 2018 Bonds. As discussed in the System Traffic and Earnings Report, there is always some uncertainty inherent in future traffic and revenue forecasts for any toll facility, and differences between forecasted and actual results (which may be material) may occur due to events and circumstances beyond the control of the forecasters and CFX, including without limitation, economic conditions, fuel costs, destruction or temporary closure due to acts of nature, increased and/or unanticipated costs of operation and maintenance and other factors.

### **System Toll Structure**

In 2009, CFX adopted and implemented a toll policy which instituted higher tolls at most tolling points, CFX's first since 1990. In addition, the policy provided for additional indexed increases to be implemented every five years, the first of which was implemented on July 1, 2012. The July 1, 2012 increase also marked the first implementation of

differential toll rates, by which cash customers pay a higher rate than customers paying with transponders.

On February 9, 2017, CFX adopted a new toll policy which eliminated the 15% planned toll adjustment scheduled for July 1, 2017. Under the new policy, beginning on July 1, 2018 and every year thereafter, all then current tolls shall be automatically adjusted to an amount higher of either the annual increase to the Consumer Price Index for All Urban Consumers (CPI-U) in the South or 1.5% per annum. The rate for cash collections shall be increased upward to the next quarter when the electronic rate reaches to within 10% of the cash rate at each individual plaza. The rate for electronic collection shall be based upon the actual calculated percentage rounded to the nearest cent. The rate for pay-by-plate collection will be set by CFX based on actual costs. The following table presents System toll rates by tolling point as of July 1, 2018.

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## CFX System Toll Rates as of July 1, 2018<sup>(1)</sup>

	Motorcycle & 2 Axles		3 Axles		4 Axles		5 or More Axles	
	E-PASS	Cash	E-PASS	Cash	E-PASS	Cash	E-PASS	Cash
<b>SR 408 (East West Expressway)</b>								
Hiwassee Main Plaza	\$0.84	\$1.00	\$1.67	\$2.00	\$1.95	\$2.25	\$2.51	\$3.00
Good Homes Road	0.28	0.50	0.28	0.50	0.28	0.50	0.28	0.50
Hiwassee Road	0.56	0.75	0.56	0.75	0.56	0.75	0.56	0.75
Pine Hills Main Plaza	1.11	1.25	1.67	2.00	1.95	2.25	2.51	3.00
Old Winter Garden Road	0.84	1.00	0.84	1.00	0.84	1.00	0.84	1.00
John Young Parkway (SR 423)	0.84	1.00	0.84	1.00	0.84	1.00	0.84	1.00
Orange Blossom Trail	0.56	0.75	0.56	0.75	0.56	0.75	0.56	0.75
Mills Avenue	0.56	0.75	0.56	0.75	0.56	0.75	0.56	0.75
Conway Main Plaza	1.11	1.25	1.67	2.00	1.95	2.25	2.51	3.00
Bumby Avenue	0.56	0.75	0.56	0.75	0.56	0.75	0.56	0.75
Conway Road	0.84	1.00	0.84	1.00	0.84	1.00	0.84	1.00
Andes/Semoran Blvd	1.11	1.25	1.11	1.25	1.11	1.25	1.11	1.25
Semoran Boulevard (SR 436)	0.84	1.00	0.84	1.00	0.84	1.00	0.84	1.00
Dean Main Plaza	0.84	1.00	1.67	2.00	1.95	2.25	2.51	3.00
Dean Road	0.56	0.75	0.56	0.75	0.56	0.75	0.56	0.75
Rouse Road	0.56	0.75	0.56	0.75	0.56	0.75	0.56	0.75
<b>SR 414 (Apopka Expressway)</b>								
Coral Hills Main Plaza	1.11	1.25	1.67	2.00	2.22	2.50	2.79	3.25
Keene Road	0.56	0.75	0.56	0.75	0.56	0.75	0.56	0.75
Hiwassee Road	0.29	0.50	0.29	0.50	0.29	0.50	0.29	0.50
<b>SR 417 (Central Florida GreeneWay)</b>								
John Young Main Plaza	1.40	1.75	1.95	2.25	2.51	3.00	3.06	3.50
John Young Parkway (SR 423)	0.84	1.00	0.84	1.00	0.84	1.00	0.84	1.00
Orange Blossom Trail	0.56	0.75	0.56	0.75	0.56	0.75	0.56	0.75
Landstar Boulevard	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Boggy Creek Main Plaza	1.40	1.75	1.95	2.25	2.51	3.00	3.06	3.50
South Access Rd/Int'l Airport	1.11	1.25	1.11	1.25	1.11	1.25	1.11	1.25
Boggy Creek Road	1.11	1.25	1.11	1.25	1.11	1.25	1.11	1.25
Lake Nona Boulevard	0.84	1.00	0.84	1.00	0.84	1.00	0.84	1.00
Narcoossee Road	0.84	1.00	0.84	1.00	0.84	1.00	0.84	1.00
Moss Park Road	0.56	0.75	0.56	0.75	0.56	0.75	0.56	0.75
Innovation Way	0.56	0.75	0.56	0.75	0.56	0.75	0.56	0.75
Curry Ford Main Plaza	0.84	1.00	1.67	2.00	1.95	2.25	2.51	3.00
Lee Vista Boulevard	0.56	0.75	0.56	0.75	0.56	0.75	0.56	0.75
Curry Ford Road (SR 552)	0.56	0.75	0.56	0.75	0.56	0.75	0.56	0.75
University Main Plaza	0.84	1.00	1.67	2.00	1.95	2.25	2.51	3.00
Colonial Drive (SR 50)	0.56	0.75	0.56	0.75	0.56	0.75	0.56	0.75
University Boulevard	0.56	0.75	0.56	0.75	0.56	0.75	0.56	0.75
<b>SR 528 (Beachline Expressway)</b>								
Boggy Creek Road/McCoy Road	1.11	1.25	1.11	1.25	1.11	1.25	1.11	1.25
Conway Road/Tradeport Drive	1.11	1.25	1.11	1.25	1.11	1.25	1.11	1.25
Beachline Main Plaza	0.89	1.00	1.75	2.00	2.04	2.25	2.60	3.00
Innovation Way	0.60	0.75	0.60	0.75	0.60	0.75	0.60	0.75
Dallas Main Plaza <sup>(2)</sup>	0.77	1.50	1.03	1.75	1.28	2.00	1.28	2.00
Dallas Boulevard	0.51	0.75	0.51	0.75	0.51	0.75	0.51	0.75
<b>SR 429 (Western Beltway)</b>								
Forest Lake Main Plaza	1.40	1.75	1.95	2.25	2.51	3.00	3.06	3.50
CR 437A	0.56	0.75	0.56	0.75	0.56	0.75	0.56	0.75
West Road	0.84	1.00	0.84	1.00	0.84	1.00	0.84	1.00
SR 438	0.29	0.50	0.29	0.50	0.29	0.50	0.29	0.50
Independence Mainline Plaza	1.40	1.75	1.95	2.25	2.51	3.00	3.06	3.50
CR 535	0.56	0.75	0.56	0.75	0.56	0.75	0.56	0.75
New Independence Parkway	0.84	1.00	0.84	1.00	0.84	1.00	0.84	1.00
Schofield Road	0.56	0.75	0.56	0.75	0.56	0.75	0.56	0.75
	Motorcycle & 2 Axles		3 Axles		4 Axles		5 or More Axles	
	E-PASS	Pay by Plate <sup>(6)</sup>	E-PASS	Pay by Plate <sup>(6)</sup>	E-PASS	Pay by Plate <sup>(6)</sup>	E-PASS	Pay by Plate <sup>(6)</sup>
<b>SR 429 (Wekiva Parkway)</b>								
Ponkan Gantry <sup>(3)</sup>	0.80	1.39	1.20	1.79	1.60	2.19	2.00	2.59
Mount Plymouth Gantry <sup>(4)</sup>	0.75	1.34	1.13	1.72	1.50	2.09	1.88	2.47
<b>SR 453</b>								
Coronado Gantry <sup>(5)</sup>	0.65	1.24	0.98	1.57	1.30	1.89	1.63	2.22

<sup>(1)</sup>CFX's Governing Board has the authority to set all toll rates.

<sup>(2)</sup>Rates shown represent the portion of total toll amount collected by CFX. Actual amount paid by customer includes an additional \$0.26 more for E-PASS transactions and \$0.75 more for cash transactions regardless of the number of axles.

<sup>(3)</sup>Ponkan Gantry opened in July 2017.

<sup>(4)</sup>Mount Plymouth Gantry opened March 2018.

<sup>(5)</sup>Coronado Gantry opened March 2018.

<sup>(6)</sup>Amounts represent Pay by Plate video tolling rate. There is not a cash toll option on the Wekiva Parkway.

Source: CFX.



## Discount Programs

*General.* The Bond Resolution provides that CFX may establish preferential toll rates based upon frequency, volume, time of day, distance traveled or method of payment, and that CFX may make any other adjustment or reclassification of toll rates or establish special toll rates, introductory tolls or temporary tolls, provided such action is recommended by an Independent Consultant and will not cause CFX to fail to comply with the rate covenant in the Bond Resolution.

*E-PASS Discount Programs.* In 1998, CFX began a program to offer discounts to frequent E-PASS customers of the system (the "Volume Discount Program"). The Volume Discount Program offers a 5% rebate to E-PASS customers with 40 or more transactions per month and a 10% rebate to customers with 80 or more transactions per month. While the E-PASS system is interoperable with SunPass, as well as LeeWay (Lee County), transactions on these systems do not apply towards the Volume Discount Program. In the first Fiscal Year of implementation, the discount totaled approximately \$0.7 million or approximately 0.7% of gross revenues of the System.

Beginning on May 1, 2016 (Fiscal Year 2016), CFX implemented the E-PASS Customer Loyalty Discount Program (the "Loyalty Discount Program") to replace the previously described Volume Discount Program. The Loyalty Discount Program is a tiered program that provides toll discounts to E-PASS customers based on the number of transactions per transponder each month on the System. There is no enrollment process or monthly fee and all E-PASS customers are automatically eligible to participate in the Loyalty Discount Program. The Loyalty Discount Program offers a 10% rebate to E-PASS customers with 40 or more transactions per month and a 15% rebate to customers with 80 or more transactions per month. Only E-PASS customers are eligible for this discount and the discount will only be offered in months when actual toll revenue exceeds the revenue projections by more than 2.0%.

*I-4 Commuter Discount Programs.* Beginning in Fiscal Year 2016 (July 2015), CFX implemented the I-4 Ultimate Commuter Discount Program (the "I-4 Commuter Discount Program"), which is being offered for a six-year period to provide relief for, and options to, customers during the planned construction activities on I-4. The I-4 Commuter Discount Program provides an additional 5.0% discount to customers with 20 or more transactions in a month on the CFX "beltway" facilities, which include SR 417, SR 429 and SR 414. The discount will only be offered in months when actual toll revenue exceeds the revenue projections by more than 2.0%.

[In Fiscal Year 2017, the Loyalty Discount Program and I-4 Commuter Discount Program accounted for \$18.7 million, or 4.8% of the total System revenues.]

School Bus Rebate Program. Beginning in February 2016, CFX implemented a regional public school bus rebate program (the "School Bus Rebate Program," and together with the Volume Discount Program, the Loyalty Discount Program and the I-4 Commuter Discount Program, the "Discount Programs"). The School Bus Rebate Program provides a 99% rebate for school buses from Brevard, Lake, Orange, Osceola, Polk, Seminole, and Volusia Counties using the System. Such 99% rebate will only be offered in months when actual toll revenue exceeds current revenue projections by more than 2%. See "FY 2017 GENERAL TRAFFIC AND EARNINGS CONSULTANT'S ANNUAL REPORT DATED MAY 2018 - 1.3.1 Discount Programs" in Appendix D hereto.

## **Toll Suspension**

General. State law permits the Governor to suspend tolls from time to time in the event of a State emergency. However, as part of its forecasting methodology, the revenue projections conducted by CDM Smith assume that no local, regional or national emergency will arise which will abnormally restrict the use of motor vehicles or substantially alter economic activity or freedom of mobility. See "MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS" herein and "FY 2017 GENERAL TRAFFIC AND EARNINGS CONSULTANT'S ANNUAL REPORT DATED MAY 2018 - 1.6.3 Forecasting Assumptions" in Appendix D hereto.

Hurricane Irma. On September 3, 2017 and in response to Hurricane Irma, a major Category 4 storm approaching the State, Governor Rick Scott declared a state of emergency in all of the State's 67 counties. Pursuant to State law, at 5 P.M. on September 5, 2017, Governor Scott directed the Florida Department of Transportation to suspend all tolls across the State, including those tolls charged by CFX for use of the System, for the duration of the storm's impacts. On September 10, 2017, the center of Hurricane Irma made landfall at Cudjoe Key in the lower Florida Keys as a Category 4 storm. The center of Hurricane Irma made a second landfall on mainland Florida as a Category 3 storm, later that day, near Marco Island and moved north up the entirety of the State through September 11, 2017.

