
RESOLUTION

of the

**ORANGE COUNTY
BOARD OF COUNTY COMMISSIONERS**

regarding authorization for

**WATER AND WASTEWATER UTILITY REVENUE BONDS,
SERIES 2020**

Resolution No. 2020-B-05

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RESOLUTION NO. _____

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ORANGE COUNTY, FLORIDA, THAT:

SECTION 1. AUTHORITY. This Supplemental Resolution is adopted pursuant to Article VIII, Section 1 of the Constitution of the State of Florida, Chapter 125, Florida Statutes, the County Charter, Resolution No. 92-B-06 adopted by the Board of County Commissioners of Orange County, Florida (the "Board") on June 12, 1992, as amended and restated on March 15, 2016 (the "Bond Resolution"), and other applicable provisions of law (collectively, the "Act").

SECTION 2. DEFINITIONS. All terms used herein in capitalized form that are defined in the Bond Resolution shall have the same meanings as are ascribed to those terms in the Bond Resolution, unless a different or additional meaning is given to those terms herein. In addition to the definitions provided in the Bond Resolution, as used herein, the following terms shall have the meanings indicated below unless the context clearly requires otherwise:

"2020 Project" means (A) the capital improvements to the System described in EXHIBIT A attached hereto, and (B) such other capital projects relating to the System approved by the Board from time to time by inclusion in the capital improvement plan for the System.

"Award Certificate" means the certificate of the Mayor or County Administrator awarding the Series 2020 Bonds and setting forth certain other matters pursuant to Section 7 hereof.

"Board" means the Board of County Commissioners of the County.

"Bond Resolution" means Resolution No. 92-B-06 adopted by the Board on June 12, 1992, as amended, restated and supplemented, in particular as amended and restated by Resolution No. 2016-B-02 adopted on March 15, 2016.

"Comptroller" means the County Comptroller acting in such capacity or as ex officio Clerk to the Board and, in the absence or unavailability of the Comptroller, any Deputy Comptroller or Deputy Clerk, as the case may be, or such other person as may be authorized to act on behalf of the Comptroller.

"County Administrator" means the County Administrator of the Issuer and in his or her absence, any Deputy County Administrator of the Issuer, or such other officer or respective officers of the Issuer as may at the time be performing the duties assigned to the County Administrator.

"DTC" means The Depository Trust Company, its successors and assigns.

"Interest Dates" shall mean the dates set forth in Section 5 hereof.

"Issuer" means Orange County, Florida, and also includes any authority or other governmental entity to which may hereafter be transferred some or all of the powers and responsibilities of the Issuer with respect to the ownership, financing, operation, enlargement, improvement and maintenance of the System.

"Mayor" means the Mayor of the Issuer or in her absence, the Vice-Mayor, or such other officer or designee of the Mayor of the Issuer as may at the time be performing the duties assigned to the Mayor.

"Official Notice of Sale" means the Official Notice of Bond Sale and Official Bid Form substantially in the form attached hereto as EXHIBIT B.

"Registrar" or "Paying Agent" means any bank or trust company designated as such by the Mayor or County Administrator pursuant to Section 8 hereof.

"Series 2020 Bonds" means the Orange County, Florida Water and Wastewater Utility Revenue Bonds, Series 2020.

"System" shall have the meaning set forth in the Bond Resolution.

"Underwriters" mean the successful bidders of the Series 2020 Bonds.

Words of masculine gender include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include corporations and associations, including public bodies, as well as natural persons.

SECTION 3. FINDINGS. It is hereby ascertained, determined and declared that:

(A) The Board adopted the Bond Resolution for the principal purpose of issuing Bonds to finance improvements to the System and other purposes described therein.

(B) The Board adopted Resolution 2020-M-19 on April 21, 2020, to declare its intent to incur various costs related to the acquisition, construction and equipping of certain capital improvements to the System and reimburse itself for such costs from a future issuance of debt.

(C) The Issuer hereby determines that certain capital improvements should be acquired, constructed and equipped with respect to the System in order to improve the health, safety and welfare of the inhabitants within the Issuer's geographic boundaries. Such capital improvements are referred to as the "2020 Project" and are generally described in EXHIBIT A hereto and are more particularly described in the records, plans and

specifications on file with the Issuer. The 2020 Project may be amended or supplemented from time to time by the Board in accordance with the provisions of the Bond Resolution.

(D) The principal of and interest on the Series 2020 Bonds to be issued pursuant to the Bond Resolution and this Supplemental Resolution, and all other payments provided for in this Supplemental Resolution will be paid solely from the Pledged Funds (except as to amounts on deposit in the Reserve Account) in accordance with the terms of the Bond Resolution and hereof. The ad valorem taxing power of the Issuer will never be necessary or authorized to pay the principal of and interest on the Series 2020 Bonds, or to make any other payments provided for in this Supplemental Resolution, and the Series 2020 Bonds shall not constitute a lien upon the System or upon any other property whatsoever of the Issuer, other than the Pledged Funds as further described and limited herein.

(E) The Issuer deems it to be in its best interest to issue its Series 2020 Bonds for the principal purpose of financing and/or reimbursing the Costs of the acquisition, construction and equipping of the 2020 Project.

(F) In accordance with Section 218.385, Florida Statutes, and pursuant to this Supplemental Resolution, the Series 2020 Bonds shall be advertised for competitive bids pursuant to the Official Notice of Sale, the form of which is attached hereto as EXHIBIT B.

(G) Pursuant to the Official Notice of Sale, any competitive bids received in accordance with the Official Notice of Sale on or prior to 11:00 a.m., Eastern Standard Time, on November 17, 2020, or such other date or time as is determined by the Mayor or County Administrator in accordance with the terms and provisions of the Official Notice of Sale; shall be publicly opened and announced.

(H) It is desirable for the Issuer to be able to advertise and award the Series 2020 Bonds at the most advantageous time and date which shall be determined by the Mayor or County Administrator; and, accordingly, the Board hereby determines to delegate the advertising and awarding of the Series 2020 Bonds to the Mayor or County Administrator within the parameters described herein.

(I) It is necessary and appropriate that the Board determine certain parameters for the terms and details of the Series 2020 Bonds and to delegate certain authority to the Mayor or County Administrator for the award of the Series 2020 Bonds and the approval of the terms of the Series 2020 Bonds in accordance with the provisions hereof, of the Bond Resolution and of the Official Notice of Sale.

(J) In the event Bond Counsel to the Issuer shall determine that the Series 2020 Bonds have not been awarded competitively in accordance with the provisions of Section 218.385, Florida Statutes, the Board may adopt such resolutions and make such findings as shall be necessary to authorize and ratify a negotiated sale of the Series 2020 Bonds in accordance with said Section 218.385, Florida Statutes.

(K) The form, terms and details of the Series 2020 Bonds shall be determined in accordance with this Supplemental Resolution and the Bond Resolution.

(L) The Bond Resolution provides that the Bonds shall mature on such dates and in such amounts, shall bear such rates of interest, shall be payable in such places and shall be subject to such redemption provisions as shall be determined by Supplemental Resolution adopted by the Issuer; and it is now appropriate that the Issuer set forth the parameters and mechanism to determine such terms and details.

(M) The County deems it in its best interest to delegate to the Mayor or County Administrator the determination, upon advice of the County's Financial Advisor, to let Underwriters purchase a policy of municipal bond insurance in connection with the public sale and issuance of the Series 2020 Bonds, if the Underwriters determine to exercise their right to insure all or a portion of the Series 2020 Bonds in accordance with the terms of the Official Notice of Sale and Section 7 hereof.

(N) The Series 2020 Bonds shall not be or constitute general obligations or indebtedness of the Issuer as "bonds" within the meaning of any constitutional or statutory provision but shall be special obligations of the Issuer, payable solely from and secured by a lien upon and pledge of the Pledged Funds (except as to amounts on deposit in the Reserve Account), in the manner and to the extent provided in the Bond Resolution.

(O) The covenants, pledges and conditions in the Bond Resolution shall be applicable to the Series 2020 Bonds herein authorized and said Series 2020 Bonds shall be on a parity with and rank equally as to the lien on and source and security for payment from the Pledged Funds (except as to amounts on deposit in the Reserve Account) and in all other respects with any Additional Bonds issued under the Bond Resolution.

SECTION 4. AUTHORIZATION OF THE FINANCING OF THE 2020 PROJECT. The Issuer hereby authorizes the financing and/or reimbursing of all or a portion of the Costs of the 2020 Project subject in all respects to the award of the Series 2020 Bonds in accordance with this Supplemental Resolution and the Official Notice of Sale.

SECTION 5. AUTHORIZATION AND DESCRIPTION OF THE SERIES 2020 BONDS; REDEMPTION PROVISIONS. Subject to the requirements set forth in Section 7 hereof, the Issuer hereby authorizes the issuance of a Series of Bonds in the aggregate principal amount not to exceed \$190,000,000 to be known as the "Orange County, Florida Water and Wastewater Utility Revenue Bonds, Series 2020" (or such other designation as the Mayor or County Administrator may determine), for the principal purpose of financing and/or reimbursing Costs of the 2020 Project. The aggregate principal amount of the Series 2020 Bonds to be issued pursuant to the Bond Resolution shall be determined by the Mayor or County Administrator provided such aggregate principal amount does not exceed \$190,000,000. The Series 2020 Bonds shall be dated their date of delivery (or such other date as shall be determined by the Mayor or County Administrator),

shall be issued in the form of fully registered Bonds in denominations of \$5,000 or any integral multiple thereof, shall be numbered consecutively from one upward in order of maturity preceded by the letter "R", shall bear interest from their dated date, payable semi-annually, on April 1 and October 1 and of each year (the "Interest Dates"), commencing on April 1, 2021 (or such other date or dates as shall be determined by the Mayor or County Administrator).

Interest on the Series 2020 Bonds shall be payable by check or draft of U.S. Bank National Association, as Registrar and Paying Agent, made payable to and mailed to the Bondholder in whose name such Bond shall be registered at the close of business on the date which shall be the fifteenth day (whether or not a business day) of the calendar month next preceding the Interest Date, or, at the request and expense of such Bondholder, by bank wire transfer to the account of such Bondholder. The principal of or Redemption Price, if applicable, on the Series 2020 Bonds is payable upon presentation and surrender of the Series 2020 Bonds at the designated corporate trust office of the Paying Agent. All payments of principal or Redemption Price, if applicable, and interest on the Series 2020 Bonds shall be payable 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. Interest shall be calculated on the basis of a 360-day year of twelve 30-day months.

The Series 2020 Bonds shall bear interest at such rates and prices or yields, shall mature on October 1 of each of the years and in the principal amounts corresponding to such years, and shall have such redemption provisions as determined by the Mayor or County Administrator subject to the conditions set forth in Section 8 hereof and the provisions of the Official Notice of Sale. The final maturity of the Series 2020 Bonds shall not be later than October 1, 2041.

The Series 2020 Bonds may be redeemed prior to their respective maturities from any moneys legally available therefor, upon notice as provided in the Bond Resolution, upon the terms and provisions as determined by the Mayor or County Administrator, in their discretion and upon the advice of the Issuer's Financial Advisor; provided, however, with respect to optional redemption terms for the Series 2020 Bonds, if any, the first optional redemption date may be no later than October 1, 2030 and no call premium may exceed 1% of the par amount of that portion of the Series 2020 Bonds to be redeemed. Term Bonds may be established with such Sinking Fund Installments as the Mayor or County Administrator deems appropriate and upon the advice of the Issuer's Financial Advisor. The redemption provisions for the Series 2020 Bonds, if any, shall be set forth in the Award Certificate and in the final Official Statement.

Notwithstanding anything in the Bond Resolution to the contrary, in the case of an optional redemption of any Series 2020 Bonds, the notice of redemption may state that (A) it is conditioned upon the deposit of moneys with the Paying Agent or with an escrow agent under an escrow deposit agreement, in amounts necessary to effect the redemption, no later than the redemption date, or (B) the Issuer retains the right to rescind such notice on or prior to the scheduled redemption date (in either case, a "Conditional Redemption"), and

such notice and redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded. Any such notice of Conditional Redemption shall be captioned "Conditional Notice of Redemption." Any Conditional Redemption may be rescinded at any time on or prior to the redemption date if the Issuer delivers a written direction to the Registrar directing the Registrar to rescind the redemption notice. The Registrar shall give prompt notice of such rescission to the affected Bondholders. Any Series 2020 Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and neither the rescission nor the failure by the Issuer to make such funds available shall constitute an Event of Default under the Bond Resolution. The Issuer shall give notice to DTC and the affected Bondholders (to the extent other than an agent or nominee of DTC) that the redemption did not occur and that the Series 2020 Bonds called for redemption and not so paid remain Outstanding under the Bond Resolution.

All of the terms of the Series 2020 Bonds will be included in the Award Certificate to be executed by the Mayor or County Administrator following the award of the Series 2020 Bonds and shall be set forth in the final Official Statement, as described herein.

SECTION 6. OFFICIAL NOTICE OF SALE. The form of the Official Notice of Sale attached hereto as EXHIBIT B and the terms and provisions thereof are hereby authorized and approved. The Mayor or County Administrator are hereby authorized to make such changes, insertions and modifications as they shall deem necessary prior to the advertisement of such Official Notice of Sale or a summary thereof. The Mayor or County Administrator are hereby authorized to advertise and publish the Official Notice of Sale, or a summary thereof, at such time as they deem necessary and appropriate, upon the advice of the Issuer's Financial Advisor, to accomplish the competitive sale of the Series 2020 Bonds.

SECTION 7. AUTHORIZATION OF MUNICIPAL BOND INSURANCE. The Official Notice of Sale permits the successful bidder to specify that all or a portion of the Series 2020 Bonds shall be insured by a municipal bond insurer designated in its bid and authorized below. The premium of such municipal bond insurance policy shall be taken into account in calculating the true interest cost of the Series 2020 Bonds for purposes of determining the successful bidder.

If, in accordance with the provisions of the Official Notice of Sale, the winning bidder for the Series 2020 Bonds determines that any portion of the Series 2020 Bonds will be insured by a municipal bond insurance policy, the Issuer hereby authorizes the payment of the principal of and interest on the Series 2020 Bonds to be insured pursuant to a municipal bond insurance policy (the "Series 2020 Bond Insurance Policy") to be issued by either Assured Guaranty Municipal Corp. ("AGM") or Build America Mutual Assurance Company ("BAM"). For purposes of this Supplemental Resolution, if AGM or BAM is selected by the winning bidder to insure the Series 2020 Bonds, it shall constitute the "Insurer" of the Series 2020 Bonds within the meaning of the Bond Resolution and the provisions of this Section 7 and either EXHIBIT E (if AGM is chosen by the winning bidder) or EXHIBIT F (if BAM is chosen by the winning bidder) shall apply with respect

to the Series 2020 Bonds. If the Mayor or County Administrator determine that none of the Series 2020 Bonds are to be insured and the Series 2020 Bond Insurance Policy is not issued in connection with the Series 2020 Bonds, the provisions of this Section 7 and EXHIBITS E and F hereto will be deemed null and void and will be of no force or effect. So long as the Series 2020 Bond Insurance Policy issued by the Insurer is in full force and effect and the Insurer has not defaulted in any payment obligations under the Series 2020 Bond Insurance Policy, the Issuer agrees to comply with the provisions contained in either EXHIBIT E or F hereto, notwithstanding anything in this Supplemental Resolution to the contrary. The Mayor or County Administrator are hereby authorized to execute such documents and instruments necessary to cause the Insurer to insure the Series 2020 Bonds, provided that the Mayor or County Administrator may reject, upon the advice of the Financial Advisor, any such documents and instruments that are in conflict with the Bond Resolution or require the County to make additional representations, undertakings or warranties.

The identity of the Insurer, if any, for the Series 2020 Bonds shall be included in the Award Certificate for the Series 2020 Bonds. If insured, there shall be printed on each insured Series 2020 Bond a statement to the effect that scheduled payments of the principal of and interest on such Series 2020 Bonds are insured by the Insurer.

SECTION 8. AWARD OF SERIES 2020 BONDS. The Mayor or County Administrator, on behalf of the Issuer and only in accordance with the terms hereof and of the Official Notice of Sale, shall award the Series 2020 Bonds to the Underwriters that submit a bid proposal, together with a truth-in-bonding statement in the form provided in the Official Notice of Sale, which complies in all respects with the Bond Resolution, this Supplemental Resolution and the Official Notice of Sale and offers to purchase the Series 2020 Bonds at the lowest true interest cost to the Issuer, as calculated by the Issuer's Financial Advisor, in accordance with the terms and provisions of the Official Notice of Sale; provided, however, the Series 2020 Bonds shall not be awarded to any bidder unless the true interest cost set forth in the winning bid (as calculated by the Issuer's Financial Advisor) is equal to or less than 4.0%. In accordance with the provisions of the Official Notice of Sale, the Mayor or County Administrator may, in their sole discretion, reject any and all bids.

Upon the satisfaction of the conditions set forth in Section 5 hereof and this Section 8 and to evidence the sale and award of the Series 2020 Bonds to the Underwriters, the Mayor or County Administrator shall execute and deliver the Award Certificate which shall: (1) certify compliance with the foregoing provisions; (2) set forth the principal amount, maturities, Sinking Fund Installments, interest rates, redemption provisions and other fiscal details of the Series 2020 Bonds; (3) attach the bid of the successful bidder; and (4) set forth any additional matters relating to the sale of the Series 2020 Bonds including, but not limited to, the identity of the municipal bond insurer, if any, pursuant to Section 7 hereof. The Mayor or County Administrator shall rely upon advice of the Issuer's Financial Advisor as to satisfaction of the conditions provided in Section 5 hereof and this Section 8.

SECTION 9. APPOINTMENT OF PAYING AGENT AND REGISTRAR. Subject in all respects to the award of the Series 2020 Bonds in accordance with this Supplemental Resolution and the Official Notice of Sale, U.S. Bank National Association is hereby designated Registrar and Paying Agent for the Series 2020 Bonds. The Mayor or County Administrator is hereby authorized to enter into any agreement which may be necessary to effect the transactions contemplated by this Section 9 and by the Bond Resolution.

SECTION 10. ESTABLISHMENT OF SERIES 2020 ACCOUNT OF THE CONSTRUCTION FUND. In accordance with Section 4.03 of the Bond Resolution, there is hereby established within the Construction Fund a separate account to be known as the "Series 2020 Account" of the Construction Fund. Moneys deposited to the Series 2020 Account shall be used to pay and/or reimburse Costs of the 2020 Project and for the other purposes allowed under the Bond Resolution. The Series 2020 Account shall be maintained and administered in accordance with the provisions of the Bond Resolution, particularly Section 4.03 thereof.