The toll suspension order was lifted at 12:01 A.M. on September 21, 2017, which was 16 days after it was effectuated. [CFX projects that approximately \$18.75 million in toll revenue was lost due to the direct suspension of tolls. The System suffered minor physical damage including two depressions on the roadway on SR 429 and some damaged road signs. As of the date hereof, physical repairs to the System have been completed by CFX at a total cost of \$1 million.]

## **Historical and Projected Revenues**

The System's toll revenues (less all discount programs and including recaptured unpaid toll notices) were \$\_\_\_\_\_ million in Fiscal Year 2018 and are projected to increase to \$580.4 million by Fiscal Year 2025 and to \$728.1 million by Fiscal Year 2035. See "HISTORICAL AND PROJECTED OPERATING RESULTS OF THE SYSTEM" herein. For a more complete discussion of the historical and projected revenues and expenses of the System, a detailed description of the forecasting methodology as well as the assumptions upon which the Traffic Engineer has based its revenue projections, see "SYSTEM REVENUES" herein and "FY 2017 GENERAL TRAFFIC AND EARNINGS CONSULTANT'S ANNUAL REPORT DATED MAY 2018 in Appendix D hereto.

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## HISTORICAL AND PROJECTED OPERATING RESULTS OF THE SYSTEM

The following tables present historical and projected revenues, expenses and debt service coverage of the System. These tables should be reviewed in conjunction with the information contained under the caption "SYSTEM REVENUES" herein and in the FY 2017 General Traffic and Earnings Consultant's Annual Report dated May 2018 attached hereto as Appendix D.

### Historical Total System Toll Revenues (Thousands)<sup>(1)</sup>

Fiscal Year	System Toll Revenues					Discount Programs <sup>(3)</sup>	Total System Toll Revenues Less Discount Programs
	SR 408	SR 528	SR 417	SR 429	SR 414 <sup>(2)</sup>		
2009 <sup>(4)</sup>	\$ 88,304	\$38,521	\$ 66,859	\$18,972	\$ 554	\$ 6,815	\$206,395
2010 <sup>(4)(5)</sup>	108,705	46,974	79,558	23,593	4,225	9,445	253,610
2011 <sup>(5)</sup>	110,020	48,824	80,892	24,562	5,180	9,466	260,012
2012 <sup>(5)</sup>	110,209	49,376	81,738	25,154	5,737	9,606	262,608
2013 <sup>(4)(5)</sup>	122,806	55,494	92,993	29,830	7,860	10,819	298,164
2014 <sup>(5)</sup>	129,425	57,480	100,585	34,022	9,343	11,722	319,133
2015 <sup>(5)</sup>	138,261	61,977	113,411	39,733	10,715	13,170	350,927
2016 <sup>(5)</sup>	147,029	69,003	133,718	47,394	12,453	18,695	390,902
2017	150,241	75,676	147,095	53,701	13,590	16,555	423,748
2018							

(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) Prior to May 1, 2016, the Volume Discount Program provided a 5% discount to customers with at least 40 transactions per month and a 10% discount to customers with at least 80 transactions per month. On May 1, 2016, CFX replaced the Volume Discount Program with the Loyalty Discount Program which provides a 10% discount to customers with at least 40 transactions per month and a 15% discount to customers with at least 80 transactions per month. The I-4 Commuter Discount Program, instituted for a six-year period beginning in Fiscal Year 2017, provides an additional 5% discount to customers with 20 or more transactions per month on the CFX "beltway" facilities (SR 417, SR 429 and SR 414). This discount is only offered during months when actual total revenue exceeds the current revenue projections by more than 2.0%. The School Bus Rebate Program, which began on February 1, 2016, provides a 99% discount to school buses in Orange, Brevard, Lake, Osceola, Polk, Seminole and Volusia Counties transporting students on official school business on CFX facilities. This rebate is only offered during months when actual total revenue exceeds the current revenue projections by more than 2.0%. See "SYSTEM REVENUES - Discount Programs" herein.

(4) Under CFX's prior toll policy, the first of the scheduled toll increases took effect in Fiscal Year 2009 and the second on July 1, 2012. On February 9, 2017, CFX adopted a new toll policy which eliminated the 15% planned toll increase scheduled for July 1, 2017 in favor of annual indexed increases beginning July 1, 2018. See "SYSTEM REVENUES - System Toll Structure" herein.

(5) Total System Toll Revenues include recaptured unpaid toll notices and account adjustments, which adjustments occur throughout the Fiscal Year. The FY 2017 General Traffic and Earnings Consultant's Annual Report dated May 2018 and attached hereto as Appendix D only presents these effects on a System-wide basis. Accordingly, the toll revenues presented by facility shown in this table may differ from those shown in such Annual Report.

Numbers may not add due to rounding.

Source: CFX.

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**Historical System Operating, Maintenance and Administrative Expenses (Millions)**

<b>Fiscal Year</b>	<b>Operating Expenses<sup>(1)</sup></b>	<b>Plus Maintenance Expenses</b>	<b>Plus Administrative Expenses</b>	<b>Less Department Participation</b>	<b>Total Net Expenses<sup>(2)</sup></b>
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
2017	49.5	15.1	7.1	6.7	65.0
2018	_____	_____	_____	_____	_____

<sup>(1)</sup> Does not include depreciation, preservation or expenses listed as "other."

<sup>(2)</sup> Total sum of Operating Expenses, Maintenance Expenses and Administrative Expenses, less Department participation. Numbers may not add due to rounding.

Source: CFX.

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### Historical Debt Service Ratio (Thousands)

Fiscal Year	Operating Revenues <sup>(1)</sup>	Plus Interest Revenues	Less Operations, Maintenance & Administration Expense	Plus Advances from Department for Operations and Maintenance <sup>(2)</sup>	Less Deposits into Operations, Maintenance & Administration Reserve	Net Revenues Available for Debt Service	Net Revenues Available for Debt Service Including Supplemental Payments <sup>(3)</sup>	Total Debt Service	Debt Service Ratio of Net Revenues to Debt Service	Debt Service Ratio of Net Revenues and Supplemental Payments to Debt Service <sup>(3)</sup>
2009	\$208,806	\$10,697	\$53,292	\$8,340	-	\$174,551	\$182,760	\$110,248	1.58	1.66
2010	256,047	4,101	52,988	8,616	-	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
2017	433,942	4,954	71,687	6,694	1,073	372,830	372,830	165,163	2.26	2.26
2018	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____

(1) The "Operating Revenues" figures reflect toll revenues plus actual receipts from other non-toll revenue sources, less the Discount Programs; however, these figures do not include interest revenues or any revenues or costs associated with the Goldenrod Road Extension.

(2) Commencing in Fiscal Year 2014, such advances are returned to the Department within 60 days of receipt.

(3) Supplemental Payments were pledged only to the Series 1990 Bonds and were available to pay debt service only on such Series of Bonds. These calculations only applied to such Series 1990 Bonds which are no longer outstanding as of the date hereof.

Source: CFX.

## Projected Total System Toll Revenues (Millions)

Fiscal Year	System Toll Revenues	Revenue Recaptured from UTN <sup>(2)</sup>	Total System Toll Revenues	Discount Programs <sup>(3)</sup>	System Toll Revenues Available	Percent Annual Change
2019 <sup>(1)</sup>	\$457.3	\$23.4	\$480.7	\$19.8	\$460.9	5.2%
2020	479.0	24.2	503.2	21.6	481.6	4.5
2021	499.7	24.9	524.6	23.4	501.2	4.1
2022	519.8	25.5	545.3	16.1	529.2	5.6
2023	538.6	26.0	564.6	17.1	547.5	3.5
2024	556.4	26.5	582.9	18.2	564.7	3.1
2025	572.7	26.9	599.6	19.2	580.4	2.8
2026	587.6	27.1	614.7	20.2	594.5	2.4
2027	602.6	27.4	630.0	21.2	608.8	2.4
2028	617.9	27.6	645.5	22.3	623.2	2.4
2029	633.3	27.9	661.2	23.4	637.8	2.3
2030	648.9	28.1	677.0	24.5	652.5	2.3
2031	664.7	28.3	693.0	25.7	667.3	2.3
2032	680.7	28.5	709.2	26.9	682.3	2.2
2033	696.9	28.7	725.6	28.1	697.5	2.2
2034	713.2	28.8	742.0	29.3	712.7	2.2
2035	729.7	29.0	758.7	30.6	728.1	2.2
2036	746.3	29.1	775.4	32.0	743.4	2.1
2037	763.1	29.2	792.3	33.3	759.0	2.1
2038	779.9	29.3	809.2	34.7	774.5	2.0
2039	796.8	29.3	826.1	36.2	789.9	2.0
2040	813.8	29.3	843.1	37.6	805.5	2.0
2041	830.9	29.4	860.3	39.1	821.2	1.9
2042	848.1	29.4	877.5	40.7	836.8	1.9
2043	865.4	29.3	894.7	42.2	852.5	1.9
2044	882.7	29.3	912.0	43.8	868.2	1.8
2045	900.0	29.2	929.2	45.5	883.7	1.8
2046	917.4	29.1	946.5	47.1	899.4	1.8
2047	934.9	29.0	963.9	48.0	915.9	1.8

<sup>(1)</sup> System-wide toll rate increase. "Customer First" toll policy adopted by CFX Board on February 9, 2017. First toll rate adjustment under new policy took place on July 1, 2018. See "SYSTEM REVENUES - System Toll Structure" herein.

<sup>(2)</sup> Unpaid Toll Notice ("UTN"). The revenue recaptured from the UTNs comprised approximately 4.0% and 5.2% of the System Revenues less Discount Programs in Fiscal Year 2016 and Fiscal Year 2017, respectively. From Fiscal Year 2018 through Fiscal Year 2047, the estimated revenue recaptured from the UTNs is assumed to comprise 5.5% declining to 3.1% of the System toll revenues Less Discount Programs. Historical information comes from the 2017 CAFR.

<sup>(3)</sup> The Loyalty Discount Program provides a 10% discount to customers with at least 40 transactions per month and a 15% discount to customers with at least 80 transactions per month. The I-4 Commuter Discount Program, instituted for a six-year period beginning in Fiscal Year 2017, provides an additional 5% discount to customers with 20 or more transactions per month on the CFX "beltway" facilities (SR 417, SR 429 and SR 414). This discount is only offered during months when actual total revenue exceeds the current revenue projections by more than 2.0%. The School Bus Rebate Program, which began on February 1, 2016, provides a 99% discount to school buses in Orange, Brevard, Lake, Osceola, Polk, Seminole and Volusia Counties transporting students on official school business on CFX facilities. This rebate is only offered during months when actual total revenue exceeds the current revenue projections by more than 2.0%. See "SYSTEM REVENUES - Discount Programs" herein.

Source: FY 2017 General Traffic and Earnings Consultant's Annual Report dated May 2018, attached hereto as Appendix D.

**Estimated Net Revenues Available for Debt Service (Millions)**

[TO BE UPDATED]

<b>Fiscal Year</b>	<b>Projected Total System Toll Revenues Less Discount Programs<sup>(1)</sup></b>	<b>Plus Interest Income and Other System Revenues</b>	<b>Less Operations, Maintenance &amp; Administration Expense Less Advances from Department for Operations and Maintenance<sup>(2)</sup></b>	<b>Less Deposits into Operations, Maintenance &amp; Administration Reserve</b>	<b>Estimated Net Revenues Available for Debt Service</b>
2019 <sup>(3)</sup>	\$457.3	\$9.7	\$81.8	\$0.0	\$380.5
2020	479.0	9.9	85.1	0.1	392.4
2021	499.7	10.1	88.5	0.5	398.1
2022	519.8	10.3	92.0	0.5	409.9
2023	538.6	10.6	95.7	0.5	414.8
2024	556.4	10.8	99.5	0.5	424.5
2025	572.7	11.0	103.5	0.5	434.2
2026	587.6	11.2	107.6	0.6	443.4
2027	602.6	11.6	111.9	0.6	452.8
2028	617.9	_____	_____	_____	_____
2029	633.3	_____	_____	_____	_____

- <sup>(1)</sup> The "Projected Total System Toll Revenues Less Discount Programs" numbers were obtained from the FY 2017 General Traffic and Earnings Consultant's Annual Report dated January May 2018 and attached hereto as Appendix D.
- <sup>(2)</sup> Assumes advances from the Department for Operations and Maintenance will continue to be made annually pursuant to the Lease-Purchase Agreement and the Interagency Agreement. See "DESCRIPTION OF THE DEPARTMENT OF TRANSPORTATION AND ITS RELATIONSHIP TO THE EXPRESSWAY SYSTEM" herein.
- <sup>(3)</sup> System-wide toll rate increase. "Customer First" toll policy adopted by CFX Board on February 9, 2017. First toll rate adjustment under new policy took place on July 1, 2018. See "SYSTEM REVENUES - System Toll Structure" herein.

Numbers may not add due to rounding.

Source: CFX, PFM Financial Advisors LLC, except for "Projected Total System Toll Revenues Less Discount Programs" figures which are obtained from the FY 2017 General Traffic and Earnings Consultant's Annual Report dated May 2018 attached hereto as Appendix D.