SECTION 11. COSTS OF ISSUANCE ACCOUNT. There is hereby created the "Series 2020 Costs of Issuance Account" to be held by the County. Moneys in the Series 2020 Costs of Issuance Account shall be used to pay the costs of issuance of the Series 2020 Bonds. Any moneys remaining in the Series 2020 Costs of Issuance Account six months after the issuance of the Series 2020 Bonds which are not needed to pay costs of issuance shall be transferred to the Interest Account of the Sinking Fund established under the Bond Resolution.

SECTION 12. BOOK-ENTRY SYSTEM. Notwithstanding the form set forth in Section 2.07 of the Bond Resolution, the Series 2020 Bonds shall be initially issued in the form of a separate single certificated fully registered Series 2020 Bond for each of the maturities and Series of the Series 2020 Bonds. Upon initial issuance, the ownership of each such Series 2020 Bond shall be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC. As long as the Series 2020 Bonds shall be registered in the name of Cede & Co., all payments of interest on the Series 2020 Bonds shall be made by the Paying Agent by check or draft or by bank wire transfer to Cede & Co., as Holder of the Series 2020 Bonds, upon presentation of the Series 2020 Bonds to be paid, to the Paying Agent.

With respect to Series 2020 Bonds registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, the Issuer, the Registrar and the Paying Agent shall have no responsibility or obligation to any direct or indirect participant in the DTC book-entry program (the "Participants"). Without limiting the immediately preceding sentence, the Issuer, the Registrar and the Paying Agent shall have no responsibility or obligation with respect to (A) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest on the Series 2020 Bonds, (B) the delivery to any Participant or any other Person other than a Bondholder, as shown in the registration books kept by the Registrar, of any notice with respect to the Series 2020

Bonds, including any notice of redemption, or (C) the payment to any Participant or any other Person, other than a Bondholder, as shown in the registration books kept by the Registrar, of any amount with respect to principal of, Redemption Price, if any, or interest on the Series 2020 Bonds. The Issuer, the Registrar and the Paying Agent may treat and consider the Person in whose name each Series 2020 Bond is registered in the registration books kept by the Registrar as the Holder and absolute owner of such Series 2020 Bond for the purpose of payment of principal, Redemption Price, if any, and interest with respect to such Series 2020 Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2020 Bond, for the purpose of registering transfers with respect to such Series 2020 Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, Redemption Price, if any, and interest on the Series 2020 Bonds only to or upon the order of the respective Holders, as shown in the registration books kept by the Registrar, or their respective attorneys duly authorized in writing, as provided herein and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal of, Redemption Price, if any, and interest on the Series 2020 Bonds to the extent of the sum or sums so paid. No Person other than a Holder, as shown in the registration books kept by the Registrar, shall receive a certificated Series 2020 Bond evidencing the obligation of the Issuer to make payments of principal, Redemption Price, if any, and interest pursuant to the provisions of the Bond Resolution. Upon delivery by DTC to the Issuer of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in the Bond Resolution with respect to transfers during the 15 days next preceding an Interest Date or first mailing of notice of redemption, the words "Cede & Co." in this Supplemental Resolution shall refer to such new nominee of DTC; and upon receipt of such notice, the Issuer shall promptly deliver a copy of the same to the Registrar and the Paying Agent.

Upon (A) receipt by the Issuer of written notice from DTC (i) to the effect that a continuation of the requirement that all of the Outstanding Series 2020 Bonds be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, is not in the best interest of the beneficial owners of the Series 2020 Bonds, or (ii) to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, or (B) determination by the Issuer that such book-entry only system is burdensome or undesirable to the Issuer and compliance with any applicable DTC rules and procedures, the Series 2020 Bonds shall no longer be restricted to being registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or names Holders shall designate, in accordance with the provisions of the Bond Resolution. In such event, the Issuer shall issue and the Registrar shall authenticate, transfer and exchange the Series 2020 Bonds of like principal amount, and maturity, in denominations of \$5,000 or any integral multiple thereof to the Holders thereof. The foregoing notwithstanding, until such time as participation in the book-entry only system is discontinued, the provisions set forth in the Blanket Issuer Letter of

Representations previously executed by the Issuer and delivered to DTC shall apply to the payment of principal of, premium, if any, and interest on the Series 2020 Bonds.

SECTION 13. APPROVAL OF COSTS OF ISSUANCE. The Issuer hereby authorizes the County Administrator to pay, or cause to be paid, from a portion of the proceeds of the Series 2020 Bonds all costs of issuance incurred in connection with the issuance of the Series 2020 Bonds, including without limitation, the fees of co-bond counsel, co-disclosure counsel and the Financial Advisor, printing costs, costs of providing electronic publication and bidding, rating agency fees, initial acceptance fees of the Paying Agent and underwriting discount, all with respect to the Series 2020 Bonds.

SECTION 14. GOOD FAITH DEPOSIT. A good faith deposit in the amount of not less than 2% of the proposed principal amount of the Series 2020 Bonds as shown on the cover of the Preliminary Official Statement shall be required of the Underwriters, which deposit shall be made as described in and subject to the conditions of the Official Notice of Sale.

SECTION 15. SECURITY FOR THE SERIES 2020 BONDS; NO LIEN ON RESERVE ACCOUNT. The Series 2020 Bonds shall be secured equally and ratably by a pledge of the Pledged Funds with all Bonds which may be Outstanding from time to time as provided in Section 4.02 of the Bond Resolution; provided, however, the Series 2020 Bonds shall have no lien on or pledge of any moneys on deposit in the Reserve Account and accordingly, the Reserve Account Requirement for the Series 2020 Bonds shall be set to an amount equal to \$0 pursuant to Section 4.05(B)(4) of the Bond Resolution.

SECTION 16. APPLICATION OF SERIES 2020 BOND PROCEEDS. The proceeds derived from the sale of the Series 2020 Bonds shall, simultaneously with the delivery of the Series 2020 Bonds to the Underwriters, be applied by the Issuer as follows:

(A) Accrued interest and proceeds of the Series 2020 Bonds representing capitalized interest, if any, shall be deposited or credited to the Interest Account of the Sinking Fund and shall be used only for the purpose of paying a portion of the interest which shall thereafter become due on the Series 2020 Bonds.

(B) A sufficient amount of the proceeds of the Series 2020 Bonds shall be deposited to the Series 2020 Costs of Issuance Account established pursuant to Section 11 hereof and used to pay all costs and expenses in connection with the preparation, issuance and sale of the Series 2020 Bonds, including, without limitation, the fees and expenses of accountants, attorneys and financial advisors.

(C) The remaining proceeds of the Series 2020 Bonds shall be deposited to the Series 2020 Account of the Construction Fund and shall be applied to the payment and/or reimbursement of Costs of the Series 2020 Project.

SECTION 17. PRELIMINARY OFFICIAL STATEMENT AND FINAL OFFICIAL STATEMENT. The distribution of a Preliminary Official Statement, substantially in the form attached hereto as EXHIBIT C, is hereby authorized. The Mayor or County Administrator, upon the advice of the Issuer's co-disclosure counsel, is hereby authorized to certify or otherwise represent when the Preliminary Official Statement is "deemed final" by the Issuer as of its date (except for permitted omissions), for purposes of Rule 15c2-12 promulgated by the Securities Exchange Commission under the Securities Exchange Act of 1934 (the "Rule"). The Mayor or County Administrator is authorized and directed, on behalf of the Issuer, to modify, change and supplement the Preliminary Official Statement as attached hereto in order for the Preliminary Official Statement as so modified, changed and supplemented to be "deemed final" for purposes of the Rule.

The form, terms and provisions of the final Official Statement relating to the Series 2020 Bonds shall be substantially as set forth in the Preliminary Official Statement. The Mayor or County Administrator is hereby authorized and directed to execute and deliver said Official Statement in the name and on behalf of the Issuer, and thereupon to cause such Official Statement to be delivered to the Underwriters with such changes, amendments, modifications, omissions and additions as may be approved by the Mayor or County Administrator. Said Official Statement, including any such changes, amendments, modifications, omissions and additions as approved by the Mayor or County Administrator and the information contained therein are hereby authorized to be used in connection with the sale of the Series 2020 Bonds to the public. Execution by the Mayor or County Administrator of the Official Statement shall be deemed to be conclusive evidence of approval of such changes. In the event the Series 2020 Bonds are issued in multiple Series and at different times, the Issuer authorizes the use of an Official Statement for each such Series.

SECTION 18. SECONDARY MARKET DISCLOSURE. Subject in all respects to the award of the Series 2020 Bonds in accordance with this Supplemental Resolution and the Official Notice of Sale, the Issuer hereby covenants and agrees that, in order to provide for compliance by the Issuer with the secondary market disclosure requirements of the Rule, it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate to be executed by the Issuer and dated the date of the Series 2020 Bonds, as it may be amended from time to time in accordance with the terms thereof. The Continuing Disclosure Certificate shall be substantially in the form of EXHIBIT D hereto with such changes, amendments, modifications, omissions and additions as shall be approved by the Mayor or County Administrator who is hereby authorized to execute and delivery such certificate. Notwithstanding any other provision of the Bond Resolution, failure of the Issuer to comply with such Continuing Disclosure Certificate shall not be considered an Event of Default under the Bond Resolution; provided, however, to the extent permitted by law, the sole and exclusive remedy of any Series 2020 Bondholder for the enforcement of the provisions of the Continuing Disclosure Certificate shall be an action for mandamus or specific performance, as applicable, by court order, to cause the Issuer to comply with its obligations under this Section 18 and the Continuing Disclosure Certificate. For purposes of this Section 18, "Series 2020

Bondholder" shall mean any Person who (A) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2020 Bonds (including persons holding such Bonds through nominees, depositories or other intermediaries), or (B) is treated as the owner of any such Bond for federal income tax purposes.

SECTION 19. ARBITRAGE CERTIFICATE. The Mayor or County Administrator and the Comptroller are hereby authorized to execute an arbitrage certificate with arbitrage rebate covenants attached thereto expressing the expectation of the Issuer as to the investment and expenditure of the proceeds of the Series 2020 Bonds and of the investment of funds collected to pay the Series 2020 Bonds.

SECTION 20. EXECUTION AND DELIVERY OF SERIES 2020 BONDS. The Mayor or County Administrator and Comptroller are hereby authorized and directed, subject to the sale of the Series 2020 Bonds upon compliance with the conditions set forth in Sections 5 and 8 hereof, to execute and attest, respectively, and deliver the Series 2020 Bonds to or on behalf of the successful bidder upon payment of the purchase price, pursuant to the conditions stated in the Official Notice of Sale and the Bond Resolution.

SECTION 21. GENERAL AUTHORITY. The Mayor, the members of the Board, the Comptroller, the County Attorney, the County Administrator and the officers, attorneys and other agents or employees of the Issuer are hereby authorized to take all actions required of them by this Supplemental Resolution, the Official Statement, the Continuing Disclosure Certificate, the Bond Resolution or desirable or consistent with the requirements of this Supplemental Resolution, the Official Statement, the Continuing Disclosure Certificate and the Bond Resolution for the full, punctual and complete performance of all the terms, covenants and agreements contained herein or therein, and the Mayor and each member, employee, attorney and officer of the Board, County Administrator and the Comptroller are hereby authorized and directed to execute and deliver any and all papers and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated hereunder. The Mayor or County Administrator may, among other things, change the date of any document accompanying this Supplemental Resolution as an exhibit. Execution by the Mayor or County Administrator of such document shall be deemed to be conclusive evidence of approval of such change of date.

SECTION 22. SEVERABILITY AND INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed severable from the remaining covenants, agreements or provisions of this Supplemental Resolution and shall in no way affect the validity of any of the other covenants, agreements or provisions hereof or of the Series 2020 Bonds.

SECTION 23. EFFECTIVE DATE. This Supplemental Resolution shall become effective immediately upon its adoption.

ADOPTED at a meeting this ___ day of October, 2020.

OCT 27 2020

**BOARD OF COUNTY
COMMISSIONERS,
ORANGE COUNTY, FLORIDA**

By: *Jerry L. Demings*
fol Jerry L. Demings, Mayor

Attest:
PHIL DIAMOND
Orange County Comptroller

By: *Katie Smith*
fol Ex-Officio Clerk of the
Board of County
Commissioners

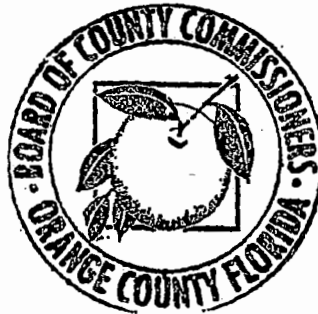


EXHIBIT A

2020 PROJECT DESCRIPTION

The 2020 Project generally includes the following, as more particularly described in the plans and specifications on file with the Issuer:

Service	Project Name
• Water	Econ Trail Parallel Route Water Transmission Main
• Water	Innovation Place Area – Part E
• Water	New Water Meter Installation
• Water	Econ Trail South Water Improvements
• Water	Southwest Service Area Water Storage and Re-pump Facility Horizons West
• Water	SSA-ESA Water Main (Boggy Creek Road to Moss Park/Wewahootee Rd.
• Water	J Lawson Boulevard Potable Water Re-pump Facility
• Water	Western Regional Water Supply Facility Phase IIIb Improvements
• Water	Oak Meadow Well House
• Water	University Shores Water Distribution Improvements
• Water	Eastern Water Supply Facility Phase 3B Expansion
• Water	Eastern Water Supply Facility Sodium Hypochlorite System Conversion
• Water	Eastern Regional Water Supply Facility Operations and Lab building roof replacement
• Water	Malcolm Road Water Supply Facility
• Wastewater	University Shores Wastewater System Improvements
• Wastewater	Northwest Water Reclamation Facility – Sludge Holding Tanks Pump & Valve Improvements
• Wastewater	Northwest Water Reclamation Facility – Solar Panels
• Wastewater	Conserv II Transmission Main Booster Pump Station
• Wastewater	Conserv II Transmission Main Rehab
• Wastewater	R/R Gravity Replacement Package 2 (SA 3096, 3241, 3266, 3322, 3863, 3950)
• Wastewater	R/R Gravity Replacement Package 3 (SA 3000, 3006, 3412, 3675)
• Wastewater	R/R Replacement Package 4 (SA 3054, 3070, 3077, 3368)
• Wastewater	Hamlin Water Reclamation Facility
• Wastewater	Hamlin Groves Trail Master Pump Station
• Wastewater	Avalon Road Master Pump Station
• Wastewater	Storey Park Master Pump Station
• Wastewater	Eastern Water Reclamation Facility - IRP Pumps Electrical System Improvements

- Wastewater Eastern Water Reclamation Facility – Curry Ford Road Access
- Wastewater FM RR So. Area Package I
- Wastewater Kirkman/Sandlake Forcemain Improvements
- Wastewater South Water Reclamation Facility Influent Pump Station Improvements
- Wastewater South Water Reclamation Facility Switchgear Replacement and Prefab Building
- Wastewater South Water Reclamation Facility Flow Meter Improvements
- Wastewater PS 3499 South Central
- Wastewater PS 3497 Town Center Parkway
- Reclaimed John Young Parkway Reclaimed Water Main Improvements
- Reclaimed SSA/ESA 20 inch Reclaimed Water Main
- Reclaimed J Lawson Boulevard and Boggy Creek Road Reclaimed Water Main Project
- Reclaimed Avalon Road Reclaimed Water Storage and Re-pump Facility
- Support Eastern Operations Building

EXHIBIT B

FORM OF OFFICIAL NOTICE OF BOND SALE AND OFFICIAL BID FORM

\$155,265,000*

ORANGE COUNTY, FLORIDA
WATER AND WASTEWATER UTILITY REVENUE BONDS
SERIES 2020

OFFICIAL NOTICE OF BOND SALE

The Series 2020 Bonds are being offered for sale in accordance with this Official Notice of Bond Sale. Bids for the purchase of the Series 2020 Bonds will be received electronically on behalf of Orange County, Florida, via IHS Markit's PARITY/BIDCOMP Competitive Bidding System ("PARITY") on _____, November ____, 2020, until 11:00 A.M., local Orlando, Florida time (according to the time posted by PARITY), or on such other date and time as may be established by the County Mayor or her designee and communicated through TM3 News Service (www.TM3.com) not less than 18 hours prior to the time the bids are to be received.

November ____, 2020

* Preliminary, subject to change.

OFFICIAL NOTICE OF BOND SALE

\$155,265,000*
ORANGE COUNTY, FLORIDA
WATER AND WASTEWATER UTILITY REVENUE BONDS
SERIES 2020

NOTICE IS HEREBY GIVEN that Orange County, Florida (the "County") will receive bids only electronically via IHS Markit's PARITY/BiDCOMP Competitive Bidding System ("PARITY") for the purchase of all \$155,265,000* Orange County, Florida Water and Wastewater Utility Revenue Bonds, Series 2020 (the "Series 2020 Bonds") dated their date of delivery. The Series 2020 Bonds are being offered for sale in accordance with this Official Notice of Bond Sale. Bids for the purchase of the Series 2020 Bonds will be received electronically via PARITY on _____, November __, 2020, until 11:00 A.M., Eastern Standard Time (according to the time posted by PARITY), or on such date and time as may be established by the County Mayor or her designee, as communicated through TM3 News Service (www.TM3.com) not less than 18 hours prior to the time bids are to be received. On such date of receipt, all bids will be publicly opened and read, but no bid will be considered if received after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY conflict with this Official Notice of Bond Sale, this Official Notice of Bond Sale shall control. To bid on the Series 2020 Bonds, a bidder must be a contracted customer of Parity®. Prospective bidders that do not have a contract with Parity® should call (212) 849-5021 to become a customer and to obtain a list of the bidding rules and procedures. For further information about PARITY, potential bidders may contact IHS Markit at 450 West 33rd Street, 5th Floor, New York, NY 10001; telephone (212) 849-5021. The use of PARITY shall be at the bidder's risk and expense and the County shall have no liability with respect thereto.

BOND DETAILS

The Series 2020 Bonds will be issued initially as fully registered bonds, and when executed and delivered, will be dated their date of delivery and will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2020 Bonds. Individual purchases of the Series 2020 Bonds may be made only in book-entry form in denominations of \$5,000 or integral multiples thereof. Purchasers of the Series 2020 Bonds (the "Beneficial Owners") will not receive physical delivery of bond certificates. As long as Cede & Co. is the registered owner of the Series 2020 Bonds, as nominee for DTC, payments of principal, redemption premium, if any, and interest with respect to the Series 2020 Bonds will be made to such registered owner which will in turn remit such principal, redemption premium, if any, and interest payments to DTC participants for subsequent disbursement to the Beneficial Owners.