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## Estimated Debt Service Coverage Ratio (Millions)

[TO BE UPDATED]

Year Ending June 30	Estimated Net Revenues Available for Debt Service	Total Aggregate Debt Service <sup>(1)</sup>	Less Debt Service Reserve and Sinking Fund Interest Earnings	Net Aggregate Debt Service <sup>(2)</sup>	Debt Service Ratio of Net Revenues Available for Debt Service to Net Aggregate Debt Service <sup>(3)</sup>
2019	\$380.5	\$182.3	\$0.8	\$181.4	2.10x
2020	392.4	195.0	1.0	194.0	2.02
2021	398.1	205.2	1.0	204.1	1.95
2022	409.9	203.4	1.1	202.3	2.03
2023	414.8	203.1	1.1	202.1	2.05
2024	424.5	209.5	1.1	208.4	2.04
2025	434.2	223.1	1.2	222.0	1.96
2026	443.4	233.0	1.2	231.8	1.91
2027	452.8	232.8	1.2	231.6	1.95
2028	_____	_____	_____	_____	_____
2029	_____	_____	_____	_____	_____

- <sup>(1)</sup> Estimated debt service on the Outstanding Parity Bonds, including the Series 2008B Bonds, which is net of ongoing expenses such as Bond Credit Facility fees, letter of credit fees, and remarketing fees, where applicable, as the same are not included as part of debt service under the Bond Resolution. Debt service on the Series 2008B Bonds has been calculated based upon the fixed rate provided in the Interest Rate Swap Agreements relating to each such Series of Bonds plus any applicable spreads for sub-series currently in a direct purchase mode for the duration of the current facility. The Series 2008B Bonds are assumed to revert to a letter of credit backed mode at the expiration of the current direct purchase modes. Debt service on the Series 2008B-1 Bonds includes an assumed spread of 55 basis points through May 7, 2020. Debt service on the Series 2008B-2 Bonds includes an assumed spread of 58 basis points through July 30, 2018. Debt service on the Series 2008B-3 Bonds and the Series 2008B-4 Bonds includes an assumed spread of 53.5 basis points through September 10, 2019. Does not assume savings resulting from issuance of Series 2018 Bonds and refunding of Refunded Bonds. Assumes approximately \$710 million of additional Parity Bonds are issued over the next seven years. The future issuances are based on completion of all projects commenced in CFX's currently approved Five-Year Work Plan. CFX updates the Five-Year Work Plan annually and will plan according to the 1.60x coverage planning target per the Debt Policy. See "MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS - Capital Planning Methodology" herein. See "MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS - Capital Planning Methodology" herein.
- <sup>(2)</sup> Net Aggregate Debt Service is computed by subtracting the Debt Service Reserve and Sinking Fund Interest Earnings from the Total Aggregate Debt Service.
- <sup>(3)</sup> Debt Service Ratio is computed by dividing the Net Aggregate Debt Service into the Estimated Net Revenues Available for Debt Service.

Numbers may not add due to rounding.

Source: CFX, except for "Debt Service Ratio of Net Revenues Available for Debt Service to Net Aggregate Debt Service" and "Debt Service Ratio of Net Revenues Available for Debt Service plus Supplemental Payments to Debt Service" figures which were prepared by PFM Financial Advisors LLC and approved by CFX.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS

[TO BE UPDATED]

For an overview and analysis of the financial activities of CFX for the Fiscal Years 2017 and 2016, see "Management's Discussion and Analysis" in the "AUDITED FINANCIAL STATEMENTS OF CFX FOR THE FISCAL YEAR ENDED JUNE 30, 2017 AND JUNE 30, 2016" attached hereto as Appendix G.

*Liquidity Position.* As of September 30, 2017, CFX had \$84,686,415 in unrestricted funds and \$189,057,675 in reserves, excluding CFX's debt service reserve funds but including the internal discretionary reserve. As of the date of this Official Statement, CFX has allocated \$160 million to such internal discretionary reserve. See "VARIABLE RATE EXPOSURE AND INTEREST RATE EXCHANGE AGREEMENTS - Termination Risk" herein.

*Hurricane Irma.* For a discussion of the Fiscal Year 2017 toll revenue impacts of Hurricane Irma see "SYSTEM REVENUES - Toll Suspension - Hurricane Irma" herein.

### LITIGATION

There is not now any litigation pending or, to the knowledge of CFX, threatened, which if successful would affect the validity of the Series 2018 Bonds or the proceedings and authority under which they are to be issued. In addition to the actions described below, CFX, from time to time, engages in routine litigation the outcome of which is not expected to have any material adverse effect on the issuance and delivery of the Series 2018 Bonds or the financial condition of CFX.

#### **Eminent Domain**

CFX has acquired property for the Wekiva Parkway (SR 429) through voluntary acquisitions and involuntary acquisitions, which require the filing of a petition in eminent domain, the deposit of a good faith estimate of value, and the determination of full compensation, including compensation for the property taken, attorney's fees, expert fees, costs, and relocation expenses. Several of the eminent domain cases have not yet been resolved. CFX does not believe that payment of compensation for the aforementioned eminent domain cases will materially adversely affect its financial position.

#### **Class Action**

On January 5, 2015, Tropical Trailer Leasing LLC, a management company, and eight of its affiliates, who own and lease fleets of chassis and semitrailers, all of whom are based in Miami-Dade County, Florida, filed an amended class action complaint against

CFX and the Executive Director in the Circuit Court of the Ninth Judicial Circuit in and for Orange County, Florida, arising from tolls charged to the owners of trailers or semitrailers that are towed by third party drivers, who use CFX toll roads without paying the required tolls. The class action complaint seeks injunctive relief, declaratory relief and damages under several theories, including injunctive and declaratory relief under common law, damages under Article I, § 18 of the Florida Constitution, and relief under the federal civil rights statute codified in 42 USC § 1983. For declaratory and injunctive relief, Plaintiffs request that CFX should be enjoined from issuing citations or notices of toll violation to Plaintiffs or other class members and that the court should declare that the Plaintiffs should not be charged with the payment of tolls or registration holds when the Plaintiffs' trailers are towed by third parties.

On September 17, 2015, and again on November 30, 2015, the trial court dismissed with prejudice the Section 1983 claims, but denied the motion to dismiss as to the remaining claims. Plaintiffs appealed the dismissal of the Section 1983 claims, but then dismissed this appeal, which was accepted by the appellate court on June 8, 2016.

By Order dated February 2, 2016, the trial court granted Plaintiffs' motion for class certification and certified the lawsuit as a class action, but narrowed the class to "all owners of a trailer or semitrailer or chassis who within the four years preceding the filing of this lawsuit were charged a highway toll by CFX . . . because the driver or owner of the differently owned motorized vehicle towing the trailer or semitrailer or chassis failed to immediately pay the applicable toll." Both CFX and the Plaintiffs appealed the order certifying the class. The appellate court affirmed the trial court's decision certifying the narrowed class and remanded the case back to the trial court to resolve the remaining counts for injunctive relief, declaratory relief, and damages under Article I, § 18 of the Florida Constitution.

Both CFX and Plaintiffs filed motions for summary judgment, which were heard by the trial court in February and April of 2018. The trial court has not yet ruled on such pending motions.

While CFX cannot currently quantify the potential liability arising from this complaint, CFX believes that it will prevail and will continue to vigorously contest the allegations against it.

## **LIMITATION AND ENFORCEABILITY OF REMEDIES**

The remedies available to owners of the Series 2018 Bonds upon an Event of Default under the Bond Resolution are limited to the institution of an action for specific performance in a writ of mandamus or other suit, action or proceeding compelling and requiring CFX and its officers to observe and perform any covenant, condition or obligation prescribed in the Bond Resolution, including the fixing, charging and collecting

of rates, fees or other charges for the services and facilities of the System. The remedies provided with respect to the Series 2018 Bonds under the Bond Resolution are in many respects dependent upon statutory, regulatory provisions (including the federal bankruptcy code) and judicial decisions which are often subject to discretion and delay and therefore may not be readily available or may be limited. The various legal opinions delivered or to be delivered concurrently with the delivery of the Series 2018 Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally. See "APPENDIX A - AMENDED AND RESTATED MASTER BOND RESOLUTION" attached hereto.

### **DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS**

Section 517.051, Florida Statutes and the regulations promulgated thereunder require that CFX make full and fair disclosure of any bonds or other debt obligations of such entities that have been in default as to payment of principal or interest at any time after December 31, 1975. CFX is not presently and, since December 31, 1975, has not been in default as to payment of principal or interest on any bonds or other debt obligations.

### **CONTINUING DISCLOSURE**

In order to assist the Underwriters in complying with Rule 15c2-12(b)(5) of the SEC promulgated pursuant to the Securities Exchange Act of 1934 (the "Rule"), CFX will enter into a Continuing Disclosure Agreement dated the date of delivery (the "Continuing Disclosure Agreement") which is attached hereto as "APPENDIX F - FORM OF CONTINUING DISCLOSURE AGREEMENT," for the benefit of the Holders (as defined in the Continuing Disclosure Agreement) of the Series 2018 Bonds. Under the Continuing Disclosure Agreement, CFX, as an "obligated person" under the Rule and, initially, the sole obligated person under the Continuing Disclosure Agreement, will provide certain financial information and operating data (the "Annual Report") relating to CFX and notices of the occurrence of certain enumerated events with respect to the Series 2018 Bonds.

The Annual Report, and notices of the occurrence of certain enumerated events, will be filed by or on behalf of CFX to the centralized information repository developed and operated by the Municipal Securities Rulemaking Board ("MSRB") through the Electronic Municipal Market Access system ("EMMA"), in an electronic format prescribed by the MSRB. The nature of the information to be provided in the Annual Report and the notices of such enumerated events is set forth in "APPENDIX F - FORM OF CONTINUING DISCLOSURE AGREEMENT" attached hereto. The Continuing Disclosure Agreement further provides that a default under the Continuing Disclosure Agreement shall not constitute an Event of Default under the Bond Resolution.

CFX did not timely post a defeasance notice relating to that portion of the Series 2007A Bonds which were refunded by the Series 2016A Bonds. CFX has subsequently filed the defeasance notice with EMMA.

## **UNDERWRITING**

The Series 2018 Bonds are being purchased by Merrill Lynch, Pierce, Fenner, & Smith Incorporated, on behalf of itself, and as representative of the Underwriters listed on the cover page of this Official Statement (collectively, the "Underwriters"). The Underwriters have agreed to purchase the Series 2018 Bonds at a price of \$\_\_\_\_\_ (representing the principal amount of \$\_\_\_\_\_ plus net bond premium of \$\_\_\_\_\_, less an Underwriters' discount of \$\_\_\_\_\_).

The prices and other terms with respect to the offering and sale of the Series 2018 Bonds may be changed from time to time by the Underwriters after such Series 2018 Bonds are released for sale, and the Series 2018 Bonds may be offered and sold at prices other than the initial offering prices, including sales to dealers who may sell the Series 2018 Bonds into investment accounts.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage services. Certain of the Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for CFX, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of CFX.

In addition, certain of the Underwriters have entered into distribution agreements with other broker-dealers (that have not been designated by CFX as Underwriters) for the distribution of the Series 2018 Bonds at the original issue prices. Such agreements generally provide that the relevant Underwriter will share a portion of its underwriting compensation or selling concession with such broker-dealers.

The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express

independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Products Group, a separately identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934. Wells Fargo Bank, National Association is serving as underwriter, registrar, paying agent and trustee for the Series 2018 Bonds as well as Escrow Agent for the Refunded Bonds and will be compensated separately for serving in each capacity.

## **RATINGS**

The Series 2018 Bonds have been assigned a rating of "\_\_\_" (\_\_\_\_\_ outlook) from S&P, "\_\_\_" (\_\_\_\_\_ outlook) from Moody's and "\_\_\_\_\_" (\_\_\_\_\_ outlook) from Fitch Ratings Inc. ("Fitch"). Such ratings express only the views of S&P, Moody's and Fitch (collectively, the "Rating Agencies"). An explanation of the significance of such ratings may be obtained from the Rating Agencies furnishing the same. There is no assurance that any rating will be maintained for any given period of time or that it will not be revised downward or withdrawn entirely by the Rating Agencies if, in their judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings or other actions by the Rating Agencies or either of them, may have an adverse effect on the liquidity and/or market price of the Series 2018 Bonds. CFX undertakes no responsibility to oppose any such revision or withdrawal.

## **TAX MATTERS**

In the opinion of Nelson Mullins Broad and Cassel, Bond Counsel, under existing law assuming compliance with certain tax covenants, the interest on the Series 2018 Bonds is excluded from gross income for federal income tax purposes under Section 103(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and is not treated as a specific item of tax preference under Section 57 of the Code for purposes of the alternative minimum tax imposed on individuals. An opinion to those effects will be included in the legal opinion of Bond Counsel. See APPENDIX H – "Form of Opinion of Bond Counsel."

The Code prescribes a number of qualifications and conditions for the interest on state and local government obligations to be and remain excluded from gross income for federal income tax purposes, some of which, including provisions for potential payments

by CFX to the federal government, require future or continued compliance after issuance of the Series 2018 Bonds in order for the interest to be and to continue to be so excluded from the date of issuance of the Series 2018 Bonds. CFX has made certain representations and certifications, and has covenanted to comply with the applicable provisions of the Code including those which require CFX to take or omit to take certain actions after issuance of the Series 2018 Bonds. The opinion of Bond Counsel described above will assume the accuracy of CFX's representations and certifications and will assume the compliance by CFX with the provisions of the Code described above. Bond Counsel will not independently verify the accuracy of the certifications and representations made by CFX. No opinion is expressed by Bond Counsel with respect to the tax-exempt status of the interest on the Series 2018 Bonds in the event of noncompliance with provisions of the Code which require CFX to take or omit to take certain actions after the issuance of the Series 2018 Bonds. The failure of CFX to comply with such provisions may cause the interest on the Series 2018 Bonds to become taxable retroactive to the date of issuance of the Series 2018 Bonds.

Under Code provisions applicable only to corporations (as defined for federal income tax purposes), a portion of the excess of adjusted current earnings (which includes interest on all tax-exempt bonds, including the Series 2018 Bonds) over other alternative minimum taxable income is included in alternative minimum taxable income that may be subject to a corporate alternative minimum tax. However, the corporate alternative minimum tax has been repealed for taxable years beginning after December 31, 2017.

Except as described above, Bond Counsel has not, and will not, express an opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of the Series 2018 Bonds. Prospective purchasers should be aware that ownership of the Series 2018 Bonds may result in other collateral federal tax consequences, including (i) denial of a deduction for interest on indebtedness incurred or continued to purchase or carry Bonds; (ii) reduction of loss reserve deduction for property and casualty insurance companies by 15% of certain items, including interest on the Series 2018 Bonds; (iii) inclusion of interest on Bonds in the branch profits tax; (iv) inclusion of interest on Bonds in the passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year; (v) inclusion in gross income of interest on the Series 2018 Bonds by recipients of certain Social Security and Railroad Retirement Benefits; and (vi) limitations applicable to individuals otherwise eligible for earned income credit. The applicability and extent of these or other tax consequences will depend upon the participant tax status or other tax items of the owners of the Series 2018 Bonds. Owners of the Series 2018 Bonds should consult their own tax advisors with respect to such tax consequences. In addition, prospective purchasers of the Series 2018 Bonds at other than their original issue or the respective prices indicated on the front cover should consult their tax advisors as to other tax consequences such as, for example, market discount.

## **Original Issue Discount**

The Series 2018 Bonds maturing July 1 in the years \_\_\_\_\_, inclusive (collectively, the "Discount Bonds") are being offered and sold to the public at an original issue discount ("OID"). OID is the excess of the stated redemption price at maturity (the face amount) over the "issue price" of such Bonds. The issue price of a Discount Bond is the initial offering price to the public (other than to bond houses, brokers or similar persons acting in the capacity of underwriters or wholesalers) at which a substantial amount of the Discount Bond of the same maturity are sold pursuant to that offering. For federal income tax purposes, OID accrues actuarially to the holder of a Discount Bond over the period to maturity based on the constant interest rate method. With respect to an initial purchaser of a Discount Bond at its issue price, the portion of OID that accrues during the period the purchaser owns the Discount Bond (i) is interest excludable from the purchaser's gross income for federal income tax purposes to the same extent and subject to the same considerations discussed above as other interest on the Series 2018 Bonds, and (ii) is added to the purchaser's tax basis for purposes of determining gain or loss on the maturity, redemption, prior sale or other disposition of that Discount Bond. A purchaser of a Discount Bond at its issue price in the initial public offering who holds that Discount Bond to maturity will realize no gain or loss upon the retirement of that Bond. Registered owners of Discount Bonds should consult their own tax advisers as to the determination for federal income tax purposes of the amount of OID properly accruable each year with respect to the Discount Bond, and as to other federal tax consequences and any state and local tax aspects of owning Bonds.

## **Original Issue Premium**

The Series 2018 Bonds maturing July 1, in the years \_\_\_\_\_, inclusive (collectively, the "Premium Bonds") were offered and sold to the public at a price in excess of their stated redemption price (the principal amount) at maturity. That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of the Premium Bonds, based on the yield to maturity of that Premium Bond (or, in the case of a Premium Bond callable prior to maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Bond), compounded semiannually. No portion of the bond premium is deductible by the owner of the Premium Bonds. For purposes of determining the owner's gain or loss on the sale, redemption at maturity or other disposition of a Premium Bond, the owner's tax basis in the Premium Bond is reduced by the amount of bond premium that accrues during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes upon the sale or other disposition of a Premium Bond for an amount equal to or less than the amount paid by that owner for the Premium Bond. A purchaser of a Premium Bond at its issue price in the initial public offering who holds that Premium Bond to maturity (or, in the case of a callable Premium Bond, its earlier call date that results in the lowest yield on the Premium Bond) will realize



no gain or loss upon the retirement of that Premium Bond. Owners of the Premium Bonds should consult their own tax advisors as to the determination for federal income tax purposes of the amount of bond premium properly accruable each year with respect to the Premium Bonds, and as to other federal tax consequences and any state and local tax aspects of owning Premium Bonds.

### **Information Reporting and Backup Withholding**

Interest paid on tax-exempt bonds such as the Series 2018 Bonds is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the Series 2018 Bonds from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of Bonds, under certain circumstances, to "backup withholding" at the rate specified in the Code with respect to payments on the Series 2018 Bonds and proceeds from the sale of the Series 2018 Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of the Series 2018 Bonds. This withholding generally applies if the owner of Bonds (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the Series 2018 Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

### **Federal Tax Legislation**

Legislation affecting state and local government bonds is introduced and considered from time to time by the United States Congress which, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Series 2018 Bonds. It cannot be predicted whether or in which form any such proposal might be enacted or whether, if enacted, it would apply to bonds (such as the Series 2018 Bonds) issued prior to enactment.

## **LEGAL MATTERS**

Certain legal matters incident to the validity of the Series 2018 Bonds and the issuance thereof by CFX are subject to the approval of Nelson Mullins Broad and Cassel, Orlando, Florida, Bond Counsel. The proposed form of the opinion of Bond Counsel is attached hereto as Appendix H. Certain legal matters will be passed upon by the General Counsel to CFX, Joseph Passiatore, Esq., Orlando, Florida. Nabors, Giblin & Nickerson,

P.A., Tampa, Florida is serving as Disclosure Counsel for CFX. Certain legal matters in connection with the Series 2018 Bonds will be passed upon for the Underwriters by Greenberg Traurig, LLP, Orlando, Florida, counsel to the Underwriters.

## **PROFESSIONAL CONSULTANTS**

### **Financial Advisor**

PFM Financial Advisors LLC, Orlando, Florida serve as Financial Advisor to CFX. The Financial Advisor assisted CFX in the preparation of this Official Statement and in other matters relating to the planning, structuring and issuance of the Series 2018 Bonds, and provided other advice. However, the Financial Advisor, with the exception of the sections herein regarding "SYSTEM FINANCING - Estimated Annual Debt Service," and "HISTORICAL AND PROJECTED OPERATING RESULTS OF THE SYSTEM - Estimated Debt Service Coverage Ratio," have not been engaged and are not obligated to undertake, and have not undertaken to make, independent verification of the accuracy, completeness, or fairness of the information contained in this Official Statement. The Financial Advisor did not participate in the underwriting of the Series 2018 Bonds.

### **Independent Auditors**

The financial statements of CFX for the Fiscal Years ended June 30, 2017 and June 30, 2016 attached hereto as Appendix G have been audited by Moore Stephens Lovelace P.A., independent auditors, as stated in their report appearing in Appendix G attached hereto. Moore Stephens Lovelace P.A. has not examined, compiled or applied agreed-upon procedures to the projected and/or forecasted data contained herein and, therefore, assumes no responsibility for such data.

### **Engineers**

Dewberry Engineers Inc. serves as CFX's General Engineering Consultant. See "GENERAL ENGINEERING CONSULTANT'S REPORT DATED \_\_\_\_\_, 2018" attached hereto as Appendix C. CDM Smith serves as CFX's Traffic Engineer. See "FY 2017 GENERAL TRAFFIC AND EARNINGS CONSULTANT'S ANNUAL REPORT DATED MAY 2018" attached hereto as Appendix D.

## **CONTINGENT FEES**

Payment of the fees of Bond Counsel, Disclosure Counsel and the Financial Advisor and the payment of a discount to the Underwriters are each contingent upon the issuance and sale of the Series 2018 Bonds.

## **VALIDATION**

The Series 2018 Bonds represent a portion of the \$2,000,000,000 State of Florida, Orlando-Orange County Expressway Authority Revenue Bonds that have been validated by Final Judgment of the Circuit Court of the Ninth Judicial Circuit of Florida, Orlando, Orange County, Florida, on September 20, 2002; the time for filing an appeal has expired with no appeal having been filed.

## **FORWARD-LOOKING STATEMENTS**

The statements contained in this Official Statement, and in any other information provided by CFX, that are not purely historical, are forward-looking statements, including statements regarding CFX's expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to CFX on the date hereof, and CFX assumes no obligation to update any such forward-looking statements. It is important to note that CFX's actual results could differ materially from those in such forward-looking statements.

The forward-looking statements herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of CFX. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement would prove to be accurate.

## **MISCELLANEOUS**

This Official Statement is not to be construed as a contract with the purchasers of the Series 2018 Bonds. The references, excerpts and summaries of all documents referred to in this Official Statement do not purport to be complete statements of the provisions of such documents, and reference is directed to all such documents for full and complete statements of all matters relating to the Series 2018 Bonds, the security for the payment of the Series 2018 Bonds and the rights and obligations of the owners of the Series 2018 Bonds. The information and expressions of opinion in this Official Statement are subject

to change without notice and neither the delivery of this Official Statement nor any sale made shall under any circumstances create any implication that there has been no change in the matters referred to in this Official Statement since its date.

So far as any statements made in this Official Statement involve matters of opinion or of estimates, whether or not expressly stated, they are set forth as such and not as representations of fact. No representation is made that any of the opinions or estimates will be realized.

**AUTHORIZATION OF AND CERTIFICATION  
CONCERNING OFFICIAL STATEMENT**

This Official Statement has been authorized and approved by CFX. Upon the delivery of the Series 2018 Bonds, the undersigned will furnish a certificate to the effect that this Official Statement did not as of its date, and does not contain any untrue statement of a material fact or omit to state a material fact which should be included herein for the purpose for which this Official Statement is to be used, or which is necessary in order to make the statements contained herein, in light of the circumstances under which they were made, not misleading.

**CENTRAL FLORIDA EXPRESSWAY  
AUTHORITY**

By: \_\_\_\_\_  
Chairman

By: \_\_\_\_\_  
Executive Director

**APPENDIX A**

**AMENDED AND RESTATED MASTER BOND RESOLUTION**

**APPENDIX B**

**TWENTY-FOURTH SUPPLEMENTAL RESOLUTION**

**APPENDIX C**

**CONSULTING ENGINEER'S REPORT DATED \_\_\_\_\_, 2018**

**APPENDIX D**

**FY 2016 GENERAL TRAFFIC AND EARNINGS CONSULTANT'S ANNUAL  
REPORT DATED MAY 2018**



**APPENDIX E**

**LEASE-PURCHASE AGREEMENT**

**APPENDIX F**

**FORM OF CONTINUING DISCLOSURE AGREEMENT**

**APPENDIX G**

**AUDITED FINANCIAL STATEMENTS OF CFX FOR THE FISCAL YEAR  
ENDED JUNE 30, 2017 AND JUNE 30, 2016**

**APPENDIX H**

**FORM OF OPINION OF BOND COUNSEL**

**EXHIBIT C**

**FORM OF CONTINUING DISCLOSURE AGREEMENT**  
[Attached]

**CONTINUING DISCLOSURE AGREEMENT**

**by and between**

**CENTRAL FLORIDA EXPRESSWAY AUTHORITY**

**and**

**DIGITAL ASSURANCE CERTIFICATION, L.L.C.**

**relating to:**

**\$ \_\_\_\_\_  
CENTRAL FLORIDA  
EXPRESSWAY AUTHORITY  
SENIOR LIEN REVENUE BONDS,  
SERIES 2018**

**DATED NOVEMBER \_\_, 2018**

## **CONTINUING DISCLOSURE AGREEMENT**

This **CONTINUING DISCLOSURE AGREEMENT** (this "Disclosure Agreement"), dated November \_\_, 2018, is executed and delivered by the **CENTRAL FLORIDA EXPRESSWAY AUTHORITY** ("CFX") and **DIGITAL ASSURANCE CERTIFICATION, L.L.C.**, and any successor disclosure dissemination agent serving hereunder pursuant to Section 10 hereof as Disclosure Dissemination Agent (the "Disclosure Dissemination Agent" or "DAC").