The Series 2020 Bonds will be dated their date of delivery, and interest will be payable on each April 1 and October 1, commencing April 1, 2021, until maturity, at the rate or rates

* Preliminary, subject to change.

specified by the successful bidder. The proposed schedule of maturities and amounts are shown on the following table (the "Initial Maturity Schedule"):

\$155,265,000*
 INITIAL PROPOSED MATURITY SCHEDULE
 ORANGE COUNTY, FLORIDA
 WATER AND WASTEWATER UTILITY REVENUE BONDS
 SERIES 2020

Maturity (October 1)	Principal Amount*
2022	\$ 5,120,000
2023	5,375,000
2024	5,645,000
2025	5,925,000
2026	6,225,000
2027	6,535,000
2028	6,860,000
2029	7,205,000
2030	7,565,000
2031	7,945,000
2032	8,340,000
2033	8,760,000
2034	9,195,000
2035	9,655,000
2036	10,140,000
2037	10,545,000
2038	10,965,000
2039	11,405,000
2040	11,860,000

*Preliminary, subject to change.

(NOTE: The County reserves the right to modify the Initial Maturity Schedule shown above. Any such modification will be communicated through TM3 News Service (www.TM3.com). See "Adjustment of Principal Amount" below.)

Term Bonds Option – Bidders may designate the principal amounts of the Series 2020 Bonds maturing on or after October 1, 20__ in the Initial Maturity Schedule above for any two (2) or more consecutive years as a single term maturity which will mature in the latest of the years designated, and will have a stated maturity amount equal to the sum of the annual principal amounts designated as a part of such term maturity. Upon such designation, the Series 2020 Bonds of such term maturity shall be subject to mandatory sinking fund redemption in part by lot on October 1 in the principal amount which would otherwise have matured in such designated years, at the price of par plus accrued interest to the redemption date, without premium.

Adjustment of Principal Amount – The Initial Maturity Schedule represents an estimate of the principal amount and maturities of the Series 2020 Bonds which will be sold. The County

* Preliminary, subject to change.

reserves the right to change the Initial Maturity Schedule by announcing any such change not later than 5:00 p.m., Eastern Standard Time, on the date immediately preceding the date set for receipt of bids, through TM3 News Service (www.TM3.com). If no such change is announced, the Initial Maturity Schedule will be deemed the schedule of maturities for the form to be submitted electronically by the bidder. If such a change is announced, then the changes, when incorporated into the Initial Maturity Schedule, shall become part of a revised maturity schedule (the "Revised Maturity Schedule"). The Revised Maturity Schedule shall be deemed the principal amounts and maturities for the bid submitted via PARITY.

Furthermore, if after final computation of the bids, the County determines, in its sole discretion, that the funds necessary to accomplish the purposes of the Series 2020 Bonds is either more or less than the proceeds of the sale of the Series 2020 Bonds, the County reserves the right either to increase or decrease: (i) by no more than **[fifteen percent (15%)]**, the principal amount of any maturity of the Series 2020 Bonds; or (ii) by no more than **[ten percent (10%)]**, the total principal amount of the Series 2020 Bonds (to be rounded to the nearest \$5,000). An adjustment to the principal amount of any maturity by more than **[15%]** or to the total principal amount of the Series 2020 Bonds by more than **[10%]** will require approval by the successful bidder. Any such increase shall not, in the aggregate, cause the total amount of the Series 2020 Bonds to exceed the maximum principal amount authorized by the County therefor.

In the event of any such adjustment, no rebidding or recalculation of the bids submitted will be required or permitted. The purchase price of the Series 2020 Bonds will be computed by taking the adjusted par amount of the Series 2020 Bonds and (1) either subtracting the aggregate original issue discount or adding the aggregate original issue premium, as applicable, computed based on the adjusted par amounts of each maturity of the Series 2020 Bonds and the prices provided by the underwriters, and (2) subtracting the amount obtained by multiplying the per bond amount of the underwriters' spread by the adjusted par amount of the Series 2020 Bonds. However, the award will be made to the bidder whose bid produces the lowest actual true interest cost rate, calculated as specified, solely on the basis of the Series 2020 Bonds offered, without taking into account any adjustment in the amount of Series 2020 Bonds pursuant to this section.

Optional Redemption – The Series 2020 Bonds maturing on or after October 1, 2029, shall be subject to redemption at the option of the County prior to maturity in whole or in part on any date on or after October 1, 2028 (and if in part, in such order of maturities as shall be selected by the County and by lot within maturities), at a redemption price equal to the principal amount thereof, without premium, plus interest accruing on the principal amount to be redeemed to the redemption date.

AUTHORIZATION

The County shall issue the Series 2020 Bonds under the authority of, and in full compliance with, the Constitution of the State of Florida, Chapter 125, Florida Statutes, the Charter of the County and other applicable provisions of law (collectively, the "Act"), Resolution No. 2016-B-02 adopted by the Board on March 15, 2016, as may be amended and supplemented, and particularly as amended and supplemented by Resolution No. 2020-B-___ adopted by the Board on October 27, 2020 (collectively, the "Resolution"), all as more particularly described in the Preliminary Official Statement (as defined herein) for the Series 2020 Bonds.

PURPOSE

The proceeds of the Series 2020 Bonds will be used by the County to (1) finance certain costs relating to the acquisition, construction and equipping of various capital improvements to the County's water and wastewater utilities system (the "System"), and (2) pay certain costs and expenses relating to the issuance of the Series 2020 Bonds.

SECURITY FOR THE BONDS

The Series 2020 Bonds are payable solely from and secured by a lien upon and pledge of (1) the Net Revenues (as defined in the Resolution), and (2) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in the funds and accounts established under the Resolution, except (A) as for the Rebate Fund, (B) to the extent moneys therein shall be required to pay the Operating Expenses of the System in accordance with the terms of the Resolution, and (C) any moneys set aside in a particular subaccount of the Reserve Account if such moneys shall be pledged solely for the payment of a different Series of Bonds for which it was established in accordance with the provisions of the Resolution (collectively, the "Pledged Funds"). **The Series 2020 Bonds shall have no lien on or pledge of any moneys on deposit in the Reserve Account and accordingly, the Reserve Account Requirement for the Series 2020 Bonds shall be set to an amount equal to \$0.**

The Series 2020 Bonds shall not be or constitute general obligations or indebtedness of the County as "bonds" within the meaning of any constitutional or statutory provision, but shall be special obligations of the County, payable solely from and secured by a lien upon and pledge of the Pledged Funds, in the manner and to the extent provided in the Resolution. No Holder of any Series 2020 Bond shall ever have the right to compel the exercise of any ad valorem taxing power to pay such Series 2020 Bond, or be entitled to payment of such Series 2020 Bond from any moneys of the County except from the Pledged Funds in the manner and to the extent provided in the Resolution. The Bonds and the obligations evidenced thereby shall not constitute a lien upon the System or any other property of the County, but shall constitute a lien only on, and shall be payable solely from, the Pledged Funds.

CONTINUING DISCLOSURE

The County has committed to enter into a written Continuing Disclosure Certificate pursuant to which it will agree to provide certain financial information and operating data relating to the System and the Series 2020 Bonds in each year (the "Annual Report"), and to provide notices of material events as required by Rule 15c2-12 promulgated by the Securities and Exchange Commission (the "Rule") and as described in the Preliminary Official Statement.

The successful bidder's obligation to purchase the Series 2020 Bonds shall be conditioned upon its receiving, at or prior to the delivery of the Series 2020 Bonds, in form and substance reasonably satisfactory to the successful bidder, a copy of the Continuing Disclosure Certificate which shall constitute a written agreement for the benefit of the holders and beneficial owners of the Series 2020 Bonds as required by the Rule.

MUNICIPAL BOND INSURANCE

The purchase of municipal bond insurance, if available, will be at the option and expense of the bidder. The successful bidder will be responsible for the payment of all costs associated with any such insurance, including the premium charged by the insurer. The bidder understands, by submission of its bid, that the bidder is solely responsible for the selection of any insurer and for all negotiations with the insurer as to the premium to be paid. If all or a portion of the Series 2020 Bonds are awarded on an insured basis, reference to the insurance policy will appear on the Series 2020 Bonds and in the Official Statement; however, the provisions of the financing documents will not be altered nor will the County consent to make additional representations, undertakings or warranties.

In addition, if the successful bidder is arranging for bond insurance for all or a portion of the Series 2020 Bonds, it also shall provide the amount of the premium to be paid and certification that the present value of the premium is less than the present value of the interest reasonably expected to be saved as a result of the insurance and that the premium does not exceed a reasonable arms-length charge for the transfer of credit risk accomplished through the bond insurance.

PURCHASER'S CERTIFICATION REGARDING INITIAL OFFERING PRICE

In order to provide the County with information required to enable it to comply with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), relating to the exclusion of interest on the Series 2020 Bonds from the gross income of the holders thereof for federal income tax purposes, the successful bidder will be required to complete, execute and deliver to the County (on the date of delivery of the Series 2020 Bonds) a certificate relating to the manner in which the Series 2020 Bonds were offered for sale and the offering price for such Series 2020 Bonds, substantially in the form of Exhibit A to this Official Notice of Bond Sale. In the event the successful bidder will not reoffer the Series 2020 Bonds for sale or is unable to sell a substantial amount of the Series 2020 Bonds by the date of delivery, such certificate may be modified in a manner approved by the County and Nabors, Giblin & Nickerson, P.A., Tampa, Florida and Ruye H. Hawkins, Orlando, Florida, Co-Bond Counsel to the County. It will be the responsibility of the successful bidder to institute such syndicate or selling group reporting requirements, to make such investigation, or otherwise to ascertain the facts necessary to enable it to make such certification with reasonable certainty.

LEGAL OPINION AND CLOSING CERTIFICATES

At the time of delivery of the Series 2020 Bonds, the County will deliver to the successful bidder, at the expense of the County, the approving opinions of Nabors, Giblin & Nickerson, P.A., Tampa, Florida and Ruye H. Hawkins, P.A., Orlando, Florida, Co-Bond Counsel, in substantially the form appearing as Appendix "F" to the Preliminary Official Statement, a no-litigation certificate of the County and other customary closing certificates relating to the issuance of the Series 2020 Bonds.

The actual legal approving opinions to be delivered may vary from the text of Appendix "F," if necessary, to reflect facts and law on the date of delivery of the Series 2020 Bonds. The opinions will speak only as of their date and Co-Bond Counsel will not assume any duty to update

or supplement its opinions to reflect any change in facts or circumstances, including changes in law that may thereafter occur or become effective.

Greenberg Traurig, P.A., Orlando, Florida and Debi V. Rumph, Orlando, Florida ("Co-Disclosure Counsel") have advised the County on certain matters relating to disclosure for the issuance of the Series 2020 Bonds and in connection with the preparation of the Preliminary Official Statement and the final Official Statement (as defined herein). The opinions of Co-Disclosure Counsel will also be furnished to the successful bidder, without charge.

GOOD FAITH DEPOSIT

If the County selects a winning bid, then the successful bidder must submit a "Good Faith Deposit" (the "Deposit") to the County in the form of a wire transfer in the amount of 2% of the proposed principal amount of the Series 2020 Bonds as shown on the cover of the Preliminary Official Statement no later than 2:00 p.m., Eastern Standard Time, on the business day following the award. The Deposit of the successful bidder will be collected and the proceeds thereof retained by the County to be applied as partial payment for the Series 2020 Bonds and no interest will be allowed or paid upon the amount thereof, but in the event the successful bidder shall fail to comply with the terms of the bid, the proceeds thereof will be retained as and for full liquidated damages.

TERMS OF BID AND BASIS OF AWARD

THE COUNTY WILL AWARD THE SERIES 2020 BONDS TO THE BIDDER WHOSE BID PRODUCES THE LOWEST TRUE INTEREST COST, AS DEFINED BELOW. THE COUNTY HAS THE RIGHT TO AWARD ALL OR NONE OF THE SERIES 2020 BONDS.

Proposals must be unconditional and for the purchase of all of the Series 2020 Bonds. The purchase price for the Series 2020 Bonds may not be less than 100% of the aggregate principal amount of the Series 2020 Bonds overall in combination with the underwriter's discount and any original issue premium or discount and the true interest cost of the Series 2020 Bonds may not exceed 5.0% per annum. The maximum purchase price shall not exceed [122%] of the aggregate principal amount of the Series 2020 Bonds. The minimum reoffering price for each maturity may not be less than [99%]. No more than one Proposal from any bidder will be considered.

The Series 2020 Bonds shall bear interest expressed in multiples of one-eighth (1/8) or one-twentieth (1/20) of one percent (1%). The use of split or supplemental interest coupons will not be considered and a zero rate or blank rate will not be permitted. All Series 2020 Bonds maturing on the same date shall bear the same rate of interest.

The Series 2020 Bonds will be awarded to the bidder offering to purchase the Series 2020 Bonds at the lowest annual interest cost computed on a true interest cost basis (the "TIC"). The annual TIC will be determined by doubling the semi-annual interest rate necessary to discount the semi-annual debt service payments on the Series 2020 Bonds back to the Net Bond Proceeds (defined as the par amount of the Series 2020 Bonds plus accrued interest, if any, thereon and any original issue premium, less any original issue discount, underwriters' discount and bond insurance premium, if any) calculated on a 360 day year to the Delivery Date, which for purposes of this calculation is assumed to be December ____, 2020. The TIC must be calculated to four (4) decimal places.

EACH PROPOSAL MUST BE SUBMITTED THROUGH PARITY. EACH BIDDER MUST SPECIFY IN ITS BID THE INTEREST RATE AND PRICE OR YIELD FOR THE SERIES 2020 BONDS OF EACH MATURITY. NO BIDS FOR LESS THAN ALL OF THE SERIES 2020 BONDS OFFERED WILL BE ENTERTAINED. THE COUNTY RESERVES THE RIGHT TO REJECT ALL BIDS OR ANY BID NOT CONFORMING TO THIS OFFICIAL NOTICE OF BOND SALE. THE COUNTY ALSO RESERVES THE RIGHT TO WAIVE, IF PERMITTED BY LAW, ANY IRREGULARITY OR INFORMALITY IN ANY PROPOSAL. THE COUNTY SHALL NOT REJECT ANY CONFORMING BID, UNLESS ALL CONFORMING BIDS ARE REJECTED.

MINORITY PARTICIPATION

It is the policy of the County to provide minority business enterprises ("MBE") and women business enterprises ("WBE") an equal opportunity to participate in the performance of County contracts. The County has placed a high priority on increasing the amount of MBE and WBE participation in County contracts. Bidders are requested to assist the County in implementing this policy by providing equal opportunities for MBE and WBE underwriter firms to participate in their bidding syndicates. Bidders must include in their bids a list of the members of their syndicate.

SETTLEMENT OF BONDS

It is expected that closing for the Series 2020 Bonds will occur in Orlando, Florida, on or after December ____, 2020, or on such other later date as shall be appropriate to ensure compliance with the Rule, with certain provisions of the Code, and with certain rules promulgated by the Municipal Securities Rulemaking Board (the "MSRB"). On such date, the Series 2020 Bonds will be delivered to DTC as securities depository and registered in the name of CEDE & CO., as nominee of DTC. The successful bidder shall advise the underwriting department of DTC, not less than seven business days prior to the closing date, the interest rates borne by the Series 2020 Bonds, the CUSIP identification numbers and the closing date. The successful bidder shall also timely obtain CUSIP identification numbers and pay CUSIP Service Bureau charges for assignment of the numbers. Any delay, error or omission with respect to the CUSIP numbers shall not constitute cause for failure or refusal by the successful bidder to accept delivery of and pay for each of the Series 2020 Bonds awarded by the County in accordance with the terms of this Official Notice of Bond Sale.

FULL PAYMENT OF THE PURCHASE PRICE MUST BE MADE TO THE COUNTY ON SUCH DATE BY THE SUCCESSFUL BIDDER BY FEDERAL RESERVE WIRE TRANSFER, AS DIRECTED BY THE COUNTY, WITHOUT COST TO THE COUNTY.

COMPLIANCE WITH SEC AND MSRB RULES

The successful bidder agrees to take any and all other actions necessary to comply with applicable SEC and MSRB rules governing the offering, sale, delivery and post-issuance trading of the Series 2020 Bonds to the ultimate purchasers.

BLUE SKY LAWS

The successful bidder will be responsible for the payment of any fees and filing of any notices required with respect to the offering of the Series 2020 Bonds for sale under the securities or "Blue Sky" laws of the several states and the preparation of any surveys or memoranda in connection with such sale.

OFFICIAL STATEMENT

The County has authorized the distribution of its Preliminary Official Statement, dated November ___, 2020 (the "Preliminary Official Statement"), relating to the Series 2020 Bonds, which it deems final for purposes of the Rule. The Preliminary Official Statement describes the Series 2020 Bonds and contains information with respect to the County's operations and its obligations and is available for viewing in electronic format at www.MuniOS.com. Upon the sale of the Series 2020 Bonds, the County will deliver a final Official Statement (the "Official Statement") substantially in the same form as the Preliminary Official Statement, subject to such amendments as are necessary to describe the Series 2020 Bonds, to the successful bidder no later than seven business days following the sale of the Series 2020 Bonds or one day prior to the closing date for the Series 2020 Bonds. Up to 150 printed copies of the Official Statement (and any supplement thereto) will be made available to the successful bidder at the expense of the County. Additional printed copies may be obtained at the expense of such bidder.

RATINGS

The Series 2020 Bonds are expected to be rated "AAA" by Standard & Poor's, a Division of the McGraw-Hill Companies, Inc. ("S&P"), and "AAA" by Fitch Ratings ("Fitch"), in each case without regard to any municipal bond insurance policy (S&P and Fitch are collectively referred to as the "Rating Agencies"). Such ratings reflect only the respective views of such Rating Agencies, and an explanation of the significance of such ratings may be obtained from the respective Rating Agencies. Any downward change in or suspension or withdrawal of such ratings may have an adverse effect on the market price of the Series 2020 Bonds.

MANDATORY STATE FILING

Section 218.38(1)(b)1, Florida Statutes, as amended, requires that the County file, within 120 days after the delivery of the Series 2020 Bonds, an information statement with the Division of Bond Finance of the Board of Administration of the State containing the following information: (a) the name and address of the managing underwriter, if any, connected with the bond issue; (b) the name and address of any attorney or financial consultant who advised the County with respect to the bond issue; (c) any fee, bonus, or gratuity paid by any underwriter or financial consultant, in connection with the bond issue, to any person not regularly employed or engaged by such underwriter or consultant; and (d) any other fee paid by the County with respect to the bond issue, including any fee paid to attorneys or financial consultants. The successful bidder is expected to provide to the County the information mentioned in (a) and (c) above when the Series 2020 Bonds are delivered, but in no event later than ninety (90) days after delivery of the Series 2020 Bonds as required by Section 218.38(1)(b)2, Florida Statutes. Such information provided pursuant to the

cited statute shall be maintained by the Division of Bond Finance and by the County as a public record.

• Additionally, Section 218.386, Florida Statutes, as amended, requires the Official Statement for the Series 2020 Bonds to include disclosure of any finder's fees paid in connection with the sale of the Series 2020 Bonds.

TRUTH-IN-BONDING STATEMENT

The successful bidder will be required to complete and sign the Truth-in-Bonding Statement set forth in Exhibit B to this Official Notice of Bond Sale and submit such statement to the County's Manager of Fiscal and Business Services Division (which submission may be by facsimile transmission at (407) 648-1323) on the date bids are due prior to the award by the County.

ADDITIONAL INFORMATION

Copies of the Preliminary Official Statement (including the form of the opinions of Co-Bond Counsel) and the Official Notice of Bond Sale and any additional information will be furnished upon request to the office of the Manager, Fiscal and Business Services Division, at the Orange County Administration Center, 201 South Rosalind Avenue, 3rd Floor, Orlando, Florida 32801, (407) 836-2920 or to the Financial Advisor to the County, PFM Financial Advisors, LLC, 300 S. Orange Avenue, Suite 1170, Orlando, Florida 32801, (407) 648-2208.

ORANGE COUNTY, FLORIDA

By: Board of County Commissioners

Jerry L. Demings, County Mayor

Dated: November ____, 2020

EXHIBIT A

UNDERWRITER'S CERTIFICATE

The undersigned, acting on behalf of _____, as underwriter for the \$ _____ Orange County, Florida Water and Wastewater Utility Revenue Bonds, Series 2020 (the "Series 2020 Bonds"), hereby certifies to Orange County, Florida (the "County") that:

1. As of the date of this certificate, pursuant to its bid submitted in response to an Official Notice of Sale dated November __, 2020, relating to the Series 2020 Bonds, the underwriter has agreed to purchase the Series 2020 Bonds on the terms and conditions described in the Official Notice of Sale and the final Official Statement dated November __, 2020 relating to the Series 2020 Bonds.

2. All of the Series 2020 Bonds have been the subject of a bona fide initial offering to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers), at prices no higher than, or yields no lower than, those shown on the inside cover page of the Official Statement, dated November __, 2020, relating to the Series 2020 Bonds (the "Official Statement").

3. At least ten percent of each maturity of the Series 2020 Bonds was sold to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at initial offering prices not greater than the respective prices shown on the inside cover page of the Official Statement, or in the case of bonds sold on a yield basis, at yields no lower than the respective yields shown on the inside cover page.

[4. Based upon our knowledge and experience in financings similar to the Series 2020 Bonds, we have no reason to believe that the fee payable to _____ for the bond insurance policy related to the Series 2020 Bonds is other than a reasonable charge for the assumption of the credit risk involved in such transaction. The present value of the bond insurance policy premium paid to _____ to obtain credit support for the Series 2020 Bonds is less than the present value of the interest reasonably expected to be saved as a result of such credit support. The discount rate chosen for computing such present value is __%, which is the discount rate that produces a present value equal to the issue price of all unconditionally payable payments of principal, interest and fees for qualified guarantees within the meaning of U.S. Treasury Regulations §1.148-4(f) and amounts reasonably expected to be paid as fees for qualified guarantees in connection with the Series 2020 Bonds as determined under U.S. Treasury Regulations §1.148-4(b).]

We understand that the representations set forth above will be relied on by the County in the County's Arbitrage Certificate to be delivered in connection with the issuance of the Series 2020 Bonds.

Dated: _____, 2020

By: _____
Authorized Signatory

EXHIBIT B

TRUTH-IN-BONDING STATEMENT

In compliance with Section 218.385, Florida Statutes, as amended, the undersigned bidder submits the following Truth-In-Bonding Statement with respect to the Orange County, Florida Water and Wastewater Utility Revenue Bonds, Series 2020 (the "Series 2020 Bonds") (NOTE: for information purposes only and not a part of the bid):

Orange County, Florida (the "County") is proposing to issue \$ _____ of its Series 2020 Bonds in order to provide funds to (1) finance certain costs relating to the acquisition, construction and equipping of various capital improvements to the County's water and wastewater utilities system (as more fully described herein, the "System"), and (2) pay certain costs and expenses relating to the issuance of the Series 2020 Bonds. The Series 2020 Bonds are expected to be repaid over a period of approximately ____ years. At a forecasted interest rate of ____%, total interest paid over the life of the Series 2020 Bonds will be \$ _____.

The principal source of repayment for the Series 2020 Bonds is a portion of the Net Revenues of the System in the manner and to the extent described in the Preliminary Official Statement and Official Notice of Bond Sale relating to such revenue bonds. The authorization of the Series 2020 Bonds will result in approximately \$ _____ of such Net Revenues (average annual debt service) not being available to finance other System related services each year for approximately ____ years.

(BIDDER'S NAME)

By: _____
Title: _____
Date: _____

EXHIBIT C

FORM OF PRELIMINARY OFFICIAL STATEMENT

This Preliminary Official Statement and any information contained herein are subject to completion and amendment. Under no circumstances may this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2020 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.

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2020

NEW ISSUE - BOOK-ENTRY ONLY

RATINGS: S&P: "____"

Fitch: "____"

[DAC LOGO]

See "RATINGS" herein

In the opinion of Co-Bond Counsel, under existing statutes, regulations, rulings and court decisions, and assuming compliance with the certain tax covenants described herein, interest on the Series 2020 Bonds is excludable from gross income of the owners thereof for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax. Such interest may be subject to other federal income tax consequences. See "TAX MATTERS" herein for a more general discussion of Co-Bond Counsel's opinion and other tax considerations.

\$155,265,000*

**[ORANGE COUNTY ORANGE COUNTY, FLORIDA
LOGO] WATER AND WASTEWATER UTILITY REVENUE BONDS
SERIES 2020**

Dated: Date of Delivery

Due: As shown on the inside cover hereof

Orange County, Florida (the "County") is issuing its \$155,265,000* Water and Wastewater Utility Revenue Bonds, Series 2020 (the "Series 2020 Bonds") as fully registered bonds, without coupons, in denominations of \$5,000 or any integral multiple thereof. Interest on the Series 2020 Bonds is payable semiannually on each April 1 and October 1, commencing April 1, 2021, and will be payable by check or draft of U.S. Bank National Association, Orlando, Florida, as Registrar and Paying Agent (the "Registrar" and "Paying Agent"), to the holders in whose names the Series 2020 Bonds shall be registered at the close of business on the fifteenth day (whether or not a business day) of the calendar month next preceding the applicable interest payment date. Principal and premium, if any, of the Series 2020 Bonds is payable to the holder thereof upon presentation and surrender at the designated office of the Paying Agent. Upon initial issuance, the Series 2020 Bonds will be registered in the name of and held by Cede & Co. as nominee for The Depository Trust Company ("DTC"), an automated depository for securities and a clearinghouse for securities transactions. So long as DTC or Cede & Co. is the registered owner of the Series 2020 Bonds, payments of the principal of and interest on the Series 2020 Bonds will be wired directly to DTC or Cede & Co., which is to remit such payments to the Participants (as defined herein), which in turn are to remit such payments to the Beneficial Owners (as defined herein) of the Series 2020 Bonds. See "BOOK-ENTRY ONLY SYSTEM" herein.

As used in this Official Statement, unless otherwise defined herein, all capitalized terms shall have the meanings set forth in "APPENDIX B – FORM OF RESOLUTION" attached hereto.

The Series 2020 Bonds are subject to optional redemption prior to their stated maturities as set forth herein.

* Preliminary, subject to change.

The Series 2020 Bonds are being issued to (1) finance certain costs relating to the acquisition, construction and equipping of various capital improvements to the County's water and wastewater utility system (the "System"), and (2) pay certain costs and expenses relating to the issuance of the Series 2020 Bonds.

The Series 2020 Bonds are issued pursuant to and under the authority of Article VIII, Section 1 of the Constitution of the State of Florida, Section 125.01, Florida Statutes, the Charter of the County, and other applicable provisions of law (collectively, the "Act"), and under and pursuant to Resolution No. 92-B-06 adopted by the Board of County Commissioners of the County (the "Board") on June 12, 1992, as amended, restated and supplemented, in particular as amended and restated by Resolution No. 2016-B-02 adopted by the Board on March 15, 2016, as may be amended and supplemented, and particularly as amended and supplemented by Resolution No. 2020-B-___ adopted by the Board on October 27, 2020 (collectively, the "Resolution").

The Series 2020 Bonds are payable solely from and secured by a lien upon and pledge of (1) the Net Revenues (as defined herein) and (2) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in the funds and accounts established under the Resolution, except (A) as for the Rebate Fund, (B) to the extent moneys therein shall be required to pay the Operating Expenses (as defined herein) of the System in accordance with the terms of the Resolution, and (C) any moneys set aside in a particular subaccount of the Reserve Account if such moneys shall be pledged solely for the payment of a different Series of Bonds for which it was established in accordance with the provisions of the Resolution (collectively, the "Pledged Funds").

THE SERIES 2020 BONDS SHALL NOT BE OR CONSTITUTE GENERAL OBLIGATIONS OR INDEBTEDNESS OF THE COUNTY AS "BONDS" WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION, BUT SHALL BE SPECIAL OBLIGATIONS OF THE COUNTY, PAYABLE SOLELY FROM AND SECURED BY A LIEN UPON AND PLEDGE OF THE PLEDGED FUNDS, IN THE MANNER AND TO THE EXTENT PROVIDED IN THE RESOLUTION. NO HOLDER OF ANY SERIES 2020 BOND SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER TO PAY SUCH SERIES 2020 BOND, OR BE ENTITLED TO PAYMENT OF SUCH SERIES 2020 BOND FROM ANY MONEYS OF THE COUNTY EXCEPT FROM THE PLEDGED FUNDS IN THE MANNER AND TO THE EXTENT PROVIDED IN THE RESOLUTION. THE SERIES 2020 BONDS AND THE OBLIGATIONS EVIDENCED THEREBY SHALL NOT CONSTITUTE A LIEN UPON THE SYSTEM OR ANY OTHER PROPERTY OF THE COUNTY, BUT SHALL CONSTITUTE A LIEN ONLY ON, AND SHALL BE PAYABLE SOLELY FROM PLEDGED FUNDS.

Electronic proposals for the purchase of the Series 2020 Bonds will be received by the County through i-DEAL LLC's PARITY/BiDCOMP Competitive Bidding System ("PARITY®") on November 16, 2020, until 11:00 a.m., Eastern Standard Time, or on such other date or time as may be determined by the County, with notice provided through PARITY®, all as provided in the Official Notice of Sale relating to the Series 2020 Bonds, dated November 6, 2020.

The purchase of municipal bond insurance, if available, and payment of all associated costs, including the premium charged by the insurer, will be at the option of the bidder. See "MUNICIPAL BOND INSURANCE" herein.

A DETAILED MATURITY SCHEDULE IS SET FORTH ON THE INSIDE COVER.

This cover page contains certain information for quick reference only. It is not a summary of the transaction. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

The Series 2020 Bonds are offered when, as and if issued, subject to the approving opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida and Ruye H. Hawkins, P.A., Orlando, Florida, Co-Bond Counsel. Certain legal matters will be passed upon for the County by Jeffrey J. Newton, County Attorney. Certain additional legal matters will be passed upon for the County by the County's Co-Disclosure Counsel, Greenberg Traurig, P.A., Orlando, Florida and Debi V. Rumph, Orlando, Florida. PFM Financial Advisors LLC, Orlando, Florida is serving as Financial Advisor to the County in connection with the issuance of the Series 2020 Bonds. It is expected that the Series 2020 Bonds will be available in definitive form for delivery to DTC in New York, New York, on or about _____, 2020.

Dated: _____, 2020

MATURITY SCHEDULE

\$155,265,000*
ORANGE COUNTY, FLORIDA
WATER AND WASTEWATER UTILITY REVENUE BONDS
SERIES 2020

<u>Maturity (October 1)</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP†</u>
2022	\$ 5,120,000				
2023	5,375,000				
2024	5,645,000				
2025	5,925,000				
2026	6,225,000				
2027	6,535,000				
2028	6,860,000				
2029	7,205,000				
2030	7,565,000				
2031	7,945,000				
2032	8,340,000				
2033	8,760,000				
2034	9,195,000				
2035	9,655,000				
2036	10,140,000				
2037	10,545,000				
2038	10,965,000				
2039	11,405,000				
2040	11,860,000				

* Preliminary, subject to change.

† The County shall not be responsible for the use of CUSIP numbers, nor is any representation made as to their correctness. They are included solely for the convenience of the readers of this Official Statement.

**ORANGE COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS**

ORANGE COUNTY MAYOR

Jerry L. Demings

Emily Bonilla, Commissioner, Vice Mayor, District 5

Betsy VanderLey, Commissioner, District 1

Christine Moore, Commissioner, District 2

Mayra Uribe, Commissioner, District 3

Maribel Gomez Cordero, Commissioner, District 4

Victoria P. Siplin, Commissioner, District 6

COUNTY COMPTROLLER

Phil Diamond, CPA

CHIEF DEPUTY COUNTY COMPTROLLER

Eric D. Gassman, CPA

COUNTY ADMINISTRATOR

Byron W. Brooks, AICP

COUNTY ATTORNEY

Jeffrey J. Newton, Esquire

MANAGER, FISCAL AND BUSINESS SERVICES DIVISION

Fred Winterkamp

DIRECTOR, UTILITIES DEPARTMENT

Raymond E. Hanson, P.E.

CO-BOND COUNSEL

Nabors, Giblin & Nickerson, P.A.
Tampa, Florida

Ruye H. Hawkins, P.A.
Orlando, Florida

CO-DISCLOSURE COUNSEL

Greenberg Traurig, P.A.
Orlando, Florida

Debi V. Rumph
Orlando, Florida

FINANCIAL ADVISOR

PFM Financial Advisors LLC
Orlando, Florida

INDEPENDENT AUDITORS

Cherry Bekaert, L.L.P.
Orlando, Florida

FEASIBILITY CONSULTANT

Stantec Consulting Services Inc.
Tampa, Florida

CONSULTING ENGINEER

Carollo Engineers, Inc.
Orlando, Florida

NO DEALER, BROKER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORIZED BY THE COUNTY OR THE UNDERWRITER TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS WITH RESPECT TO THE SERIES 2020 BONDS OTHER THAN THAT CONTAINED IN THIS OFFICIAL STATEMENT AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY ANY OF THE FOREGOING. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY, NOR SHALL THERE BE ANY SALE OF THE SERIES 2020 BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION OR SALE.

THE INFORMATION SET FORTH HEREIN HAS BEEN OBTAINED FROM THE COUNTY, DTC AND OTHER SOURCES WHICH ARE BELIEVED TO BE RELIABLE, BUT IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS. THE INFORMATION PERTAINING TO THE BOOK-ENTRY ONLY SYSTEM HAS BEEN SUPPLIED BY DTC AND IS LIKEWISE NOT TO BE CONSTRUED AS A REPRESENTATION OF THE COUNTY. THE INFORMATION AND EXPRESSIONS OF OPINION CONTAINED HEREIN ARE SUBJECT TO CHANGE WITHOUT NOTICE AND NEITHER THE DELIVERY OF THIS OFFICIAL STATEMENT NOR ANY SALE MADE HEREUNDER SHALL UNDER ANY CIRCUMSTANCES CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE INFORMATION OR OPINIONS SET FORTH HEREIN AFTER THE DATE OF THIS OFFICIAL STATEMENT.

THE SERIES 2020 BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION ("SEC") UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE RESOLUTION BEEN QUALIFIED UNDER THE INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE SERIES 2020 BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF THE SECURITIES LAWS OF THE STATES, IF ANY, IN WHICH THE SERIES 2020 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 2020 BONDS OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATIONS TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE A CONTRACT BETWEEN THE COUNTY OR THE UNDERWRITER AND ANY ONE OR MORE OWNERS OF THE SERIES 2020 BONDS.

IN CONNECTION WITH THE OFFERING OF THE SERIES 2020 BONDS, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2020 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

REFERENCES TO WEBSITE ADDRESSES PRESENTED HEREIN, INCLUDING THE COUNTY'S WEBSITE OR ANY OTHER WEBSITE CONTAINING INFORMATION ABOUT THE COUNTY, 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 OFFICIAL STATEMENT FOR ANY

PURPOSE INCLUDING FOR PURPOSES OF RULE 15c2-12 PROMULGATED BY THE SECURITIES AND EXCHANGE COMMISSION.

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 WEBSITE: WWW.MUNIOS.COM. PROSPECTIVE PURCHASERS MAY RELY ON THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT IN THE ORIGINAL BOUND FORMAT OR IN 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.

THIS PRELIMINARY OFFICIAL STATEMENT IS IN A FORM DEEMED FINAL BY THE COUNTY FOR PURPOSES OF RULE 15c2-12 ISSUED UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, EXCEPT FOR CERTAIN INFORMATION PERMITTED TO BE OMITTED PURSUANT TO RULE 15c2-12(b)(1).

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\$155,265,000*
ORANGE COUNTY, FLORIDA
WATER AND WASTEWATER UTILITY REVENUE BONDS
SERIES 2020

INTRODUCTION

The purpose of this Official Statement, which includes the cover page and the appendices, is to furnish certain information with respect to the sale of \$155,265,000* aggregate principal amount of Orange County, Florida Water and Wastewater Utility Revenue Bonds, Series 2020 (the "Series 2020 Bonds") being issued by Orange County, Florida (the "County"). The term "County" shall mean Orange County, Florida, and any authority or other governmental entity to which may hereafter be transferred some or all of the powers and responsibilities of the County with respect to the ownership, financing, operation, enlargement, improvement and maintenance of the System (as defined herein).