### **RECITALS:**

A. Contemporaneously with the execution and delivery of this Disclosure Agreement, CFX issued its Senior Lien Revenue Bonds, Series 2018 (the "Series 2018 Bonds"), pursuant to that certain Amended and Restated Master Bond Resolution adopted by CFX on February 3, 2003 (the "Master Bond Resolution"), as supplemented by the Twenty-Fourth Supplemental Revenue Bond Resolution Authorizing the Issuance of Senior Lien Revenue Bonds, Series 2018 adopted by CFX on October 11, 2018, (the "Twenty-Fourth Supplemental Resolution" and together with Master Bond Resolution, the "Bond Resolution").

B. CFX has authorized the preparation and distribution of the Preliminary Official Statement dated October \_\_, 2018 with respect to the Series 2018 Bonds (the "Preliminary Official Statement").

C. Upon the initial sale of the Series 2018 Bonds to the underwriter(s) named in the hereinafter referenced Official Statement (collectively, the "Underwriters"), CFX authorized the preparation and use of the Official Statement dated November \_\_, 2018 with respect to the Series 2018 Bonds (the "Official Statement").

D. As a condition precedent to the initial purchase of the Series 2018 Bonds by the Underwriters in accordance with the bond purchase agreement and in compliance with the Underwriters' obligations under the Rule (as defined herein), CFX has agreed to undertake certain disclosure obligations with respect to the Series 2018 Bonds for the benefit of the Holders (hereinafter defined) as specified hereunder on an ongoing basis during the term hereof and has agreed to retain the Disclosure Dissemination Agent to perform certain disclosure dissemination tasks as provided for herein on its behalf.

**NOW THEREFORE**, in consideration of the purchase of the Series 2018 Bonds by the Underwriters and the mutual promises and agreements made herein, the receipt and sufficiency of which consideration is hereby mutually acknowledged, CFX and the Disclosure Dissemination Agent do hereby certify and agree as follows:

**SECTION 1. Incorporation of Recitals.** The above recitals are true and correct and are incorporated into and made a part hereof.

**SECTION 2. Definitions.** Capitalized terms used, but not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Bond Resolution or the Official Statement, as applicable. In addition to the terms defined elsewhere herein, the following capitalized terms shall have the following meanings for the purposes of this Disclosure Agreement:

**"Annual Report"** means an Annual Report described in and consistent with Section 4 of this Disclosure Agreement.

**"Annual Filing Date"** means the date, set in Sections 3(a) and 3(f) hereof, by which the Annual Report is to be filed with the Repositories.

**"Annual Financial Information"** means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 4(a) of this Disclosure Agreement.

**"Audited Financial Statements"** means the General Purpose Financial Statements for CFX prepared in accordance with GAAP (as defined herein) for the prior Fiscal Year, certified by an independent auditor and specified in Section 4(b) of this Disclosure Agreement.

**"Business Day"** means a day other than a Saturday or a Sunday or a day on which banks in Florida are authorized or required by law to close.

**"Certification"** means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Voluntary Report or Notice Event notice delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Voluntary Report or Notice Event notice required to be submitted to each Repository under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by CFX and include the full name of the Series 2018 Bonds and, to the best of its knowledge, the 9-digit CUSIP numbers for all Series 2018 Bonds to which the document applies.

**"Disclosure Representative"** means the Chief Financial Officer of CFX or her designee, or such other person as CFX shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

**"Disclosure Dissemination Agent"** means Digital Assurance Certification, L.L.C., acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by CFX pursuant to Section 10 hereof.



**"EMMA"** means the MSRB's Electronic Municipal Market Access system as described in 1934 Act Release No. 59062 and maintained by the MSRB for purposes of the Rule. Further information regarding EMMA can be retrieved by visiting the web site <http://emma.msrb.org/>.

**"Fiscal Year"** means the fiscal year of CFX, which currently is the twelve-month period beginning July 1 and ending on June 30 of the following year, or any such other twelve-month period designated by CFX, from time to time, to be its fiscal year.

**"GAAP"** means generally accepted accounting principles promulgated by the Government and Financial Accounting Standards Boards as in effect from time to time in the United States.

**"Holder"** means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2018 Bonds (including persons holding Series 2018 Bonds through nominees, depositories or other intermediaries) or (b) treated as the owner of any Series 2018 Bonds for federal income tax purposes.

**"Information"** means the Annual Financial Information, the Audited Financial Statements (if any), the Notice Event notices and the Voluntary Reports.

**"MSRB"** means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

**"Notice Event"** means an event listed in Section 5(a) of this Disclosure Agreement.

**"Obligated Person"** means CFX and any person who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all or part of the obligations on the Series 2018 Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities). CFX confirms that currently it is the only Obligated Person.

**"Repository"** or **"NRMSIR"** means any Nationally Recognized Municipal Securities Information Repository recognized for purposes of the Rule and the MSRB, as reflected on the website of the SEC at [www.sec.gov](http://www.sec.gov). Currently, the sole Repository is the MSRB, through the operation of EMMA.

**"Rule"** means Rule 15c2-12 of the SEC promulgated pursuant to the Securities Exchange Act of 1934, as the same may be amended from time to time.

**"SEC"** means the United States Securities and Exchange Commission.

**"State"** means the State of Florida.

**"Voluntary Report"** means the information provided to the Disclosure Dissemination Agent by CFX pursuant to Section 8.

**SECTION 3. Provision of Annual Reports.**

(a) CFX shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent on or before the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to each Repository not later than March 31 after the end of each Fiscal Year, commencing with the Fiscal Year ending June 30, 2018. If March 31 falls on a weekend, the Annual Report will be due the first Business Day thereafter. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement.

(b) If the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification by 12:00 p.m. Eastern time on the Annual Filing Date, the Disclosure Dissemination Agent shall contact the Disclosure Representative by e-mail and telephone to remind CFX of its undertaking to provide the Annual Report pursuant to Section 3(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification or (ii) instruct the Disclosure Dissemination Agent in writing that CFX will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Disclosure Dissemination Agent that an event as described in Section 3(e)(iii)(15) has occurred and to immediately send a notice to each Repository in substantially the form attached as Exhibit A.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 6:00 p.m. Eastern time on Annual Filing Date (or, if such Annual Filing Date falls on a non-Business Day, then the first Business Day thereafter) for the Annual Report, an event described in Section 3(e)(iii)(15) shall have occurred and CFX irrevocably directs the Disclosure Dissemination Agent to immediately send a notice to the MSRB in substantially the form attached as Exhibit A without reference to the anticipated filing date for the Annual Report, accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit B.

(d) If the Audited Financial Statements of CFX are prepared but not available prior to the Annual Filing Date, CFX shall, when the Audited Financial Statements are available, provide in a timely manner an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certificate, for filing with each Repository.

(e) The Disclosure Dissemination Agent shall:

(i) upon receipt, promptly file each Annual Report received under Section 3(a) with each Repository;

(ii) upon receipt, promptly file each Audited Financial Statement received under Section 3(d) with each Repository;

(iii) upon receipt, promptly file the text of each disclosure to be made with each Repository together with a completed copy of the MSRB Material Event Notice Cover Sheet in the form attached as Exhibit B, describing the event by checking the box indicated below when filing pursuant to the Section of this Disclosure Agreement indicated:

1. "Principal and interest payment delinquencies," pursuant to Sections 5(c) and 5(a)(1) hereof;

2. "Non-Payment related defaults," pursuant to Sections 5(c) and 5(a)(2) hereof;

3. "Unscheduled draws on debt service reserves reflecting financial difficulties," pursuant to Sections 5(c) and 5(a)(3) hereof;

4. "Unscheduled draws on credit enhancements reflecting financial difficulties," pursuant to Sections 5(c) and 5(a)(4) hereof;

5. "Substitution of credit or liquidity providers, or their failure to perform," pursuant to Sections 5(c) and 5(a)(5) hereof;

6. "Adverse tax opinions or events adversely affecting the tax-exempt status of the Series 2018 Bonds," pursuant to Sections 5(c) and 5(a)(6) hereof;

7. "Modifications to rights of securities Holders," pursuant to Sections 5(c) and 5(a)(7) hereof;

8. "Bond calls," pursuant to Sections 5(c) and 5(a)(8) hereof;

9. "Defeasances," pursuant to Sections 5(c) and 5(a)(9) hereof;

10. "Release, substitution, or sale of property securing repayment of the Series 2018 Bonds," pursuant to Sections 5(c) and 5(a)(10) hereof;

11. "Ratings changes on the Series 2018 Bonds," pursuant to Sections 5(c) and 5(a)(11) hereof;

12. "Bankruptcy, insolvency, receivership or similar event" pursuant to Sections 5(c) and 5(a)(12) hereof;

13. "Merger, consolidation, or acquisition" pursuant to Sections 5(c) and 5(a)(13) hereof;

14. "Appointment of a successor or additional trustee or a change in the name of a trustee" for the Series 2018 Bonds pursuant to Sections 5(c) and 5(a)(14) hereof;

15. "Incurrence of a financial obligation, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person," affecting the Holders of the Series 2018 Bonds pursuant to Sections 5(c) and 5(a)(15) hereof;

16. "Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation, any of which reflect financial difficulties" pursuant to Sections 5(c) and 5(a)(16) hereof;

17. "Failure to provide annual financial information as required," pursuant to Section 3(b)(ii) or Section 3(c) hereof, together with a completed copy of Exhibit A to this Disclosure Agreement;

18. "Other material event notice (specify)," pursuant to Section 8 hereof, together with the summary description provided by the Disclosure Representative; and

(iv) provide CFX evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) CFX may adjust the Annual Filing Date upon change of its Fiscal Year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent and the Repositories, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

#### **SECTION 4. Content of Annual Reports.**

(a) Each Annual Report shall contain Annual Financial Information with respect to CFX, consisting of or cross-referencing the following:

(i) The Audited Financial Statements.

(ii) Annual, updated historical financial formation and operating data for CFX of the type included under the tables titled:

a. "DESCRIPTION OF THE SYSTEM -Traffic Volumes at

Mainline Toll Plazas/Selected Expressway Segments - Existing System;"

- b. "DESCRIPTION OF THE SYSTEM - Summary of Level of Service for Selected Expressway Segments;"
- c. "SYSTEM REVENUES - CFX System Toll Rates, As of July 1, 2018;"
- d. "HISTORICAL AND PROJECTED OPERATING RESULTS OF THE SYSTEM - Historical Total System Toll Revenues;"
- e. "HISTORICAL AND PROJECTED OPERATING RESULTS OF THE SYSTEM - Historical System Operating, Maintenance and Administrative Expenses;" and
- f. "HISTORICAL AND PROJECTED OPERATING RESULTS OF THE SYSTEM - Historical Debt Service Ratio."

(b) Audited Financial Statements will be included in the Annual Report; provided, however, if the Audited Financial Statements are not completed prior to March 31 of any year, CFX shall provide unaudited financial statements on such date and shall provide the Audited Financial Statements as soon as practicable following their completion. Audited Financial Statements will be provided pursuant to Section 3(d) hereof.

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which CFX is an "obligated person" (as defined by the Rule), which have been previously filed with the SEC. If the document incorporated by reference is a final official statement, it must be available from the MSRB. CFX will clearly identify each such document so incorporated by reference.

If CFX has not filed the Annual Report when due, then CFX or the Dissemination Agent, on behalf of CFX, shall file a notice with each Repository as required by the Rule.

**SECTION 5. Reporting of Notice Events.**

(a) The occurrence of any of the following events, with respect to the Series 2018 Bonds constitutes a Notice Event:

- 1. Principal and interest payment delinquencies;
- 2. Non-payment related defaults, if material;

3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements relating to the Series 2018 Bonds reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the Series 2018 Bonds, or material events affecting the tax-exempt status of the Series 2018 Bonds;
7. Modifications to rights of Holders of the Series 2018 Bonds, if material;
8. Bond calls (excluding sinking fund mandatory redemptions), if material, and tender offers;
9. Defeasances of the Series 2018 Bonds;
10. Release, substitution, or sale of property securing repayment of the Series 2018 Bonds, if material;
11. Rating changes on the Series 2018 Bonds;
12. Bankruptcy, insolvency, receivership or similar event of CFX;
13. The consummation of a merger, consolidation, or acquisition involving CFX or the sale of all or substantially all of the assets of CFX, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a financial obligation of CFX, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of CFX, any of which affect the holders of the Series 2018 Bonds, if material; and

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of CFX, any of which reflect financial difficulties.

For purposes of clauses (14) and (15) above, the term "financial obligation" shall mean (a) a debt obligation, (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation or (c) a guarantee of an obligation of the type described in (b) or (c). The term "financial obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

CFX shall promptly, and in no event later than ten (10) Business Days after the occurrence thereof, notify the Disclosure Dissemination Agent in writing upon the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to immediately report the occurrence pursuant to subsection (c). Such notice shall be accompanied with the text of the disclosure that CFX desires to make, the written authorization of CFX for the Disclosure Dissemination Agent to disseminate such information, and the date CFX desires for the Disclosure Dissemination Agent to disseminate the information.