The Series 2020 Bonds are issued pursuant to and under the authority of Article VIII, Section 1 of the Constitution of the State of Florida, Section 125.01, Florida Statutes, the Charter of the County and other applicable provisions of law (collectively, the "Act"), and under and pursuant to Resolution No. 92-B-06 adopted by the Board of County Commissioners of the County (the "Board") on June 12, 1992, as amended, restated and supplemented, in particular as amended and restated by Resolution No. 2016-B-02 adopted by the Board on March 15, 2016, as may be amended and supplemented, and particularly as amended and supplemented by Resolution No. 2020-B-___ adopted by the Board on October 27, 2020 (collectively, the "Resolution"). Capitalized terms used but not otherwise defined herein have the same meaning ascribed thereto in the Resolution unless the context would clearly indicate otherwise.

The Series 2020 Bonds are being issued to (1) finance certain costs relating to the acquisition, construction and equipping of various capital improvements to the County's water and wastewater utilities system (as more fully described herein, the "System"), and (2) pay certain costs and expenses relating to the issuance of the Series 2020 Bonds.

The Series 2020 Bonds are payable solely from and secured by a lien upon and pledge of (1) the Net Revenues (as defined herein) and (2) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in the funds and accounts established under the Resolution, except (A) as for the Rebate Fund, (B) to the extent moneys therein shall be required to pay the Operating Expenses of the System in accordance with the terms of the Resolution, and (C) any moneys set aside in a particular subaccount of the Reserve Account if such moneys shall be pledged solely for the payment of a different Series of Bonds for which it was established in accordance with the provisions of the Resolution (collectively, the "Pledged Funds"). **The Series 2020 Bonds shall have no lien on or pledge of any moneys on deposit in the Reserve Account and accordingly, the Reserve Account Requirement for the Series 2020 Bonds shall be set to an amount equal to \$0.**

* Preliminary, subject to change.

The Series 2020 Bonds, together with any Additional Bonds issued under the Resolution and any Subordinate Indebtedness which accedes to the status of Bonds pursuant to the Resolution are herein collectively referred to as the "Bonds."

The County has covenanted in the Resolution to provide certain continuing disclosure information pursuant to Rule 15c2-12 of the Securities and Exchange Commission relating to the Series 2020 Bonds. See "APPENDIX G - FORM OF CONTINUING DISCLOSURE CERTIFICATE" herein.

The purchase of municipal bond insurance, if available, and payment of all associated costs, including the premium charged by the insurer, will be at the option of the bidder. See "MUNICIPAL BOND INSURANCE" herein.

Complete descriptions of the terms and conditions of the Series 2020 Bonds are set forth in the Resolution, a form of which is attached as APPENDIX B to this Official Statement. The descriptions of the Series 2020 Bonds, the documents authorizing and securing the same, and the information from various reports and statements contained herein are not comprehensive or definitive. All references herein to such documents, reports and statements are qualified by the entire, actual content of such documents, reports and statements. Copies of such documents, reports and statements referred to herein that are not included in their entirety in this Official Statement may be obtained by contacting Glenn Kramer, Manager, Fiscal & Operational Support Division, Orange County Utility Department, 9150 Curry Ford Road, Orlando, FL 32825, (407) 254-9882.

Except as specified otherwise herein, the County specifically disclaims, and does not undertake, any obligation to further supplement, amend or update the information contained in this Official Statement to reflect the occurrence of any event or transaction after the date of this Official Statement. The County has contracted with Digital Assurance Certification, L.L.C. ("DAC") to be a supplemental source of information for the County's bond issuances. Such services may be discontinued at any time. Information regarding this debt issuance may be found at the DAC internet site, www.dacbond.com. See "CONTINUING DISCLOSURE" herein.

To the extent this Official Statement contains certain "forward-looking statements" concerning the County's and the System's operations, performance and financial condition, see "FORWARD LOOKING STATEMENTS" herein.

See "CERTAIN IMPACTS OF COVID-19 ON NET REVENUES AND COUNTY ECONOMICS" herein for more information about the impacts of COVID-19 on the Net Revenues and the County.

THE SERIES 2020 PROJECT

The Series 2020 Project consists of various capital improvements to the System, as further described in the Resolution and such other capital projects relating to the System approved by the Board from time to time by inclusion in the capital improvement plan for the System. See "APPENDIX B – FORM OF RESOLUTION" attached hereto.

See also "APPENDIX E - CONSULTING ENGINEER'S REPORT" for a more detailed description of the Series 2020 Project.

ESTIMATED SOURCES AND USES OF FUNDS

The proceeds to be received from the sale of the Series 2020 Bonds along with other legally available funds are expected to be applied as follows:

Sources of Funds

Principal Amount of Bonds

Plus/Minus Original Issue Premium/Discount

TOTAL SOURCES:

Use of Funds

Deposit to Series 2020 Account of the Construction Fund

Deposit to Series 2020 Costs of Issuance Account⁽¹⁾

Underwriter's Discount⁽²⁾

Reimbursement of Costs

TOTAL USES:

⁽¹⁾ Costs of issuance include financial, legal, printing and other expenses incidental to the issuance of the Series 2020 Bonds.

⁽²⁾ The Underwriters' Discount may include, at the bidder's option, the cost of the premium of any applicable municipal bond insurance policy on the Series 2020 Bonds. See "MUNICIPAL BOND INSURANCE" herein.

DESCRIPTION OF SERIES 2020 BONDS

Terms and Form

The Series 2020 Bonds shall be issued only in fully registered form without coupons in principal denominations of \$5,000 each or any integral multiple thereof. The Series 2020 Bonds are dated as of the date of their delivery and bear interest at the rates per annum and mature on the dates set forth on the inside cover page hereof. Interest on the Series 2020 Bonds is payable semiannually on each April 1 and October 1, commencing April 1, 2021 (the "Interest Dates"). Interest payable on the Series 2020 Bonds on any Interest Date shall be paid by check or draft of U.S. Bank National Association, Orlando, Florida, as Registrar and Paying Agent (the "Registrar" or "Paying Agent"), to the holders in whose names the Series 2020 Bonds shall be registered at the close of business on the fifteenth day (whether or not a business day) of the calendar month next preceding the applicable Interest Date. Principal of the Series 2020 Bonds is payable to the holder thereof upon presentation and surrender at the designated corporate trust office of the Paying Agent. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

The Series 2020 Bonds will be issued initially as book-entry obligations and held by The Depository Trust Company ("DTC") as securities depository. The ownership of one fully registered Series 2020 Bond for each maturity as set forth on the inside cover page hereof, in the

appropriate aggregate principal amount of such maturity, will be registered in the name of Cede & Co., as nominee for DTC. For more information regarding DTC and DTC's Book-Entry System, see "BOOK-ENTRY ONLY SYSTEM" herein.

Interchangeability, Negotiability and Transfer

The Series 2020 Bonds, upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar, duly executed by the Holder thereof or his attorney duly authorized in writing, may, at the option of the Holder thereof, be exchanged for an equal aggregate principal amount of registered Series 2020 Bonds of the same maturity of any other authorized denominations.

The Series 2020 Bonds issued under the Resolution shall be and have all the qualities and incidents of negotiable instruments under the law merchant and the Uniform Commercial Code of the State of Florida, subject to the provisions for registration and transfer contained in the Resolution and in the Series 2020 Bonds. So long as any of the Series 2020 Bonds shall remain Outstanding, the County shall maintain and keep, at the office of the Registrar, books for the registration and transfer of the Series 2020 Bonds.

Each Series 2020 Bond shall be transferable only upon the books of the County, at the office of the Registrar, under such reasonable regulations as the County may prescribe, by the Holder thereof in person or by his attorney duly authorized in writing upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed and guaranteed by the Holder or his duly authorized attorney. Upon the transfer of any such Series 2020 Bond, the County shall issue, and cause to be authenticated, in the name of the transferee a new Series 2020 Bond or Series 2020 Bonds of the same aggregate principal amount and series and maturity as the surrendered Series 2020 Bond. The County, the Registrar and any Paying Agent or fiduciary of the County may deem and treat the Person in whose name any Outstanding Series 2020 Bond shall be registered upon the books of the County as the absolute owner of such Series 2020 Bond, whether such Series 2020 Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price, if applicable, and interest on such Series 2020 Bond and for all other purposes, and all such payments so made to any such Holder or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Series 2020 Bond to the extent of the sum or sums so paid and neither the County nor the Registrar nor any Paying Agent or other fiduciary of the County shall be affected by any notice to the contrary.

The Registrar, in any case where it is not also the Paying Agent in respect to any Series 2020 Bonds, forthwith (A) following the fifteenth day prior to an interest payment date for the Series 2020 Bonds; (B) following the fifteenth day next preceding the date of first mailing of notice of redemption of any Series 2020 Bonds; and (C) at any other time as reasonably requested by the Paying Agent of such Series 2020 Bonds, shall certify and furnish to such Paying Agent the names, addresses and holdings of Series 2020 Bondholders and any other relevant information reflected in the registration books. Any Paying Agent of any fully registered Series 2020 Bond shall effect payment of interest on such Series 2020 Bonds by mailing a check to the Holder entitled thereto or may, in lieu thereof, upon the request and expense of such Holder, transmit such payment by bank wire transfer for the account of such Holder.

In all cases in which the privilege of exchanging Series 2020 Bonds or transferring Series 2020 Bonds is exercised, the County shall execute and deliver Series 2020 Bonds and the Registrar shall authenticate such Series 2020 Bonds in accordance with the provisions of the Resolution. Execution of Series 2020 Bonds by the Mayor or County Administrator and attestation by the Comptroller for purposes of exchanging, replacing or transferring Series 2020 Bonds may occur at the time of the original delivery of the Series 2020 Bonds. All Series 2020 Bonds surrendered in any such exchanges or transfers shall be held by the Registrar in safekeeping until directed by the County to be cancelled by the Registrar. For every such exchange or transfer of Series 2020 Bonds, the County or the Registrar may make a charge sufficient to reimburse it for any tax, fee, expense or other governmental charge required to be paid with respect to such exchange or transfer. The County and the Registrar shall not be obligated to make any such exchange or transfer of Series 2020 Bonds during the fifteen days next preceding an Interest Date on the Series 2020 Bonds or, in the case of any proposed redemption of the Series 2020 Bonds, then, for the Series 2020 Bonds subject to redemption, during the fifteen days next preceding the date of the first mailing of notice of such redemption and continuing until such redemption date.

Optional Redemption of Series 2020 Bonds

The Series 2020 Bonds maturing on or after October 1, 20___, shall be subject to redemption at the option of the County prior to maturity in whole or in part on any date on or after October 1, 20___ (and if in part, in such order of maturities as shall be selected by the County and by lot within maturities), at a redemption price equal to the principal amount thereof, without premium, plus interest accruing on the principal amount to be redeemed to the redemption date.

Notice of Redemption

Notice of any redemption shall specify the Series 2020 Bonds (or portions thereof) to be redeemed and the date and place for redemption, shall be given by the Registrar on behalf of the County, and (A) shall be filed with the Paying Agent of such Series 2020 Bonds, (B) shall be mailed first class, postage prepaid, not less than 30 days nor more than 45 days prior to the redemption date to all Holders of the Series 2020 Bonds to be redeemed at their addresses as they appear on the registration books kept by the Registrar as of the date of mailing of such notice, and (C) shall be mailed, certified mail, postage prepaid, at least 35 days prior to the redemption date to the registered securities depositories and one or more nationally recognized municipal bond information services as provided in the Resolution. Failure to mail such notice to such depositories or services or the Holders of the Series 2020 Bonds to be redeemed, or any defect therein, shall not affect the proceedings for redemption of Series 2020 Bonds as to which no such failure or defect has occurred. Such notice shall also be mailed to the Insurer, if any, of such redeemed Series 2020 Bonds. Failure of any Holder to receive any notice mailed as provided in the Resolution shall not affect the proceedings for redemption of such Holder's Series 2020 Bonds. Notice of optional redemption of the Series 2020 Bonds shall only be sent if the County reasonably determines it shall have sufficient funds available to pay the Redemption Price of and interest on the Series 2020 Bonds called for redemption on the redemption date.

Each notice of redemption shall state: (1) the CUSIP numbers and any other distinguishing number or letter of all Series 2020 Bonds being redeemed, (2) the original issue date of such Series 2020 Bonds, (3) the maturity date and rate of interest borne by each Series 2020 Bond being

redeemed, (4) the redemption date, (5) the Redemption Price, (6) the date on which such notice is mailed, (7) if less than all Outstanding Series 2020 Bonds are to be redeemed, the certificate number (and, in the case of a partial redemption of any Series 2020 Bond, the principal amount) of each Series 2020 Bond to be redeemed, (8) that on such redemption date there shall become due and payable upon each Series 2020 Bond to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof in the case of Series 2020 Bonds to be redeemed in part only, together with interest accrued thereon to the redemption date, and that from and after such date interest thereon shall cease to accrue and be payable, (9) that the Series 2020 Bonds to be redeemed, whether as a whole or in part, are to be surrendered for payment of the Redemption Price at the designated office of the Registrar at an address specified, (10) the name and telephone number of a person designated by the Registrar to be responsible for such redemption, (11) unless sufficient funds have been set aside by the County for such purpose prior to the mailing of the notice of redemption, that such redemption is conditioned upon the deposit of sufficient funds for such purpose on or prior to the date set for redemption, and (12) any other conditions that must be satisfied prior to such redemption.

The County may provide that a redemption may be contingent upon the occurrence of certain condition(s) and that if such condition(s) do not occur the notice of redemption will be rescinded, provided notice of rescission shall be mailed in the manner described above to all affected Series 2020 Bondholders as soon as practicable.

Purchase in Lieu of Optional Redemption

Notwithstanding anything in the Resolution to the contrary, at any time the Series 2020 Bonds are subject to optional redemption pursuant to the Resolution, all or a portion of the Series 2020 Bonds to be redeemed as specified in the notice of redemption, may be purchased by the Paying Agent, as trustee, at the direction of the County, on the date which would be the redemption date if such Series 2020 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 2020 Bonds on the redemption date for the account of and at the direction of the County who shall give the Paying Agent, as trustee, notice at least ten days prior to the scheduled redemption date accompanied by an opinion of Bond Counsel to the effect that such purchase will not adversely affect the exclusion from gross income for federal income tax purposes of interest on such Series 2020 Bonds or any other Outstanding Bonds. In the event the Paying Agent, as trustee, is so directed to purchase Series 2020 Bonds in lieu of optional redemption, no notice to the holders of the Series 2020 Bonds to be so purchased (other than the notice of redemption otherwise required under the 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 2020 Bonds if such Series 2020 Bonds had been redeemed rather than purchased. Each Series 2020 Bond so purchased shall not be canceled or discharged and shall be registered in the name of the County. Series 2020 Bonds to be purchased under the 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 holder thereof on the purchase date.

BOOK-ENTRY ONLY SYSTEM

THE INFORMATION IN THIS SECTION CONCERNING DTC AND DTC'S BOOK-ENTRY ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE COUNTY BELIEVES TO BE RELIABLE, BUT THE COUNTY TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

DTC will act as securities depository for the Series 2020 Bonds. The Series 2020 Bonds will be issued as fully-registered securities 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 Series 2020 Bond certificate will be issued for each maturity of the Series 2020 Bonds, each in the aggregate principal amount of such maturity, 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 (the "Exchange Act"). 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 ("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 ("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.

Purchases of Series 2020 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2020 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2020 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 2020 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their

ownership interests in the Series 2020 Bonds, except in the event that use of the book-entry system for the Series 2020 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2020 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 2020 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2020 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2020 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping 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 among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2020 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2020 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2020 Bond documents. For example, Beneficial Owners of Series 2020 Bonds may wish to ascertain that the nominee holding the Series 2020 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 2020 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2020 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County 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 2020 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and interest payments on the Series 2020 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 the County or the Paying Agent on 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 nor its nominee, the Trustee, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the

responsibility of the County and/or the Paying Agent, 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 Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2020 Bonds at any time by giving reasonable notice to the County or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Series 2020 Bond certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book entry only transfers through DTC (or a successor securities depository). In that event, Series 2020 Bonds certificates will be printed and delivered to the holders of the Series 2020 Bonds.

So long as Cede & Co. is the registered owner of the Series 2020 Bonds, as nominee for DTC, references herein to the registered owners of the Series 2020 Bonds shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the Series 2020 Bonds.

SECURITY FOR THE SERIES 2020 BONDS

General

The payment of the principal of or Redemption Price, if applicable, and interest on the Series 2020 Bonds shall be secured forthwith equally and ratably by a pledge of and lien upon the Pledged Funds; provided, however, that a Series of Bonds may be secured independently of any other Series of Bonds by the establishment of a separate subaccount in the Reserve Account for such Series of Bonds or by not being secured in any manner by the Reserve Account as provided in a Supplemental Resolution.

The Pledged Funds shall immediately be subject to the lien of the pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the County.

"Pledged Funds" means (1) the Net Revenues and (2) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in the funds and accounts established under the Resolution, except (A) as for the Rebate Fund, (B) to the extent moneys therein shall be required to pay the Operating Expenses of the System in accordance with the terms of the Resolution, and (C) any moneys set aside in a particular subaccount of the Reserve Account if such moneys shall be pledged solely for the payment of a different Series of Bonds for which it was established in accordance with the provisions of the Resolution. The Resolution authorizes the County to pledge Connection Fees pursuant to Supplemental Resolution; however, Connection Fees are not pledged to the Series 2020 Bonds.

"Net Revenues" means Gross Revenues less Operating Expenses.

"Gross Revenues" means all income and moneys received by the County from the rates, fees, rentals, charges and other income to be made and collected by the County for the use of the products, services and facilities to be provided by the System, including Stormwater Revenues, or

otherwise received by the County or accruing to the County in the management and operation of the System, calculated in accordance with generally accepted accounting principles applicable to public utility systems similar to the System, including, without limiting the generality of the foregoing, (1) moneys deposited from the Rate Stabilization Fund into the Revenue Fund in accordance with the terms of the Resolution, provided any moneys transferred from the Rate Stabilization Fund into the Revenue Fund in an amount not to exceed the Rate Stabilization Amount within 60 days following the end of a Fiscal Year may be designated by the County as Gross Revenues of such prior Fiscal Year, (2) proceeds from use and occupancy insurance on the System, (3) Special Assessment Proceeds, to the extent pledged by Supplemental Resolution, and (4) Investment Earnings. "Gross Revenues" shall not include (A) Government Grants, (B) proceeds of Bonds or other County debt, (C) moneys deposited to the Rate Stabilization Fund from the Utility Reserve Fund, including any moneys transferred from the Utility Reserve Fund to the Rate Stabilization Fund within 60 days following the end of a Fiscal Year which the County determines not to be Gross Revenues of such prior Fiscal Year, (D) Connection Fees, (E) Special Assessments Proceeds, unless subsequently pledged by Supplemental Resolution, (F) any gain or loss from the sale of assets of the System, (G) any gain that does not require or result in the receipt of cash and (H) fees, revenues and income relating to the Orange County Wholesale Water Supply System, if established pursuant to the Resolution. Gross Revenues may include Special Assessments Proceeds and/or other revenues related to the System which are not enumerated in the definition of "Gross Revenues" if so authorized by Supplemental Resolution and if and to the extent the same shall be approved for inclusion by all Insurers and Credit Banks.

"Water Utilities System" or "System" means the Water and Wastewater System, including any and all water production, transmission, treatment and distribution facilities, wastewater collection, transmission, treatment and disposal facilities, and reclaimed water (reuse) facilities now owned or hereafter owned by the County, which Water Utilities System shall also include the Stormwater Management System and all improvements, extensions and additions thereto hereafter constructed or acquired either from the proceeds of Bonds or from any other sources, together with all property, real or personal, tangible or intangible, now or hereafter owned or used in connection therewith, including all contractual rights, rights to capacity and obligations or undertakings associated therewith. "Water Utilities System" or "System" shall also include any other utility facilities if and to the extent the County determines by Supplemental Resolution to include such facilities within the Water Utilities System as described in the Resolution. The Water Utilities System shall not include any property or facilities (or portions thereof) designated by the County as part of the Orange County Wholesale Water Supply System if established pursuant to the Resolution. The Water Utilities System and the Orange County Wholesale Water Supply System may share assets, facilities and property.

"Orange County Wholesale Water Supply System" means all water production, treatment and transmission facilities, including improvements, extensions and additions thereto, together with all property and contractual rights relating thereto, which shall constitute such system, if established pursuant to the Resolution.

"Operating Expenses" means the County's expenses for operation, maintenance and repairs with respect to the System and shall include, without limiting the generality of the foregoing, administration expenses, payments for the purchase of materials essential to or used in the operation of the System including bulk purchases of water or wastewater services, fees for the

management of the System or any portion thereof, any insurance and surety bond fees, the fees to the provider of a Reserve Account Insurance Policy or Reserve Account Letter of Credit (but excluding any expenses or reimbursement obligations for draws made thereunder), accounting, legal and engineering expenses, ordinary and current rentals of equipment or other property, refunds of moneys lawfully due to others, payments to others for disposal of sewage or other wastes, actual payments to pension, retirement, health and hospitalization funds, and any other expenses required to be paid for or with respect to proper operation or maintenance of the System, including appropriate reserves therefor, all to the extent properly attributable to the System in accordance with generally accepted accounting principles applicable to public utility systems similar to the System, and disbursements for the expenses, liabilities and compensation of any Paying Agent or Registrar under the Resolution, but does not include any extraordinary or non-recurring expenses, or any costs or expenses in respect of original construction or improvement other than expenditures necessary to prevent an interruption or continuance of an interruption of service or of Gross Revenues or minor capital expenditures necessary for the proper and economical operation or maintenance of the System, or any provision for interest, depreciation, amortization or similar charges, or any debt issuance costs, or any payments in lieu of taxes or franchise fees made to the County's general fund, or any accruals required to be recognized with respect to pension, retirement, health and hospitalization funds that do not require or result in the expenditure of cash and any loss that does not require or result in the expenditure of cash. Operating expenses of the System and the Orange County Wholesale Water Supply System may be shared by, or allocated between, such Systems.

THE SERIES 2020 BONDS SHALL NOT BE OR CONSTITUTE GENERAL OBLIGATIONS OR INDEBTEDNESS OF THE COUNTY AS "BONDS" WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION, BUT SHALL BE SPECIAL OBLIGATIONS OF THE COUNTY, PAYABLE SOLELY FROM AND SECURED BY A LIEN UPON AND PLEDGE OF THE PLEDGED FUNDS, IN THE MANNER AND TO THE EXTENT PROVIDED IN THE RESOLUTION. NO HOLDER OF ANY SERIES 2020 BOND SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER TO PAY SUCH SERIES 2020 BOND, OR BE ENTITLED TO PAYMENT OF SUCH SERIES 2020 BOND FROM ANY MONEYS OF THE COUNTY EXCEPT FROM THE PLEDGED FUNDS IN THE MANNER AND TO THE EXTENT PROVIDED IN THE RESOLUTION. THE SERIES 2020 BONDS AND THE OBLIGATIONS EVIDENCED THEREBY SHALL NOT CONSTITUTE A LIEN UPON THE SYSTEM OR ANY OTHER PROPERTY OF THE COUNTY, BUT SHALL CONSTITUTE A LIEN ONLY ON, AND SHALL BE PAYABLE SOLELY FROM PLEDGED FUNDS.

Outstanding Bonds

On May 26, 2016, the County issued its \$89,035,000 Orange County, Florida Water and Wastewater Utility Revenue Bonds, Series 2016 (the "Series 2016 Bonds") to finance certain costs relating to the acquisition, construction and equipping of various capital improvements to the County's water and wastewater utility system. The principal amount of Series 2016 Bonds outstanding as of October 1, 2020 is \$ _____.

Funds and Accounts

The following funds and accounts have been created under the Resolution:

- (A) the Orange County, Florida Water and Wastewater Construction Fund and within the Water and Wastewater Construction Fund, the "Series 2020 Account;"
- (B) the Orange County, Florida Water and Wastewater Revenue Fund;
- (C) the Orange County, Florida Water and Wastewater Operation and Maintenance Fund;
- (D) the Orange County, Florida Water and Wastewater Sinking Fund. The County shall maintain four separate accounts in the Sinking Fund: the "Interest Account," the "Principal Account," the "Term Bonds Redemption Account" and the "Reserve Account."
- (E) the Orange County, Florida Water and Wastewater Connection Fees Fund;
- (F) the Orange County, Florida Water and Wastewater Special Assessments Fund;
- (G) the Orange County, Florida Water and Wastewater Renewal and Replacement Fund;
- (H) the Orange County, Florida Water and Wastewater Utility Reserve Fund;
- (I) the Orange County, Florida Water and Wastewater Rebate Fund; and
- (J) the Orange County, Florida Water and Wastewater Rate Stabilization Fund.

Moneys in the aforementioned funds and accounts (except for moneys in the Rebate Fund), until applied in accordance with the provisions of the Resolution, shall be subject to a lien and charge in favor of the Holders of the Bonds and for the further security of such Holders to the extent provided in the Resolution.

Notwithstanding the foregoing, none of the aforementioned funds and accounts is required to be established prior to the time any such fund or account is required to be funded or otherwise utilized under the Resolution.

Investments

Moneys on deposit in the Revenue Fund, the Construction Fund, the Sinking Fund, the Connection Fees Fund, the Operation and Maintenance Fund, the Special Assessments Fund, the Utility Reserve Fund, the Rate Stabilization Fund and the Renewal and Replacement Fund shall be continuously secured in the manner by which the deposit of public funds are authorized to be secured by the laws of the State. Moneys on deposit in the Construction Fund, the Revenue Fund, the Operation and Maintenance Fund, the Special Assessments Fund, the Principal Account, the Interest Account, the Term Bonds Redemption Account, the Renewal and Replacement Fund, the Connection Fees Fund, the Rate Stabilization Fund and the Utility Reserve Fund shall be invested

and reinvested by the County in Authorized Investments, maturing not later than the dates on which such moneys will be needed for the purposes of such fund or account. Moneys on deposit in the Reserve Account shall be invested in Authorized Investments, maturing no later than ten years from the date of investment. All investments shall be valued at the market price thereof on an annual basis as of September 30 of each year.

Any and all income received from the investment of moneys in each separate account of the Revenue Fund, the Construction Fund, the Interest Account, the Principal Account, the Term Bonds Redemption Account, the Utility Reserve Fund, the Renewal and Replacement Fund (to the extent such income and other amounts in such Fund do not exceed the Renewal and Replacement Fund Requirement), the Connection Fees Fund, the Special Assessments Fund, the Utility Reserve Fund, the Rate Stabilization Fund and the Reserve Account (to the extent such income and the other amounts in the Reserve Account does not exceed the Reserve Account Requirement) shall be retained in such respective Fund or Account.

Any and all income received from the investment of moneys in the Renewal and Replacement Fund (only to the extent such income and the other amounts in such Fund exceed the Renewal and Replacement Fund Requirement) and the Reserve Account (only to the extent such income and the other amounts in the Reserve Account exceeds the Reserve Account Requirement) shall be deposited upon receipt thereof in the Revenue Fund.

Nothing in the Resolution shall prevent any Authorized Investments acquired as investments of or security for funds held under the Resolution from being issued or held in book-entry form on the books of the Department of the Treasury of the United States.

Flow of Funds

(A) (1) Into the Revenue Fund, the County shall deposit promptly, as received, all Gross Revenues (other than any subsequently pledged Special Assessments Proceeds). Moneys in the Revenue Fund shall first be used each month to deposit in the Operation and Maintenance Fund such sums as are necessary to pay Operating Expenses for the ensuing month and to maintain an operating reserve equal to 60 days of Operating Expenses; provided the County may transfer moneys from the Revenue Fund to the Operation and Maintenance Fund at any time to pay Operating Expenses and to maintain an operating reserve to the extent there is a deficiency in the Operation and Maintenance Fund for such purpose. Amounts in the Operation and Maintenance Fund shall be paid out from time to time by the County for Operating Expenses. The remaining moneys in the Revenue Fund shall be applied in accordance with (B) below.

(2) To the extent Special Assessments Proceeds are made a component of the Gross Revenues, the County shall deposit promptly, as received, all Special Assessment Proceeds into the Special Assessments Fund. In the event the County by Supplemental Resolution provides for all or a portion of any Special Assessments to secure the payment of all or a portion of a particular Series of Bonds, the County may establish separate accounts or subaccounts for the deposit and application of such Special Assessments if necessary to provide for the payment and/or earlier redemption of such Bonds from such Special Assessments.

(B) Any deposits remaining in the Revenue Fund after the aforementioned transfers to the Operation and Maintenance Fund and all moneys at any time on deposit in the Special Assessments Fund (subject to the provisions in the Resolution regarding earlier redemption of Bonds) shall be disposed of by the County on or before the 15th day of each month, commencing in the month immediately following the delivery of any of the Bonds to the purchasers thereof, or such later date as hereinafter provided, first from the Special Assessments Fund and then from the Revenue Fund in the following manner and in the following order of priority:

(1) Interest Account. The County shall deposit or credit to the Interest Account the sum which, together with the balance in said Account, shall equal the interest on all Bonds Outstanding (except as to Capital Appreciation Bonds) accrued and unpaid and to accrue to the end of the then current calendar month. All Federal Subsidy Payments shall be deposited directly to the Interest Account upon receipt. Moneys in the Interest Account shall be applied by the County for deposit with the Paying Agents to pay the interest on the Bonds on or prior to the date the same shall become due. Any Federal Subsidy Payments deposited to the Interest Account shall be deemed to have been applied to the payment of interest on the Federal Subsidy Bonds to which such Payments relate. The County shall adjust the amount of the deposit to the Interest Account not later than a month immediately preceding any Interest Date so as to provide sufficient moneys in the Interest Account to pay the interest on the Bonds coming due on such Interest Date. No further deposit need be made to the Interest Account when the moneys therein are equal to the interest coming due on the Outstanding Bonds on the next succeeding Interest Date. In computing the interest on Variable Rate Bonds which shall accrue during a calendar month, the interest rate on such Variable Rate Bonds shall be assumed to be (A) if such Variable Rate Bonds have been Outstanding for at least 24 months prior to the commencement of such calendar month, the highest average interest rate borne by such Variable Rate Bonds for any 30-day period, and (B) if such Variable Rate Bonds have not been Outstanding for at least 24 months prior to the date of calculation, the Bond Buyer Revenue Bond Index most recently published prior to the commencement of such calendar month.

(2) Principal Account. Commencing no later than the month which is one year prior to the first principal payment date, the County shall next deposit into the Principal Account the sum which, together with the balance in said Account, shall equal the principal amounts on all Bonds Outstanding due and unpaid and that portion of the principal next due which would have accrued on such Bonds during the then current calendar month if such principal amounts were deemed to accrue monthly (assuming that a year consists of 12 equivalent calendar months having 30 days each), except for the Sinking Fund Installments to be deposited pursuant to the Resolution, in equal amounts from the next preceding principal payment due date, or, if there be no such preceding principal payment due date, from a date no later than one year preceding the due date of such principal amount. Moneys in the Principal Account shall be applied by the County for deposit with the Paying Agents to pay the principal of the Bonds on or prior to the date the same shall mature, and for no other purpose. Serial Capital Appreciation Bonds shall be payable from the Principal Account in the years in which such Bonds mature and monthly payments into the Principal Account on account of such Bonds shall commence in the twelfth month immediately preceding the maturity date of such Bonds. The County shall adjust the amount of the deposit to the Principal Account not later than the month immediately preceding any principal payment date so as to provide sufficient moneys in the Principal Account to pay the principal on Bonds becoming due on such principal payment date. No further deposit need be made to the Principal Account

when the moneys therein are equal to the principal coming due on the Outstanding Bonds on the next succeeding principal payment date.

(3) Term Bonds Redemption Account. Commencing in the month which is one year prior to the first Sinking Fund Installment due date, there shall be deposited to the Term Bonds Redemption Account the sum which, together with the balance in such Account, shall equal the Sinking Fund Installments on all Bonds Outstanding due and unpaid and that portion of the Sinking Fund Installments of all Bonds Outstanding next due which would have accrued on such Bonds during the then current calendar month if such Sinking Fund Installments were deemed to accrue monthly (assuming that a year consists of 12 equivalent calendar months having 30 days each) in equal amounts from the next preceding Sinking Fund Installment due date, or, if there is no such preceding Sinking Fund Installment due date, from a date not later than one year preceding the due date of such Sinking Fund Installment. Moneys in the Term Bonds Redemption Account shall be used to purchase or redeem Term Bonds in the manner provided in the Resolution, and for no other purpose. Term Capital Appreciation bonds shall be payable from the Term Bonds Redemption Account in the years in which such Bonds mature and monthly payments into the Term Bonds Redemption Account on account of such Bonds shall commence in the twelfth month immediately preceding the due date of the related Sinking Fund Installments. The County shall adjust the amount of the deposit to the Term Bonds Redemption Account in the month immediately preceding any Sinking Fund Installment due date so as to provide sufficient moneys in the Term Bonds Redemption Account to pay the Sinking Fund Installments becoming due on such date. Payments to the Term Bonds Redemption Account shall be on parity with payments to the Principal Account.

Amounts accumulated in the Term Bonds Redemption Account with respect to any Sinking Fund Installment (together with amounts accumulated in the Interest Account with respect to interest, if any, on the Term Bonds for which such Sinking Fund Installment was established) may be applied by the County, on or prior to the 60th day preceding the due date of such Sinking Fund Installment, (a) to the purchase of Term Bonds of the Series and maturity for which such Sinking Fund Installment was established, or (b) to the redemption at the applicable Redemption Prices of such Term Bonds, if then redeemable by their terms. Amounts in the Term Bonds Redemption Account which are used to redeem Term Bonds shall be credited against the next succeeding Sinking Fund Installment which shall become due on such Term Bonds. The applicable Redemption Price (or principal amount of maturing Term Bonds) of any Term Bonds so purchased or redeemed shall be deemed to constitute part of the Term Bonds Redemption Account until such Sinking Fund Installment due date, for the purposes of calculating the amount of such Account. As soon as practicable after the 60th day preceding the due date of any such Sinking Fund Installment, the County shall proceed to call for redemption on such due date, by causing notice to be given as provided in the Resolution, Term Bonds of the Series and maturity for which such Sinking Fund Installment was established (except in the case of Term Bonds maturing on a Sinking Fund Installment due date) in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment. The County shall pay out of the Term Bonds Redemption Account and the Interest Account to the appropriate Paying Agents, on or before the day preceding such redemption date (or maturity date), the amount required for the redemption (or for the payment of such Term Bonds then maturing), and such amount shall be applied by such Paying Agents to such redemption (or payment). All expenses in connection with the purchase or redemption of Term Bonds shall be paid by the County from the Operation and Maintenance Fund.

(4) Reserve Account. **The Series 2020 Bonds shall have no lien on or pledge of any moneys on deposit in the Reserve Account and accordingly, the Reserve Account Requirement for the Series 2020 Bonds shall be set to an amount equal to \$0.** There shall be deposited to the Reserve Account an amount which would enable the County to restore the funds on deposit in the Reserve Account to an amount equal to the Reserve Account Requirement applicable thereto. All deficiencies in the Reserve Account must be made up no later than 12 months from the date such deficiency first occurred, whether such shortfall was caused by an increase in the applicable Reserve Account Requirement, a decrease in the aggregate market value of the investments therein of more than 5% or withdrawal (whether from cash or a Reserve Account Insurance Policy or Reserve Account Letter of Credit). On or prior to each principal payment date and Interest Date for the Bonds (in no event earlier than the 15th day of the month next preceding such payment date), moneys in the Reserve Account shall be applied by the County to the payment of the principal of or Redemption Price, if applicable, and interest on the Bonds to the extent moneys in the Interest Account, the Principal Account and the Term Bonds Redemption Account shall be insufficient for such purpose, but only to the extent the moneys transferred from the Utility Reserve Fund for such purposes pursuant to the Resolution shall be inadequate to fully provide for such insufficiency. Whenever there shall be surplus moneys in the Reserve Account by reason of a decrease in the Reserve Account Requirement or as a result of a deposit in the Reserve Account of a Reserve Account Letter of Credit or a Reserve Account Insurance Policy, such surplus moneys, to the extent practicable, shall be deposited by the County into the Utility Reserve Fund and applied as directed by Bond Counsel. The County shall promptly inform each Insurer and Credit Bank of any draw upon the Reserve Account for purposes of paying the principal of and interest on the Bonds.