(b) The Disclosure Dissemination Agent is under no obligation to notify CFX or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within the earlier of: two (2) Business Days after receipt of such notice or nine (9) Business Days from the occurrence of such event, instruct the Disclosure Dissemination Agent that (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to immediately report the occurrence pursuant to subsection (c), together with the text of the disclosure that CFX desires to make, the written authorization of CFX for the Disclosure Dissemination Agent to disseminate such information, and the date CFX desires for the Disclosure Dissemination Agent to disseminate the information.

(c) If the Disclosure Dissemination Agent has been instructed by CFX as prescribed in subsection (a) or (b)(ii) of this Section 5 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall promptly, and in any event within in one (1) Business Day, file a notice of such occurrence with each Repository.

**SECTION 6. CUSIP Numbers.** Whenever providing information to the Disclosure Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements, notices of Notice Events and Voluntary Reports filed pursuant to Section 8(a), CFX shall indicate the full name of the Series 2018 Bonds and, to the best of its knowledge, the 9-digit CUSIP numbers for the Series 2018 Bonds as to which the provided information relates. CFX by providing the CUSIP numbers is not representing or certifying as to the accuracy thereof.

**SECTION 7. Additional Disclosure Obligations.** CFX acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to CFX, and that the failure of the Disclosure Dissemination Agent to so advise CFX shall not constitute a breach by the Disclosure Dissemination Agent of any of its duties and responsibilities under this Disclosure Agreement. CFX acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

**SECTION 8. Voluntary Reports.**

(a) CFX may instruct the Disclosure Dissemination Agent to file information with the Repositories, from time to time pursuant to a Certification of the Disclosure Representative accompanying such information (a "Voluntary Report").

(b) Nothing in this Disclosure Agreement shall be deemed to prevent CFX from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Annual Financial Statement, Voluntary Report or Notice Event notice, in addition to that required by this Disclosure Agreement. If CFX chooses to include any information in any Annual Report, Annual Financial Statement, Voluntary Report or Notice Event notice in addition to that which is specifically required by this Disclosure Agreement, CFX shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Annual Financial Statement, Voluntary Report or Notice Event notice.

**SECTION 9. Termination of Reporting Obligation.**

(a) The obligations of CFX and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate with respect to the Series 2018 Bonds (i) upon the legal defeasance, prior redemption or payment in full of all of the Series 2018 Bonds of such issue, (ii) when CFX is no longer an Obligated Person with respect to the Series 2018 Bonds, or (iii) upon the termination of the continuing disclosure requirements of the Rule by legislative, judicial or administrative action.

(b) If in the opinion of nationally recognized bond counsel satisfactory to CFX, the Rule shall be amended, modified or changed so that all or any part of the information currently required to be provided thereunder shall no longer be required to be provided thereunder, then such information shall no longer be required to be provided hereunder, and if and to the extent in the opinion of nationally recognized note counsel satisfactory to CFX, the Rule, or any provisions thereof, shall be declared by a federal court of competent and final, non-appealable jurisdiction to be, in whole or in part, invalid, unconstitutional, null and void, or otherwise inapplicable to the Series 2018 Bonds, then the information



required to be provided hereunder, insofar as it was required to be provided by a provision of the Rule so declared, shall no longer be required to be provided hereunder.

(c) If a termination or cessation described in either Section 9(a) or (b) hereof occurs prior to the final maturity of the Series 2018 Bonds, CFX shall give or cause to be given notice of such event in the same manner as for a Notice Event under Section 5(c) hereof.

**SECTION 10. Disclosure Dissemination Agent.** CFX has appointed Digital Assurance Certification, L.L.C. as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. CFX may, upon 30 days' written notice to the Disclosure Dissemination Agent, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of CFX or DAC, CFX agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to assume all responsibilities of Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Series 2018 Bonds. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to CFX.

**SECTION 11. Remedies.** In the event of a failure of CFX or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement, it being CFX's position that money damages would be inadequate recompense and/or difficult to ascertain. A default under this Disclosure Agreement shall not constitute a default on the Series 2018 Bonds or be deemed an Event of Default under the Bond Resolution or under any other document relating to the Series 2018 Bonds, and all rights and remedies shall be limited to those expressly stated herein.

**SECTION 12. Duties, Immunities and Liabilities of Disclosure Dissemination Agent.** The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent CFX has provided such information to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information or any other information, disclosures or notices provided to it by CFX and shall not be deemed to be acting in any fiduciary capacity for CFX, the Holders of the Series 2018 Bonds or any other party. The Disclosure Dissemination Agent shall have no responsibility for CFX's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine, or liability

for failing to determine, whether CFX has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon certifications of CFX at all times.

**SECTION 13. Amendment; Waiver.** Notwithstanding any other provision of this Disclosure Agreement, CFX and the Disclosure Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to CFX to the effect that such amendment or waiver does not materially impair the interests of Holders of the Series 2018 Bonds and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided CFX shall not be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

Notwithstanding the preceding paragraph, CFX shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the SEC from time to time by giving not less than 20 days' written notice of the intent to do so together with a copy of the proposed amendment to the Disclosure Dissemination Agent.

**SECTION 14. Beneficiaries.** This Disclosure Agreement shall inure solely to the benefit of CFX, the Disclosure Dissemination Agent, the Underwriters, and the Holders from time to time of the Series 2018 Bonds, and shall create no rights in any other person or entity.

**SECTION 15. Governing Law.** This Disclosure Agreement shall be governed by and construed in accordance with the internal laws of the State (without regard to conflict of law principles thereof), provided that, to the extent this Disclosure Agreement addresses matters of federal securities laws, including the Rule, this Disclosure Agreement shall be construed in accordance with such federal securities laws and official interpretation thereof.

**SECTION 16. No Personal Liability.** None of the members or employees of CFX shall be charged personally with any liability, or held liable under any term or provision of this Disclosure Agreement because of its execution or attempted execution, or because of any breach or attempted or alleged breach thereof.

THE DISCLOSURE OBLIGATIONS UNDER THIS DISCLOSURE AGREEMENT ARE NOT OBLIGATIONS OF BREVARD COUNTY, FLORIDA, ORANGE COUNTY, FLORIDA, LAKE COUNTY, FLORIDA, SEMINOLE COUNTY, FLORIDA, OSCEOLA COUNTY, FLORIDA, THE CITY OF ORLANDO, FLORIDA OR THE STATE.

**SECTION 17. Severability.** In case any part of this Disclosure Agreement is held to be illegal or invalid, such illegality or invalidity shall not affect the remainder or any other section of this Disclosure Agreement. This Disclosure Agreement shall be construed or enforced as if such illegal or invalid portions were not contained therein, nor shall such illegality or invalidity of any application of this Disclosure Agreement affect any legal and valid application.

**SECTION 18. Counterparts.** This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

*[Signatures on following page]*

The Disclosure Dissemination Agent and CFX have caused this Continuing Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

**DIGITAL ASSURANCE CERTIFICATION,  
L.L.C., as Disclosure Dissemination Agent**

By: \_\_\_\_\_  
Authorized Signatory

**CENTRAL FLORIDA EXPRESSWAY  
AUTHORITY**

By: \_\_\_\_\_  
Chairman

By: \_\_\_\_\_  
Executive Director

**EXHIBIT A**  
**NOTICE TO REPOSITORY OF FAILURE TO FILE ANNUAL REPORT**

Issuer: Central Florida Expressway Authority  
Obligated Person: Central Florida Expressway Authority  
Name of Bond Issue: Central Florida Expressway Authority Senior Lien  
Revenue Bonds, Series 2018  
Date of Issuance: November \_\_, 2018

NOTICE IS HEREBY GIVEN that the Central Florida Expressway Authority ("CFX") has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement, dated November \_\_, 2018, between CFX and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent. CFX has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by \_\_\_\_\_.

Dated: \_\_\_\_\_

Digital Assurance Certification, L.L.C., as  
Disclosure Dissemination Agent, on behalf of  
CFX

---

cc: Issuer  
Obligated Person

**EXHIBIT B**  
**MATERIAL EVENT NOTICE COVER SHEET**

This cover sheet and material event notice should be sent to each Repository pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).  
Issuer's and/or Other Obligated Person's Name:

Central Florida Expressway Authority

Issuer's Six-Digit CUSIP Number:

.....

or Nine-Digit CUSIP Number(s) of the notes to which this material event notice relates:

.....

Number of pages of attached material event notice: \_\_\_\_\_

Description of Material Events Notice (Check One):

1.  Principal and interest payment delinquencies
2.  Non-Payment related defaults
3.  Unscheduled draws on debt service reserves reflecting financial difficulties
4.  Unscheduled draws on credit enhancements reflecting financial difficulties
5.  Substitution of credit or liquidity providers, or their failure to perform
6.  Adverse tax opinions or events affecting the tax-exempt status of the security
7.  Modifications to rights of securities holders
8.  Note calls
9.  Defeasances
10.  Release, substitution, or sale of property securing repayment of the securities
11.  Rating changes
12.  Bankruptcy, insolvency, receivership or similar event
13.  Merger, consolidation, or acquisition
14.  Appointment of successor or additional trustee or a change in name of trustee
15.  Incurrence of a financial obligation, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation

- 16.  Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation, which reflect financial difficulties
  - 17.  Failure to provide annual financial information as required
  - 18.  Other material event notice (specify):
- 

I hereby represent that I am authorized by CFX or its agent to distribute this information publicly:

Signature:

.....

Name:..... Title:.....

Employer: Digital Assurance Certification, L.L.C. Address:.....

City, State, Zip Code:.....

Voice Telephone Number: .....

**EXHIBIT D**

**FORM OF TRUSTEE, PAYING AGENT AND REGISTRAR AGREEMENT**  
[Attached]



## **TRUSTEE, PAYING AGENT AND REGISTRAR AGREEMENT**

**THIS TRUSTEE, PAYING AGENT AND REGISTRAR AGREEMENT** (this “Agreement”), dated as of November 30, 2018, by and between **CENTRAL FLORIDA EXPRESSWAY AUTHORITY** (the “Authority”), and **WELLS FARGO BANK, NATIONAL ASSOCIATION**, a national banking association, having its designated office in Philadelphia, Pennsylvania (the “Trustee”).

### **WITNESSETH:**

**WHEREAS**, the Authority, by the Bond Resolution (as hereinafter defined), has designated the Trustee as Trustee, Paying Agent and Registrar for its [\$250,000,000] Senior Lien Refunding Revenue Bonds, Series 2018, dated and delivered as of the date hereof (the “Series 2018 Bonds”); and

**WHEREAS**, the Authority and the Trustee desire to set forth the Trustee’s duties as Trustee, Paying Agent and Registrar and the compensation to be paid to the Trustee for its services;

**NOW, THEREFORE**, it is agreed by the parties hereto as follows:

**SECTION 1. DUTIES.** The Trustee agrees to serve as Trustee, Paying Agent and Registrar for the Series 2018 Bonds and to perform the duties of Trustee, Paying Agent and Registrar as specified in or contemplated by that certain Amended and Restated Master Bond Resolution adopted by the Authority on February 3, 2003, as supplemented from time to time, as particularly supplemented by that certain Twenty-Fourth Supplemental Revenue Bond Resolution Authorizing the Issuance of Senior Lien Revenue Bonds, in one or more Series or Subseries, adopted by the Authority on October 11, 2018 (collectively, the “Bond Resolution”) in connection with the issuance of the Series 2018 Bonds. The Trustee is authorized to do business in Florida and carry out the duties and obligations contemplated herein. Unless otherwise defined herein, capitalized terms used herein shall have the respective meanings set forth in the Bond Resolution.

**SECTION 2. DEPOSIT OF FUNDS.** The Authority shall deposit or cause to be deposited with the Trustee into the appropriate funds and accounts created under or pursuant to the Bond Resolution and established and maintained for the purposes hereof by the Trustee, on or before the Business Day prior to the date payment is due on the Series 2018 Bonds, sufficient funds from System Pledged Revenues pledged for the payment of the Series 2018 Bonds under the Bond Resolution to pay when due and payable the principal of, premium, if any, and interest on the Series 2018 Bonds.

**SECTION 3. USE OF FUNDS; CANCELED NOTES.** The Trustee shall use the funds received from the Authority pursuant to Section 2 of this Agreement to pay the principal of and interest on the Series 2018 Bonds in accordance with the Bond Resolution. The Trustee shall destroy the canceled Series 2018 Bonds in accordance with its retention policy then in effect.

**SECTION 4. STATEMENTS.** Each month during the term of this Agreement, or as often as the Trustee normally distributes statements for similar accounts, the Trustee shall prepare and shall send to the Authority written statements of account relating to all transactions effected by the Trustee pursuant to this Agreement.

**SECTION 5. OBLIGATION TO ACT.** The Trustee shall be obligated to act only in accordance with the Bond Resolution and any written instructions received in accordance therewith; provided, however, that the Trustee is authorized hereby to comply with any orders, judgments or decrees of any court with or without jurisdiction and shall not be liable as a result of its compliance with the same.