Upon the issuance of any Series of Bonds under the terms, limitations and conditions as provided in the Resolution, the County shall fund the Reserve Account in an amount at least equal to the applicable Reserve Account Requirement to the extent such Series of Bonds are to be secured by the Reserve Account or any subaccount therein; provided, however, nothing in the Resolution shall be construed to require the County to fund the Reserve Account or any subaccount for any Series of Bonds. Upon the adoption of the Supplemental Resolution authorizing the issuance of a Series of Bonds, the County shall determine whether such Series of Bonds shall be secured by the Reserve Account or any subaccount therein and, if the County determines that the Series of Bonds will be secured by a separate subaccount therein, the County shall also establish the Reserve Account Requirement applicable thereto. Such required amount, if any, shall be paid in full or in part from the proceeds of such Series of Bonds or may be accumulated in equal monthly payments to the Reserve Account or subaccount therein over a period of months from the date of issuance of such Series of Bonds, which shall not exceed 36 months.

The County may also establish a separate subaccount in the Reserve Account for any Series of Bonds and such subaccount shall be pledged to the payment of such Series of Bonds apart from the pledge provided in the Resolution. To the extent a Series of Bonds is secured separately by a subaccount of the Reserve Account, the Holders of such Bonds shall not be secured by any other moneys in the Reserve Account. Moneys in a separate subaccount of the Reserve Account shall be maintained at the Reserve Account Requirement applicable to such Series of Bonds secured by the subaccount; provided the Supplemental Resolution authorizing such Series of Bonds may establish the Reserve Account Requirement relating to such separate subaccount of the Reserve Account at such level as the County deems appropriate. In the event the County by Supplemental

Resolution establishes the Reserve Account Requirement for a particular Series of Bonds to be zero dollars (\$0.00) or it shall determine that such Series are not to be secured in any manner by the Reserve Account or a subaccount, then it shall not be required to establish a separate subaccount; provided, however, such Series of Bonds shall have no lien on or pledge of any moneys on deposit in the Reserve Account. Moneys used to replenish the Reserve Account shall be deposited in the separate subaccounts in the Reserve Account and in the Reserve Account on a pro-rata basis.

In the event the County shall maintain a Reserve Account Insurance Policy or Reserve Account Letter of Credit and moneys in the Reserve Account or any subaccount, the moneys shall be used prior to making any disbursements under such Reserve Account Insurance Policy or Reserve Account Letter of Credit. See "APPENDIX B - FORM OF RESOLUTION" for more information regarding the use of Reserve Account Insurance Policies and Reserve Account Letters of Credit.

(5) Renewal and Replacement Fund. There shall be deposited to the Renewal and Replacement Fund monthly such sums as shall be sufficient to pay 1/12 of the Renewal and Replacement Fund Requirement until the amount accumulated in such Fund is equal to the Renewal and Replacement Fund Requirement, taking into account the market value of investments in such Fund; provided, however, that (a) such Renewal and Replacement Fund Requirement may be increased or decreased as the Consulting Engineers shall certify to the County is necessary for the purposes of the Renewal and Replacement Fund, and (b) in the event that the Consulting Engineers shall certify that the Renewal and Replacement Fund Requirement is excessive for the purposes of the Renewal and Replacement Fund such excess amount as may be on deposit therein may be transferred by the County from the Renewal and Replacement Fund for deposit into the Utility Reserve Fund. The moneys in the Renewal and Replacement Fund shall be applied by the County for the purpose of paying the cost of major extensions, improvements or additions to, or the replacement or renewal of capital assets of, the System, or extraordinary repairs of the System; provided, however, that on or prior to each principal and interest payment date for the Bonds (in no event earlier than the 15th day of the month next preceding such payment date), moneys in the Renewal and Replacement Fund shall be applied for the payment into the Interest Account, the Principal Account, and the Term Bonds Redemption Account when the moneys therein are insufficient to pay the principal of and interest on the Bonds coming due, but only to the extent moneys transferred from the Utility Reserve Fund for such purpose pursuant to the Resolution, together with moneys available in the Reserve Account for such purpose pursuant to the Resolution, shall be inadequate to fully provide for such insufficiency.

(6) Subordinated Indebtedness. Gross Revenues in the Revenue Fund shall next be applied by the County for the payment of any accrued debt service on Subordinated Indebtedness incurred by the County in connection with the System and in accordance with the proceedings authorizing such Subordinated Indebtedness.

(7) Utility Reserve Fund. The balance of any Gross Revenues remaining in said Revenue Fund shall be deposited in the Utility Reserve Fund and applied to the payment, on or prior to each principal and interest payment date for the Bonds (in no event earlier than the 15th day of the month next preceding such payment date), into the Interest Account, the Principal Account and the Term Bonds Redemption Account when the moneys therein shall be insufficient

to pay the principal of and interest on the Bonds coming due. Moneys not required to meet such a deficiency shall be deposited to the Reserve Account to make up any deficiency therein, and thereafter to the Rebate Fund to the extent moneys are required to be deposited therein. Thereafter, except as otherwise provided in the Resolution, moneys in the Utility Reserve Fund may be applied for any lawful purpose relating to the System including but not limited to, payments in lieu of taxes, payments in lieu of franchise fees and other similar payments, including, but not limited to, purchase or redemption of Bonds, payment of Subordinated Indebtedness, payment of other obligations incurred with respect to the System, deposit to the Rate Stabilization Fund and improvements, renewals and replacements to the System; provided, however, that none of such revenues shall ever be used for the purposes provided in the Resolution unless all payments required in the Resolution, including any deficiencies for prior payments, have been made in full to the date of such use. If the County is current in all payments required by the Resolution, the County may at any time during a Fiscal Year withdraw any unencumbered moneys in the Utility Reserve Fund and apply the same to any purpose of the County, but only up to, and not exceeding, such maximum amount as may be determined by resolution adopted from time to time by a majority plus one of the members of the Board of County Commissioners of the County.

Connection Fees Fund

To the extent permitted by law and imposed by the County, for so long as there are any Bonds Outstanding which are secured by the Resolution, there shall be deposited into the Connection Fees Fund all Connection Fees, if any, charged and collected by the County and pledged by the County pursuant to Supplemental Resolution. **Connection Fees have not been pledged by Supplemental Resolution and are not pledged to the Series 2020 Bonds.** The moneys, if any, on deposit in the Connection Fees Fund, together with investment earnings thereon, shall be used by the County, to the extent permitted by State law and if pledged by Supplemental Resolution, in the following manner and order of priority:

FIRST, for deposit into the Interest Account, the Principal Account and the Term Bonds Redemption Account, as needed, in order to make payments of principal of, redemption premium, if any, and interest on that portion of the Bonds allocable to financing of the Costs of the Project in respect of which the Connection Fees have been imposed; and

SECOND, to pay the costs of expanding, oversizing, separating or constructing improvements in respect of which the Connection Fees have been imposed.

Moneys on deposit in the Connection Fees Fund may also be pledged to the payment of principal of, redemption premium, if any, and interest on Subordinated Indebtedness but only to the extent permitted by law and only on a basis of such pledge being subordinate and junior to the pledge made under the Resolution to the Bonds.

Construction Fund

The County shall establish within the Orange County, Florida Water and Wastewater Construction Fund a separate account with respect to the Series 2020 Project to be deemed the "Series 2020 Account." There shall be paid into the Series 2020 Account the amounts required to

be so paid by the provisions of the Resolution, and there may be paid into the Series 2020 Account, at the option of the County, any moneys received for or in connection with the Series 2020 Project by the County from any other source. The Cost of the Series 2020 Project is to be paid in whole or in part out of the Series 2020 Account.

Moneys in the Construction Fund, until applied in payment of any item of the Cost of a Project in the manner provided in the Resolution, shall be subject to a lien and charge in favor of the Holders of the Bonds and for the further security of such Holders.

Rate Stabilization Fund

The County may transfer into the Rate Stabilization Fund such moneys which are on deposit in the Utility Reserve Fund as it deems appropriate. The County may transfer such amount of moneys from the Rate Stabilization Fund to the Revenue Fund as it deems appropriate; provided, however, that on or prior to each principal and interest payment date for the Bonds (in no event earlier than the 15th day of the month next preceding such payment date), moneys in the Rate Stabilization Fund shall be applied for the payment into the Interest Account, the Principal Account and the Term Bonds Redemption Account when the moneys therein are insufficient to pay the principal of and interest on the Bonds coming due, but only to the extent moneys transferred from the Utility Reserve Fund and Renewal and Replacement Fund for such purposes pursuant to the Resolution, together with moneys available in the Reserve Account for such purpose pursuant to Resolution, shall be inadequate to fully provide for such insufficiency.

Rate Covenant

The County shall fix, establish, maintain and collect such rates, fees and charges for the product, services and facilities of the System, and revise the same from time to time, whenever necessary, so as always to provide in each Fiscal Year:

(A) Net Revenues and Connection Fees (if pledged by Supplemental Resolution) equal to at least 120% of the Annual Debt Service becoming due in such Fiscal Year; provided

(B) such Net Revenues shall be adequate at all times to pay in each Fiscal Year at least (1) 110% of the Annual Debt Service becoming due in such Fiscal Year, and (2) 100% of any amounts required by the terms of the Resolution to be deposited in the Reserve Account or with any issuer of a Reserve Account Letter of Credit or Reserve Account Insurance Policy in such Fiscal Year to pay Policy Costs.

Such rates, fees or other charges shall not be so reduced so as to be insufficient to provide adequate Net Revenues and Connection Fees (if pledged by Supplemental Resolution) for the purposes provided therefor by the Resolution and to satisfy the rate covenant set forth in the Resolution.

If, in any Fiscal Year, the County shall fail to comply with the rate covenant contained in the Resolution, it shall promptly cause the Rate Consultant to review its rates, fees, charges, income, Gross Revenues, Operating Expenses, Connection Fees (if pledged by Supplemental Resolution) and methods of operation and to make written recommendations as to the methods by

which the County may seek to comply with these requirements. The County shall forthwith commence to implement such recommendations to the extent required so as to cause it to thereafter comply with said requirements. So long as the County implements such recommendations in a timely manner so that the County shall be in compliance with the rate covenant described above by the end of the immediately succeeding Fiscal Year, the County's failure to comply with said requirements shall not be considered an Event of Default under the Resolution.

Additional Bonds

No Additional Bonds, payable on parity with the Bonds then Outstanding pursuant to the Resolution, shall be issued except upon the conditions and in the manner provided in the Resolution. The County may issue one or more Series of Additional Bonds for any one or more of the following purposes: (i) financing or refinancing the Cost of a Project, or the completion thereof, or (ii) refunding any or all Outstanding Bonds, any Subordinated Indebtedness of the County, or any other indebtedness of the County that it may lawfully refund with proceeds of Bonds.

No such Additional Bonds shall be issued unless the following conditions are complied with:

(A) Except in the case of Additional Bonds issued for the purpose of refunding Outstanding Bonds, the County shall certify that it is current in all deposits into the various funds and accounts established by the Resolution and all payments theretofore required to have been deposited or made by it under the provisions of the Resolution, including all due and payable Policy Costs, have been deposited or made, and the County is in compliance with the covenants and agreements of the Resolution.

(B) The Comptroller or Rate Consultant shall certify that the amount of the Net Revenues (excluding Investment Earnings with respect to the Construction Fund) and Connection Fees (if pledged by Supplemental Resolution) received by the County during the immediately preceding Fiscal Year or any 12 consecutive months selected by the County of the 24 months immediately preceding the issuance of said Additional Bonds, adjusted as provided in the Resolution, were equal to at least 120% of the Maximum Annual Debt Service of the Outstanding Bonds and the Additional Bonds then proposed to be issued; provided the amount of the Net Revenues (excluding Investment Earnings with respect to the Construction Fund), adjusted as provided in the Resolution, received by the County during such 12-month period, will be equal to at least (1) 110% of the Maximum Annual Debt Service of the Outstanding Bonds and the Additional Bonds then proposed to be issued, and (2) 100% of any amounts required by the terms of the Resolution to be deposited in the Reserve Account or with any issuer of a Reserve Account Letter of Credit or Reserve Account Insurance Policy to pay any Policy Costs during such 12-month period.

(C) For the purpose of determining the Debt Service under this Section, the interest rate on Additional Bonds that are proposed to be as Variable Rate Bonds shall be deemed to be the Bond Buyer Revenue Bond Index most recently published prior to the sale of such Additional Bonds.

(D) For the purpose of determining the Debt Service under this Section, the interest rate on Outstanding Variable Rate Bonds shall be deemed to be (1) if such Variable Rate Bonds have been Outstanding for at least 12 months prior to the date of sale of such Additional Bonds, the highest of (a) the actual rate of interest borne by such Variable Rate Bonds on the date of sale, and (b) the average interest rate borne by such Variable Rate Bonds during the 12-month period preceding the date of sale, or (2) if such Variable Rate Bonds have not been Outstanding for at least 12 months prior to the date of sale of such Additional Bonds, the higher of (a) the actual rate of interest borne by the Variable Rate Bonds on the date of sale, and (b) the Bond Buyer Revenue Bond Index most recently published prior to the sale of such Additional Bonds.

(E) For the purpose of this Section, the phrases "12 consecutive months" or the "12-month period" shall mean the "immediately preceding Fiscal Year or any 12 consecutive months selected by the County of the 24 months immediately preceding the issuance of said Additional Bonds."

(F) The Net Revenues and the Connection Fees (if pledged by Supplemental Resolution) calculated pursuant to the foregoing Section may be adjusted upon the written advice of the Rate Consultant, at the option of the County, as follows:

(1) If the County, prior to the issuance of the proposed Additional Bonds, shall have increased the rates, fees or other charges for the product, services or facilities of the System, the Net Revenues and the Connection Fees (if pledged by Supplemental Resolution) for the 12 consecutive months shall be adjusted to show the Net Revenues and the Connection Fees (if pledged by Supplemental Resolution) which would have been derived from the System in such 12 consecutive months as if such increased rates, fees or other charges for the product, services or facilities of the System had been in effect during all of such 12 consecutive months.

(2) If the County shall have acquired or has contracted to acquire any privately or publicly owned existing water and/or wastewater system that will become part of the System, the cost of which shall be paid from all or part of the proceeds of the issuance of the proposed Additional Bonds, then the Net Revenues derived from the System during the 12 consecutive months shall be increased by adding to the Net Revenues for said 12 consecutive months the Net Revenues which would have been derived from said existing water and/or wastewater system as if such existing water and/or wastewater system had been a part of the System during such 12 consecutive months. For the purposes of this paragraph, the Net Revenues derived from said existing water and/or wastewater system during such 12 consecutive months shall be adjusted to determine such Net Revenues by deducting the cost of operation and maintenance of said existing water and/or wastewater system from the gross revenues of said system. Such Net Revenues shall take into account any increase in rates imposed on customers of such water and/or wastewater system on or prior to the acquisition thereof by the County.

(3) If the County, in connection with the issuance of Additional Bonds, shall enter into a contract (with a duration not less than the final maturity of such Additional Bonds) with any public or private entity whereby the County agrees to furnish services in connection with any water and/or wastewater system, then the Net Revenues of the System

during the 12 consecutive months immediately preceding the issuance of said Additional Bonds shall be increased by the least amount which said public or private entity shall guarantee to pay in any one year for the furnishing of said services by the County, after deducting therefrom the proportion of operating expenses and repair, renewal and replacement cost attributable in such year to such services.

(4) If the County covenants to levy Special Assessments against property to be benefitted by the improvements, the cost of which shall be paid from the proceeds of the proposed Additional Bonds, then the Special Assessments Proceeds (which have been or are expected to be pledged as Gross Revenues under the Resolution) derived from the System during the 12 consecutive months shall be increased by an amount equal to the least amount which the Rate Consultant estimates will be received in any one year subsequent to completion of such improvements from the levy of said Special Assessments, said amount to be the total received, assuming no prepayments, from the installment payments on the Special Assessments plus the interest paid on the unpaid portion of the Special Assessments. The estimate of the Rate Consultant shall be based upon the preliminary assessment roll filed with the County prior to the construction of such improvements.

(5) In the event the County shall be constructing or acquiring additions, extensions or improvements to the System from the proceeds of such Additional Bonds and shall have established fees, rates or charges to be charged and collected from users of such facilities when service is rendered, such Net Revenues and Connection Fees (if pledged by Supplemental Resolution) may be adjusted by adding thereto 100% of the Net Revenues and Connection Fees (if pledged by Supplemental Resolution) estimated by the Rate Consultant to be derived during the first 12 months of operation after completion of the construction or acquisition of said additions, extensions and improvements from the customers of the facilities to be financed by Additional Bonds together with other funds on hand or lawfully obtained for such purpose; provided such customers must represent existing occupied structures that will be added to the System upon completion of the proposed additions, extensions or improvements.

(6) If the County shall add new customers subsequent to the commencement of the 12 consecutive month period, the Rate Consultant may adjust the Net Revenues and Connection Fees (if pledged by Supplemental Resolution) to reflect the Net Revenues and Connection Fees (if pledged by Supplemental Resolution) that would have been received by the County if such customers had been in place for the entire 12 consecutive months.

(7) The Net Revenues and Connection Fees (if pledged by Supplemental Resolution) shall be adjusted for any period the System or any portion thereof was not owned by the County to reflect government ownership of the System or such portion.

(G) Additional Bonds shall be deemed to have been issued pursuant to the Resolution the same as the Outstanding Bonds, and all of the other covenants and other provisions of the Resolution (except as to details of such Additional Bonds inconsistent therewith) shall be for the equal benefit, protection and security of the Holders of all Bonds issued pursuant to the Resolution. Except as provided in the Resolution, all Bonds, regardless of the time or times of their issuance,

shall rank equally with respect to their lien on the Pledged Funds and their sources and security for payment therefrom without preference of any Bonds over any other.

(H) In the event any Additional Bonds are issued for the purpose of refunding any Bonds then Outstanding, the conditions of Section (B) above shall not apply, provided that the issuance of such Additional Bonds shall result in a reduction of the aggregate debt service. The conditions of Section (B) above shall apply to Additional Bonds issued to refund Subordinated Indebtedness and to Additional Bonds issued for refunding purposes which cannot meet the conditions of this paragraph.

Subordinated Indebtedness

The County will not issue any other obligations, except under the conditions and in the manner provided in the Resolution, secured by or payable from the Pledged Funds or the Gross Revenues or any component thereof or voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or other charge having priority to or being on a parity with the lien thereon in favor of the Bonds and the interest thereon. The County may at any time or from time to time issue evidences of indebtedness payable in whole or in part out of Pledged Funds and which may be secured by a pledge of Pledged Funds; provided, however, that such pledge shall be, and shall be expressed to be, subordinated in all respects to the pledge of the Pledged Funds created by the Resolution and provided further that the issuance of such Subordinated Indebtedness shall be subject to any provisions contained in financing documents securing outstanding Subordinated Indebtedness to the extent such provisions impact on the ability of the County to issue Subordinated Indebtedness. The County shall have the right to covenant with the holders from time to time of any Subordinated Indebtedness to add to the conditions, limitations and restrictions under which any Additional Bonds may be issued under the provisions of the Resolution. The County agrees to pay promptly any Subordinated Indebtedness as the same shall become due.