**SECTION 6. RELIANCE BY TRUSTEE.** The Trustee may rely absolutely upon the genuineness and authorization of the signature and purported signature of any party upon any instruction, notice, release, request, affidavit or other document delivered to it pursuant to the Bond Resolution.

**SECTION 7. COUNSEL; INDEMNITY.** The Trustee may consult with counsel (licensed to practice in Florida) of its own choice and shall have sole and complete authorization and protection for any action taken or suffered by it under the Bond Resolution in good faith and in accordance with the opinion of such counsel. The Trustee shall have no liability or responsibility for any statement made by the Authority or any other person in connection with the issuance of the Series 2018 Bonds, or for the use or application of any money received by the Authority in connection with the Series 2018 Bonds. The Trustee may rely upon any instructions provided to it by the Authority in connection with its duties and shall not be liable for any action taken or omitted to be taken by it in good faith in accordance with such instructions. No provision of this Agreement shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it. The Trustee may act through agents and shall not be responsible for the negligence or willful misconduct of any agent appointed by the Trustee with due care. To the fullest extent permitted by applicable law, the Authority will indemnify the Trustee (including its directors, officers and employees) for, and hold it harmless against, any loss, liability or expense incurred without negligence or willful misconduct on its part arising out of or in connection with its acceptance or administration of its duties hereunder, including the cost and expense (including its counsel fees) of defending itself against any claim or liability in connection with its acceptance or administration of its duties hereunder. The foregoing indemnities in this paragraph shall survive the resignation or removal of the Trustee hereunder and the termination of this Agreement.

**SECTION 8. FEES AND EXPENSES.** In consideration of the services rendered by the Trustee under this Agreement, the Authority agrees to and shall pay to the Trustee its proper fees and all expenses, charges, attorneys' fees and other disbursements incurred by it or its attorneys, agents and employees in and about the performance of its powers and duties under this Agreement as set forth in the attached **EXHIBIT A**. The Trustee shall not be obligated to allow and credit interest upon any moneys in respect of principal, interest or premium, if any, due in respect of the Series 2018 Bonds, which it shall at any time receive under any of the provisions of the Bond Resolution or this Agreement.

**SECTION 9. FURNISHING INFORMATION; AUTHORIZATION.** The Trustee shall, at all times, when requested to do so by the Authority, furnish full and complete information pertaining to its functions under this Agreement and shall without further authorization, execute all necessary and proper deposit slips, checks, certificates and other documents with reference thereto.

**SECTION 10. TERMINATION; EXPIRATION.** Subject to the terms of the Bond Resolution, either of the parties hereto, at its option, may terminate this Agreement after giving ninety (90) days written notice to the other party of its intention to terminate this Agreement, and this Agreement may be terminated at any time by mutual consent of the parties hereto. This Agreement shall expire without further action upon final payment of the Series 2018 Bonds and the interest appertaining thereto.

**SECTION 11. SURRENDER OF FUNDS, REGISTRATION RECORDS; NOTIFICATION OF BONDHOLDERS.** In the event of a termination of this Agreement, the Authority shall deliver any reasonable, proper and necessary releases to the Trustee (in a form reasonably acceptable to the Trustee and the Authority) upon demand by the Trustee and the Trustee shall upon demand by an Authorized Officer of the Authority pay over the funds on deposit with the Trustee under this Agreement in connection with the Series 2018 Bonds and surrender all registration books and related records to or upon the order of the Authority, and the Authority may appoint and name a successor to act as Trustee, Paying Agent and Registrar for the Series 2018 Bonds. The Authority shall, in such event, at its expense, notify all holders of the Series 2018 Bonds of the appointment and name of the successor, by providing notice in the manner required for the redemption of the Series 2018 Bonds.

**SECTION 12. NONASSIGNABILITY.** This Agreement shall not be assigned by either party without written consent of the other party.

**SECTION 13. MODIFICATION.** No modification of this Agreement shall be valid unless made by a written agreement, duly executed and approved by the parties hereto.

**SECTION 14. SEVERABILITY.** Should any section or part of any section of this Agreement be declared void, invalid or unenforceable by any court of law for any reason, such determination shall not render void, invalid or unenforceable any other section or other part of any section of this Agreement.

**SECTION 15. GOVERNING LAW.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Florida.

**SECTION 16. MERGER OR CONSOLIDATION OF THE TRUSTEE.** Any corporation or association into which the Trustee may be merged or with which it may be consolidated, or any corporation or association resulting from any merger or consolidation to which the Trustee shall be a party or to which the Trustee sells or transfers all or substantially all of its corporate trust business, shall be the successor Trustee, Paying Agent and Registrar under this Agreement, without the execution or filing of any paper or any further act on the part of the parties hereto.

**SECTION 17. COUNTERPARTS.** This Agreement may be executed in one or more counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

[Signature Page to Trustee, Paying Agent and Registrar Agreement]

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed by their duly authorized officers or agents and their official seals to be affixed and attested as of the date first set forth above.

**CENTRAL FLORIDA EXPRESSWAY  
AUTHORITY**

[SEAL]

By: \_\_\_\_\_  
Name: Fred Hawkins, Jr.  
Title: Chairman

**Attest:**

By: \_\_\_\_\_  
Name: Mimi Lamaute  
Title: Executive Assistant

[Signature Page to Trustee, Paying Agent and Registrar Agreement]

**WELLS FARGO BANK, NATIONAL  
ASSOCIATION, as Trustee, Paying Agent  
and Registrar**

[SEAL]

By: \_\_\_\_\_  
Its: Authorized Officer

**EXHIBIT A**

**FEES AND EXPENSES**

[SEE ATTACHED]

## EXHIBIT E

### BOND INSURANCE POLICY PROVISIONS

*Unless otherwise defined herein, capitalized terms used herein shall have the respective meanings set forth in Master Bond Resolution of the Authority adopted on February 3, 2003, as supplemented from time to time and in particular, as supplemented by that certain Twenty-Fourth Supplemental Revenue Bond Resolution adopted by the Authority on October 11, 2018 (collectively, the “Bond Resolution”). The following provisions shall apply to any one or more Series 2018 Bonds insured by a Bond Insurance Policy issued by the Series Bond Insurer (hereinafter, “Insured Bonds”). This Exhibit E may be amended and updated for specific information and requirements of the Series Bond Insurer, if any. Such revised Exhibit E may be substituted for this Exhibit E, subject to the review and approval of the Chairman, or Vice-Chairman or an Authorized Officer.*

#### A. Notices and Other Information.

1. Any notice that is required to be given to holders of the Insured Bonds (the “Bondholders”), any entity required pursuant to Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission or to the Trustee pursuant to this Resolution shall also be provided to the Series Bond Insurer, simultaneously with the sending of such notices. In addition, to the extent that the Authority has entered into a continuing disclosure agreement, covenant or undertaking with respect to the Insured Bonds, all information furnished pursuant to such agreement shall also be provided to the Series Bond Insurer, simultaneously with the furnishing of such information.
2. All demands, notices and other information required to be given to the Series Bond Insurer shall be in writing and shall be mailed by registered or certified mail or personally delivered or telecopied to the recipient as follows:

[Insert Insurer Address Information]

3. The Series Bond Insurer shall have the right to receive such additional information as it may reasonably request.
4. The Authority will permit the Series Bond Insurer to discuss the affairs, finances and accounts of the Authority or any information the Series Bond Insurer may reasonably request regarding the security for the Insured Bonds with appropriate officers of the Authority, and will use commercially reasonable efforts to enable the Series Bond Insurer to have access to the facilities, books and records of the Authority on any business day upon reasonable prior notice.
5. The Trustee shall notify the Series Bond Insurer of any failure of the Authority to provide notices, certificates and other information under the documentation entered into in connection with the Insured Bonds (the “Financing Documents”).



B. Defeasance. In the event that the principal and/or interest due on the Insured Bonds shall be paid by the Series Bond Insurer pursuant to the Policy, the Insured Bonds shall remain outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Authority, and the assignment and pledge of the System Pledged Revenues and all covenants, agreements and other Bonds of the Authority to the Bondholders shall continue to exist and shall run to the benefit of the Series Bond Insurer, and the Series Bond Insurer shall be subrogated to the rights of such Bondholders including, without limitation, any rights that such Bondholders may have in respect of securities law violations arising from the offer and sale of the Insured Bonds.

In addition, the Series Bond Insurer will require the following items in connection with the defeasance of the Insured Bonds:

1. An opinion of Bond Counsel to the effect: (i) that the defeasance will not adversely impact the exclusion from gross income for federal income tax purposes of interest on the Insured Bonds or refunded bonds, and (ii) that the Insured Bonds are no longer Outstanding under the Bond Resolution.
2. If the Insured Bonds are being advance-refunded (through a net defeasance), a refunding trust or escrow agreement (an “Escrow Agreement”) and an opinion of counsel regarding the validity and enforceability of the escrow agreement.
3. The Escrow Agreement shall provide that:
  - a. Any substitution of securities shall require verification by an independent certified public accountant and the prior written consent of the Series Bond Insurer.
  - b. The Authority will not exercise any optional redemption of Insured Bonds secured by the escrow agreement or any other redemption other than mandatory sinking fund redemptions unless (i) the right to make any such redemption has been expressly reserved in the escrow agreement and such reservation has been disclosed in detail in the official statement for the refunding bonds, and (ii) as a condition of any such redemption there shall be provided to the Series Bond Insurer a verification of an independent certified public accountant as to the sufficiency of escrow receipts without reinvestment to meet the escrow requirements remaining following such redemption.
  - c. The Authority shall not amend the Escrow Agreement or enter into a forward purchase agreement with respect to rights in the escrow without the prior written consent of the Series Bond Insurer.

C. Trustee (or Paying Agent).

1. The Series Bond Insurer shall receive prior written notice of any name change of the Trustee (or Paying Agent) or the removal, resignation or termination of the Trustee (or Paying Agent).
2. No removal or resignation of the Trustee (or Paying Agent) shall take effect until a successor, acceptable to the Series Bond Insurer, shall be appointed.
3. The Trustee (or Paying Agent) may be removed at any time, at the request of the Series Bond Insurer, for any breach of its obligations under this Bond Resolution.
4. Notwithstanding any other provision of the Bond Resolution, in determining whether the rights of Bondholders will be adversely affected by any action taken pursuant to the terms and provisions thereof, the Trustee (or Paying Agent) shall consider the effect on the Bondholders as if there were no Policy.

D. Amendments and Supplements. With respect to any amendments or supplements to the Bond Resolution which do not require the consent of the Bondholders, the Series Bond Insurer must be given prior written notice of any such amendments or supplements. With respect to amendments or supplements to this Bond Resolution which do require the consent of the Bondholders, the Series Bond Insurer's prior written consent is required. Copies of any amendments or supplements to such Financing Documents which are consented to by the Series Bond Insurer shall be sent to the rating agencies that have assigned a rating to the Insured Bonds.

E. The Series Bond Insurer as Third Party Beneficiary. The Series Bond Insurer is explicitly recognized as being a third party beneficiary under the Bond Resolution and may enforce any such right, remedy or claim conferred, given or granted thereunder.

F. Control Rights. The Series Bond Insurer shall be deemed to be the holder of all of the Insured Bonds for purposes of (a) exercising all remedies and directing the Trustee to take actions or for any other purposes following an Event of Default, and (b) granting any consent, direction or approval or taking any action permitted by or required under this Bond Resolution to be granted or taken by the Bondholders. In furtherance thereof and as a term of the Bond Resolution and each Bond, the Trustee and each Bondholder appoint the Series Bond Insurer as their agent and attorney-in-fact and agree that the Series Bond Insurer may at any time during the continuation of any proceeding by or against the Issuer under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without

limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a “Claim”), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, the Trustee and each Bondholder delegate and assign to the Series Bonds Insurer, to the fullest extent permitted by law, the rights of the Trustee and each insured Bondholder in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. Remedies granted to the Bondholders shall expressly include mandamus.

Anything in the Resolution to the contrary notwithstanding, upon the occurrence and continuance of an Event of Default the Series Bond Insurer shall be entitled to control and direct the enforcement of all rights and remedies granted to the Bondholders or the Trustee for the benefit of the Bondholders under the Bond Resolution.

G. Consent Rights of the Series Bond Insurer.

1. *Consent of the Series Bond Insurer.* Any provision of the Bond Resolution expressly recognizing or granting rights in or to the Series Bond Insurer may not be amended in any manner that affects the rights of the Series Bond Insurer hereunder without the prior written consent of the Series Bond Insurer.
2. *Consent of the Series Bond Insurer in Addition to Bondholder Consent.* Wherever this Bond Resolution requires the consent of Bondholders, the Series Bond Insurer’s prior written consent shall also be required.
3. *Consent of the Series Bond Insurer in the Event of Insolvency.* Any reorganization or liquidation plan with respect to the Authority must be acceptable to the Series Bond Insurer. In the event of any such reorganization or liquidation, the Series Bond Insurer shall have the right to vote on behalf of all Bondholders who hold Insured Bonds guaranteed by the Series Bond Insurer, absent a payment default by the Series Bond Insurer under the Policy.
4. *Consent of the Series Bond Insurer Upon Default.* Anything in the Bond Resolution to the contrary notwithstanding, upon the occurrence and continuance of an Event of Default, the Series Bond Insurer shall be entitled to control and direct the enforcement of all rights and remedies granted to the Bondholders or the Trustee for the benefit of the Bondholders under the Bond Resolution.

## H. Authority Representations.

### 1. Non-Reliance on the Series Bond Insurer.

- a. The Authority has made its own independent investigation and decision as to whether to insure the payment when due of the principal of and interest on the Insured Bonds and whether the Policy is appropriate or proper for it based upon its own judgment and upon advice from such legal and financial advisers as it has deemed necessary. The Authority acknowledges that the Series Bond Insurer has not made, and therefore the Authority is not relying on, any recommendation from the Series Bond Insurer that the Authority insure the Insured Bonds or obtain the Policy; it being understood and agreed that communications from the Series Bond Insurer (whether written or oral) referring to, containing information about or negotiating the terms and conditions of the Policy, any related insurance document or the documentation governing the Insured Bonds do not constitute a recommendation to insure the Insured Bonds or obtain the Policy.
- b. The Authority further acknowledges that the Series Bond Insurer has not made any representation, warranty or undertaking, and has not given any assurance or guarantee, in each case, expressed or implied, concerning its future financial strength or the rating of the Series Bond Insurer's financial strength by the rating agencies. The Authority acknowledges that the ratings of the Series Bond Insurer reflect only the views of the rating agencies and an explanation of the significance of such ratings may be obtained only from the rating agencies. The Authority understands that such ratings may not continue for any given time period and instead may change over time, including without limitation being placed under review for possible downgrade, revised downward, withdrawn entirely by the relevant rating agency if, in the judgment of such rating agency, circumstances so warrant, or withdrawn entirely by the Series Bond Insurer in its sole discretion. The Authority acknowledges and agrees that the Series Bond Insurer undertakes no responsibility to bring to its attention, and shall have no liability for, the placement of a rating under review for possible downgrade or the downward revision or withdrawal of any rating obtained, and that any such review for possible downgrade, downward revision or withdrawal may have an adverse effect on the Insured Bonds. The Authority acknowledges that the Series Bond Insurer pays rating agencies to rate the Series Bond Insurer's financial

strength, but that such payment is not in exchange for any specific rating or for a rating within any particular range."

I. Reimbursement Obligations.

1. The Authority hereby agrees to pay or reimburse the Series Bond Insurer, to the extent permitted by law, any and all charges, fees, costs and expenses which the Series Bond Insurer may reasonably pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (i) any accounts established to facilitate payments under the Policy, (ii) the administration, enforcement, defense or preservation of any rights in respect of this Bond Resolution, including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the Authority or any affiliate thereof) relating to this Bond Resolution, any party to this Bond Resolution or the transaction contemplated by this Bond Resolution, (iii) the foreclosure against, sale or other disposition of any collateral securing any Insured Bonds under this Bond Resolution, or the pursuit of any remedies under this Bond Resolution, to the extent such costs and expenses are not recovered from such foreclosure, sale or other disposition, or (iv) any amendment, waiver or other action with respect to, or related to, this Bond Resolution whether or not executed or completed; costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of the Series Bond Insurer spent in connection with the actions described in clauses (ii) – (iv) above. In addition, the Series Bond Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Bond Resolution. The Authority will pay interest on the amounts owed in this paragraph from the date of any payment due or paid, at the per annum rate of interest publicly announced from time to time by \_\_\_\_\_ . at its principal office in New York, New York as its prime lending rate (any change in such prime rate of interest to be effective on the date such change is announced by \_\_\_\_\_) plus three percent (3%) per annum (the "Reimbursement Rate"). The Reimbursement Rate shall be calculated on the basis of the actual number of days elapsed over a 360-day year. In the event \_\_\_\_\_ ceases to announce its prime rate publicly, the prime rate shall be the publicly announced prime rate or base lending rate of such national bank, as the Series Bond Insurer shall specify.
2. In addition to any and all rights of reimbursement, subrogation and any other rights pursuant hereto or under law or in equity, the Authority agrees to pay or reimburse the Series Bond Insurer, to the extent permitted by law, any and all charges, fees, costs, claims, losses, liabilities (including penalties), judgments, demands, damages, and expenses which the Series

Bond Insurer or its officers, directors, shareholders, employees, agents and each Person, if any, who controls the Series Bond Insurer within the meaning of either Section 15 of the Securities Act of 1933, as amended, or Section 20 of the Securities Exchange Act of 1934, as amended, may reasonably pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, of any nature in connection with, in respect of or relating to the transactions contemplated by the Bond Resolution or any other Financing Document by reason of:

- a. any omission or action (other than of or by the Series Bond Insurer) in connection with the offering, issuance, sale, remarketing or delivery of the Insured Bonds;
- b. the negligence, bad faith, willful misconduct, misfeasance, malfeasance or theft committed by any director, officer, employee or agent of the Authority or the Authority in connection with any transaction arising from or relating to the Bond Resolution or any other Financing Document;
- c. the violation by the Authority of any law, rule or regulation, or any judgment, order or decree applicable to it;
- d. the breach by the Authority of any representation, warranty or covenant under the Bond Resolution or any other Financing Document or the occurrence, in respect of the Authority, under the Bond Resolution or any other Financing Document of any Event of Default or any event which, with the giving of notice or lapse of time or both, would constitute any Event of Default; or
- e. any untrue statement or alleged untrue statement of a material fact contained in any official statement relating to the Insured Bonds, if any, or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as such claims arise out of or are based upon any untrue statement or omission in information included in an official statement, if any, and furnished by the Series Bond Insurer in writing expressly for use therein.

J. Payment Procedure Under the Series Bond Insurance Policy.

1. At least two (2) Business Days prior to each payment date on the Insured Bonds, the Trustee will determine whether there will be sufficient funds to pay all principal of and interest on the Insured Bonds due on the related payment date and shall immediately notify the Series Bond Insurer or its designee on the same Business Day by telephone or electronic mail, confirmed in writing by registered or certified mail, of the amount of any deficiency. Such notice shall specify the amount of the anticipated deficiency, the Insured Bonds to which such deficiency is applicable and

whether such Insured Bonds will be deficient as to principal or interest or both. If the deficiency is made up in whole or in part prior to or on the payment date, the Trustee shall so notify the Series Bond Insurer or its designee.

2. The Trustee shall, after giving notice to the Series Bond Insurer as provided above, make available to the Series Bond Insurer and, at the Series Bond Insurer's direction, to any Fiscal Agent, the registration books of the Authority maintained by the Trustee and all records relating to the funds maintained under the Financing Documents.
3. The Trustee shall provide the Series Bond Insurer and any Fiscal Agent with a list of registered owners of Insured Bonds entitled to receive principal or interest payments from the Series Bond Insurer under the terms of the Policy, and shall make arrangements with the Series Bond Insurer, the Fiscal Agent or another designee of the Series Bond Insurer to (i) mail checks or drafts to the registered owners of Insured Bonds entitled to receive full or partial interest payments from the Series Bond Insurer and (ii) pay principal upon Insured Bonds surrendered to the Series Bond Insurer, the Fiscal Agent or another designee of the Series Bond Insurer by the registered owners of Insured Bonds entitled to receive full or partial principal payments from the Series Bond Insurer.
4. The Trustee shall, at the time it provides notice to the Series Bond Insurer of any deficiency pursuant to clause 1. above, notify registered owners of Insured Bonds entitled to receive the payment of principal or interest thereon from the Series Bond Insurer (i) as to such deficiency and its entitlement to receive principal or interest, as applicable, (ii) that the Series Bond Insurer will remit to them all or a part of the interest payments due on the related payment date upon proof of its entitlement thereto and delivery to the Series Bond Insurer or any Fiscal Agent, in form satisfactory to the Series Bond Insurer, of an appropriate assignment of the registered owner's right to payment, (iii) that, if they are entitled to receive partial payment of principal from the Series Bond Insurer, they must surrender the related Insured Bonds for payment first to the Trustee, which will note on such Insured Bonds the portion of the principal paid by the Trustee and second to the Series Bond Insurer or its designee, together with an appropriate assignment, in form satisfactory to the Series Bond Insurer, to permit ownership of such Insured Bonds to be registered in the name of the Series Bond Insurer, which will then pay the unpaid portion of principal, and (iv) that, if they are entitled to receive full payment of principal from the Series Bond Insurer, they must surrender the related Insured Bonds for payment to the Series Bond Insurer or its designee, rather than the Trustee, together with the an appropriate assignment, in form satisfactory to the Series Bond Insurer, to permit ownership of such Insured Bonds to be registered in the name of the Series Bond Insurer.

5. In addition, if the Trustee has notice that any holder of the Insured Bonds has been required to disgorge payments of principal or interest on the Insured Bonds previously Due for Payment pursuant to a final non-appealable order by a court of competent jurisdiction that such payment constitutes an avoidable preference to such holder within the meaning of any applicable bankruptcy laws, then the Trustee shall notify the Series Bond Insurer or its designee of such fact by telephone or electronic notice, confirmed in writing by registered or certified mail.
6. The Trustee will be hereby irrevocably designated, appointed, directed and authorized to act as attorney-in-fact for holders of the Insured Bonds as follows:
  - a. If and to the extent there is a deficiency in amounts required to pay interest on the Insured Bonds, the Trustee shall (a) execute and deliver to the Series Bond Insurer, in form satisfactory to the Series Bond Insurer, an instrument appointing the Series Bond Insurer as agent for such holders in any legal proceeding related to the payment of such interest and an assignment to the Series Bond Insurer of the claims for interest to which such deficiency relates and which are paid by the Series Bond Insurer, (b) receive as designee of the respective holders (and not as Trustee) in accordance with the tenor of the Policy payment from the Series Bond Insurer with respect to the claims for interest so assigned, and (c) disburse the same to such respective holders; and
  - b. If and to the extent of a deficiency in amounts required to pay principal of the Insured Bonds, the Trustee shall (a) execute and deliver to the Series Bond Insurer, in form satisfactory to the Series Bond Insurer, an instrument appointing the Series Bond Insurer as agent for such holder in any legal proceeding related to the payment of such principal and an assignment to the Series Bond Insurer of the Obligation surrendered to the Series Bond Insurer in an amount equal to the principal amount thereof as has not previously been paid or for which moneys are not held by the Trustee and available for such payment (but such assignment shall be delivered only if payment from the Series Bond Insurer is received), (b) receive as designee of the respective holders (and not as Trustee) in accordance with the tenor of the Policy payment therefore from the Series Bond Insurer, and (c) disburse the same to such holders.
7. Payments with respect to claims for interest on and principal of Insured Bonds disbursed by the Trustee from proceeds of the Policy shall not be considered to discharge the obligation of the Authority with respect to such Insured Bonds, and the Series Bond Insurer shall become the owner of such unpaid Obligation and claims for the interest in accordance with



the tenor of the assignment made to it under the provisions of this subsection or otherwise.

8. Irrespective of whether any such assignment is executed and delivered, the Authority and the Trustee hereby agree for the benefit of the Series Bond Insurer that:
  - a. they recognize that to the extent the Series Bond Insurer makes payments directly or indirectly (*e.g.*, by paying through the Trustee), on account of principal of or interest on the Insured Bonds, the Series Bond Insurer will be subrogated to the rights of such holders to receive the amount of such principal and interest from the Authority, with interest thereon as provided and solely from the sources stated in this Bond Resolution and the Insured Bonds; and
  - b. they will accordingly pay to the Series Bond Insurer the amount of such principal and interest, with interest thereon as provided in this Bond Resolution and the Insured Bonds, but only from the sources and in the manner provided herein for the payment of principal of and interest on the Insured Bonds to holders, and will otherwise treat the Series Bond Insurer as the owner of such rights to the amount of such principal and interest.
9. The Series Bond Insurer shall be entitled to pay principal or interest on the Insured Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Authority (as such terms are defined in the Policy) and any amounts due on the Insured Bonds as a result of acceleration of the maturity thereof in accordance with this agreement, whether or not the Series Bond Insurer has received a Notice (as defined in the Policy) of Nonpayment or a claim upon the Policy.
10. In addition, the Series Bond Insurer shall, to the extent it makes any payment of principal or interest on the Insured Bonds become subrogated to the rights of the recipients of such payments in accordance with the terms of the Policy, and to evidence such subrogation (i) in the case of claims for interest, the Trustee shall note the Series Bond Insurer's rights as subrogee on the registration books of the Authority maintained by the Trustee, upon receipt of proof of payment of interest thereon to the registered holders of the Insured Bonds, and (ii) in the case of claims for principal, the Trustee, if any, shall note the Series Bond Insurer's rights as subrogee on the registration books of the Authority maintained by the Trustee, upon surrender of the Insured Bonds together with receipt of proof of payment of principal thereof

**F. 2.**

**Presentation  
for this item  
will be sent at  
a later date.**