The County has \$95,610,753 of subordinated debt issued pursuant to the State of Florida Revolving Fund Loan Program (the "SRF Loan Program"), which is a self-perpetuating loan program to accelerate the implementation of water pollution control projects. Projects and activities that may be funded under the SRF Loan Program are those eligible under section 603 of the Federal Water Pollution Control Act, as amended. The County has utilized such Subordinated Indebtedness to construct transmission facilities for the International Drive Force Main and Reclaimed Water Main Improvements Project and to construct collection sewer facilities for the West Southwood Sewer Replacement and Water System Improvements Project, the South and East Service Areas – Potable and Reclaimed Water Mains Project, the Eastern Water Reclamation Facility Phase V Improvements Project, the East Southwood Sewer Replacement and Water System Improvements Project, the Huggins Street Master Wastewater Pump Station Improvements Project, the Lake Lawne Gravity Sewer Rehabilitation Project, the Holden Heights Infrastructure Improvements Phase 2 Project, the Holden Heights Infrastructure Improvements Phase 3 –Northwest Quadrant Project, and the Hidden Springs Water Supply Facility Improvements Project. Each loan under the SRF Loan Program is payable from and secured by System operating revenues, including investment income thereon, on deposit in the revenue account established pursuant to Resolution No. 92-B-06 and is intended to be Subordinated Indebtedness under the Resolution. In the event pledged revenues are insufficient to make the

subordinated loan payments when due, the County has agreed to budget other legally available funds which will be sufficient, together with budgeted pledged revenues, to make the subordinated loan payments.

Operation and Maintenance

The County will maintain or cause to be maintained the System and all portions thereof in good condition and will operate or cause to be operated the same in an efficient and economical manner, making or causing to be made such expenditures for equipment and for renewals, repairs and replacements as may be proper for the economical operation and maintenance thereof. The County may contract with a responsible Person which has experience in the operation of utility systems similar to the System for the operation and maintenance of the System; provided, however, prior to entering any operating agreement with respect to any substantial part of the System the County shall consult with Bond Counsel.

Annual Budget

The County shall annually prepare and adopt, prior to the beginning of each Fiscal Year, an Annual Budget in accordance with applicable law. If for any reason the County shall not have adopted the Annual Budget before the first day of any Fiscal Year, other than the first Fiscal Year, the preliminary budget for such year, if it be approved by the Consulting Engineers or Rate Consultant, or otherwise the Annual Budget for the preceding Fiscal Year, shall be deemed to be in effect for such Fiscal Year until the Annual Budget for such Fiscal Year is adopted.

The County shall mail copies of or make available such Annual Budgets and amended Annual Budgets and all resolutions authorizing increased expenditures for Operating Expenses to any Credit Bank or Insurer of Bonds who shall file its address with the Comptroller and request in writing that copies of all such Annual Budgets and resolutions be furnished to it and shall make available all such Annual Budgets and resolutions and ordinances authorizing increased expenditures for Operating Expenses of the System at all reasonable times to any Holder or Holders of Bonds or to anyone acting for and on behalf of such Holder or Holders.

Books and Records

The County shall keep books, records and accounts of the revenues and operations of the System, which shall be kept separate and apart from all other books, records and accounts of the County, and the Holders of any Bonds Outstanding or the duly authorized representatives thereof shall have the right at all reasonable times to inspect all books, records and accounts of the County relating thereto.

Annual Audit

The County has agreed in the Resolution to, immediately after the close of each Fiscal Year, cause the books, records and accounts relating to the System to be properly audited by a recognized independent firm of certified public accountants, and shall require such accountants to complete their report of such Annual Audit in accordance with applicable law. Each Annual Audit shall be in conformity with generally accepted accounting principles as applied to governmental entities. A copy of each Annual Audit shall regularly be furnished or made available to any Credit

Bank or Insurer who shall have furnished his address to the Comptroller and requested in writing that the same be furnished to him.

No Mortgage or Sale of the System

The County has irrevocably covenanted, bound and obligated itself in the Resolution not to sell, lease, encumber or in any manner dispose of the System as a whole or any substantial part thereof (except as provided below) until all of the Bonds and all interest thereon shall have been paid in full or provision for payment has been made in accordance with the Resolution.

The foregoing provision notwithstanding, the County shall have and reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System in the following manner, if any one of the following conditions exist: (A) such property is not necessary for the operation of the System, (B) such property is not useful in the operation of the System, (C) such property is not profitable in the operation of the System, or (D) in the case of a lease of such property, such lease will be advantageous to the System and will not materially adversely affect the security for the Bondholders.

Prior to any such sale, lease or other disposition of said property: (1) if the amount to be received therefor is not in excess of one percent (1.0%) of the book value of the net plant in service of the System, (a) the Utilities Director or other Authorized Issuer Officer shall make a finding in writing determining that one or more of the conditions for sale, lease or disposition of property provided for in the paragraph above have been met, and (b) if any of the property to be sold, leased or otherwise disposed of was financed in whole or in part with proceeds of Bonds (other than Taxable Bonds) that remain Outstanding then the County shall obtain an opinion of Bond Counsel to the effect that such sale, lease or other disposition will not adversely affect the federal tax exempt status of interest on such Bonds or shall not otherwise affect the status of any such Bonds issued as Federal Subsidy Bonds or the County's receipt of Federal Subsidy Payments with respect to said Outstanding Federal Subsidy Bonds; or (2) if the amount to be received from such sale, lease or other disposition of said property shall be in excess of one percent (1.0%) of the book value of the net plant in service of the System, (a) the Utilities Director or other Authorized Issuer Officer and the Consulting Engineers shall each first make a finding in writing determining that one or more of the conditions for sale, lease or other disposition of property provided for in the paragraph above have been met, (b) the Board shall, by resolution, duly adopt, approve and concur in the finding of the Utilities Director or other Authorized Issuer Officer and the Consulting Engineers, and (c) the County shall obtain an opinion of Bond Counsel to the effect that such sale, lease or other disposition is not in violation of the Act and will not adversely affect the federal tax exempt status of interest on the Bonds (other than Taxable Bonds) or shall not otherwise affect the status of any Outstanding Bonds issued as Federal Subsidy Bonds or the County's receipt of Federal Subsidy Payments with respect to any Outstanding Federal Subsidy Bonds.

Except as otherwise required under applicable provisions of the Code, the proceeds from any such sale or other disposition shall be deposited, first, into the Renewal and Replacement Fund to the extent necessary to make the amount therein equal to the Renewal and Replacement Fund Requirement, and, second, into the Utility Reserve Fund. Proceeds from any lease of assets of the System shall constitute Gross Revenues and shall be deposited in the Revenue Fund.

The transfer of the System as a whole from the control of the Board to some other board or authority created for the purpose of owning, operating or controlling the System and which constitutes a governmental entity, interest on obligations issued by which are excluded from gross income for purposes of Federal income taxation (other than obligations similar to Taxable Bonds or Federal Subsidy Bonds), shall not be deemed prohibited by the Resolution and such successor board or authority shall fall within the definition of "Issuer" in the Resolution.

Notwithstanding the foregoing provisions, the County shall have the authority to sell for fair and reasonable consideration any land comprising a part of the System which is no longer necessary or useful in the operation of the System and the proceeds derived from the sale of such land shall be disposed of in accordance with the provisions of the paragraph above; provided, however, if any of the land to be sold was financed in whole or in part with proceeds of Bonds (other than Taxable Bonds) that remain Outstanding then the County shall obtain an opinion of Bond Counsel to the effect that such sale will not adversely affect the federal tax exempt status of interest on such Bonds or shall not otherwise affect the status of any such Bonds issued as Federal Subsidy Bonds or the County's receipt of Federal Subsidy Payments with respect to said Outstanding Federal Subsidy Bonds.

The County may make contracts or grant licenses for the operation of, or grant easements or other rights with respect to, any part of the System if such contract, license, easement or right does not, in the opinion of the Consulting Engineers, as evidenced by a certificate to that effect filed with the County, impede or restrict the operation by the County of the System, but any payments to the County under or in connection with any such contract, license, easement or right in respect of the System or any part thereof shall constitute Gross Revenues and shall be deposited in the Revenue Fund; provided, however, if that portion of the System was financed in whole or in part with proceeds of Bonds (other than Taxable Bonds) that remain Outstanding then the County shall obtain an opinion of Bond Counsel to the effect that such action will not adversely affect the federal tax exempt status of interest on such Bonds or shall not otherwise affect the status of any such Bonds issued as Federal Subsidy Bonds or the County's receipt of Federal Subsidy Payments with respect to said Outstanding Federal Subsidy Bonds.

Insurance

The County has agreed in the Resolution to carry such insurance as is ordinarily carried by private or public entities owning and operating utilities similar to the System with a reputable insurance carrier or carriers, in such amounts as the County shall determine to be sufficient and such other insurance against loss or damage by fire, explosion, hurricane, tornado or other hazards and risks, and said property loss or damage insurance shall at all times be in an amount or amounts equal to the fair appraisal value of the buildings, properties, furniture, fixtures and equipment of the System, or such other amount or amounts as the Consulting Engineers or an insurance consultant who has a favorable reputation and experience and is qualified to survey risks and to recommend insurance coverage for Persons engaged in operations similar to the System, shall recommend or approve as sufficient.

The County may establish certain levels of insurance for which the County may self-insure. Such levels of insurance shall be in amounts as recommended by an insurance consultant who has

a favorable reputation and experience and is qualified to survey risks and to recommend insurance coverage for Persons engaged in operations similar to the System.

The proceeds from property loss and casualty insurance shall be deposited in the Renewal and Replacement Fund or other appropriate fund or account, and, together with other available funds of the County, shall be used to repair or replace the damaged portion of the System; provided, however, if the County makes a determination in accordance with the Resolution that such portion of the System is no longer necessary or useful in the operation of the System, such proceeds shall (1) if such proceeds equal or exceed \$500,000, (a) be applied to the redemption or purchase of Bonds or (b) be deposited in irrevocable trust for the payment of Bonds in the manner set forth in the Resolution, provided the County has received an opinion of Bond Counsel to the effect that such deposit shall not adversely affect the exclusion, if any, from gross income of interest on the Outstanding Bonds for purposes of federal income taxation (other than Taxable Bonds) and will not otherwise affect the status of any Outstanding Bonds issued as Federal Subsidy Bonds or the County's receipt of Federal Subsidy Payments with respect to any Outstanding Federal Subsidy Bonds, or (2) if such proceeds are less than \$500,000, be deposited in the Revenue Fund.

No Free Service

The County has agreed in the Resolution not to render or cause to be rendered any free services of any nature by its System, nor will any preferential rates be established for users of the same class; provided, however, the foregoing clause shall not be construed to prevent the County from establishing various classes of users based on any factors deemed necessary or desirable by the County. Different rates may be established for different classes. Whenever the County, including its departments, agencies and instrumentalities, shall avail itself of the product, facilities or services provided by the System, or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged to the County and any such department, agency or instrumentality. Such charges shall be paid as they accrue, and the County shall transfer from its general funds to the Revenue Fund sufficient sums to pay such charges. The revenues so received shall be deemed to be Gross Revenues derived from the operation of the System, and shall be deposited and accounted for in the same manner as other Gross Revenues derived from such operation of the System.

No Impairment of Rights

The County will not enter into any contract or contracts, nor take any action, the results of which might impair the rights of the Holders of the Bonds in any material respect and will not permit or grant a franchise for the operation of any competing water or wastewater or reclaimed water service facilities in the County; provided, however, the County reserves the right to permit the ownership and operation of water or wastewater or reclaimed water service facilities or any of them by itself or by others in any territory which is not then served by the System unless such franchise or permit will have a material adverse effect on the County's ability to meet its obligations under the Resolution.

Compulsory Connections

In order better to secure the prompt payment of principal and interest on the Bonds, as well as for the purpose of protecting the health and welfare of the residents of the County, and acting under authority of the general laws of Florida, the County, to the extent permitted by law, will require, where service by the System is available, the owner of every lot or parcel of land within the jurisdiction of the County to connect to the water and/or wastewater facilities of the System. The County may establish reasonable rules and regulations regarding such connections and may provide for reasonable exemptions from such connection policy.

Enforcement of Charges

The County has agreed in the Resolution to compel the prompt payment of rates, fees and charges imposed in connection with the System, and to that end will vigorously enforce all of the provisions of any ordinance or resolution of the County having to do with wastewater and water connections and charges, and all of the rights and remedies permitted the County under law, including the requirement for the making of a reasonable deposit by each user, the requirement for lawful disconnection of services for all premises delinquent in the payment of any duly invoiced bill, and the securing of injunction against the disposition of sewage or industrial waste into the wastewater facilities of the System by any premises delinquent in the payment of such charges.

Unit Bills

In every instance in which a building or structure on a lot is connected to the wastewater facilities of the System, which building or structure is also connected to the water facilities of the System and receives water therefrom, the County shall submit to the owner or occupant of such lot a single bill for both water and wastewater service. Notwithstanding the above, the County may accept partial payments of rates, fees and charges imposed in connection with the System provided the County will initiate lawful disconnection of services for all premises delinquent in the payment of any duly invoiced bill by its due date.

Collection of Connection Fees

The County has agreed in the Resolution to proceed diligently to perform legally and effectively all steps required in the collection of the Connection Fees, if and only to the extent such Connection Fees are levied by the County. Upon the due date of any such Connection Fees, the County shall diligently proceed to collect the same and shall exercise all legally available remedies to enforce such collections now or hereafter available under State law. Notwithstanding any provision of this paragraph to the contrary, the County may waive the levy or collection of a Connection Fee provided such waiver is in accordance with applicable law.

Consulting Engineers

The County has agreed in the Resolution to engage Consulting Engineers from time to time, whose duties shall be to make any certificates and perform any other acts required or permitted of the Consulting Engineers under the Resolution, and also to review the construction and operation of the System, to make an inspection of the System as requested by the County from time to time, and to submit to the County a report with recommendations as to the proper

maintenance, repair and operation of the System, including recommendations for expansion and additions to the System to meet anticipated service demands, and an estimate of the amount of money necessary for such purposes. The Consulting Engineers shall, from time to time, recommend the amount of the Renewal and Replacement Fund Requirement. Copies of such reports, recommendations and estimates made as hereinabove provided shall be filed with the County for inspection by Bondholders, if such inspection is requested.

Amendments Without Bondholder Consent

Subject to the terms and provisions contained in the Resolution, under certain circumstances described in the Resolution, the County may make amendments to the Resolution without Bondholder consent. See "APPENDIX B – FORM OF RESOLUTION" attached hereto.

MUNICIPAL BOND INSURANCE

The purchase of municipal bond insurance, if available, will be at the option and expense (including any bond insurance premium) of the purchaser of the Series 2020 Bonds. The purchaser of the Series 2020 Bonds understands, by submission of its bid, that it is solely responsible for the selection of any insurer and for all negotiations with the insurer as to the premium to be paid. If all or a portion of the Series 2020 Bonds are awarded on an insured basis, reference to the insurance policy will appear herein and on the Series 2020 Bonds; however, the provisions of the financing documents will not be altered, nor will the County consent to make additional representations, undertakings or warranties.

DEBT SERVICE SCHEDULE

The following table sets forth the annual debt service payments on the Outstanding Series 2016 Bonds and the Series 2020 Bonds.

Year Ending October 1	Series 2020 Bonds			Outstanding Series 2016 Bonds	Total Aggregate Debt Service
	Principal	Interest	Total		
2021				\$ 6,171,143.76	
2022				6,172,143.76	
2023				6,173,643.76	
2024				6,170,143.76	
2025				6,171,393.76	
2026				6,169,493.76	
2027				6,170,793.76	
2028				6,170,193.76	
2029				6,172,693.76	
2030				6,171,975.00	
2031				6,172,675.00	
2032				6,172,800.00	
2033				6,173,050.00	
2034				6,168,500.00	
2035				6,169,150.00	
2036				6,169,700.00	
2037					
2038					
2039					
2040					
Total				\$98,739,493.84	

THE SYSTEM

Overview of the System

The following descriptions of the System have been excerpted from the Consulting Engineer's Report dated _____, 2020 (the "Engineer's Report") by Carollo Engineers, Inc. (the "Consulting Engineer") and approved by the Board on October 27, 2020. Such report should be read in its entirety for additional information regarding the System. See "APPENDIX E – CONSULTING ENGINEER'S REPORT" attached hereto.

The County owns a number of facilities for providing water, wastewater, and reclaimed water services to mostly retail customers generally within both unincorporated areas of the County and within the various municipal limits. The System is operated and managed by Orange County Utilities ("OCU"), a department of the County government. In addition to its retail customers,

OCU provides all or a portion of the water, wastewater, and/or reclaimed water services for the following customers for wholesale and emergency purposes: the City of Apopka ("Apopka"), the City of Ocoee ("Ocoee"), the City of Orlando ("Orlando"), the City of Winter Park ("Winter Park"), the City of Winter Garden ("Winter Garden"), the Orlando Utilities Commission ("OUC"), the Reedy Creek Improvement District ("RCID"), Seminole County, the Tohopekaliga Water Authority ("TWA"), the University of Central Florida ("UCF"), and Utilities, Inc. of Florida.

The System is comprised of three operating divisions (Water, Water Reclamation, and Field Services) and three support divisions (Customer Service, Engineering, and Fiscal and Operational Support).

Raymond E. Hanson, P.E., Director of the Orange County Utilities Department, has been with both the department and Orange County Government for 24 years working in several capacities. He began his career as manager of the Water Reclamation Division, was promoted to deputy director in 2007 and has served in his current role as director since 2009.

Prior to the County, he worked in the public and private sector in various management roles including Vice President and General Manager at Professional Plant Operations, Inc.; Engineering Project Manager at Briley, Wild, and Associates, Inc.; and for the City of Casselberry as Chief Operator of the city's wastewater facility.

Mr. Hanson received his environmental engineering degree from the University of Central Florida and is certified as a Registered Professional Engineer in the State of Florida. He is also an active member of the American Water Works Association, Florida Engineering Society, and the Water Environment Association. He is a founding member and past president of the Florida Water Environment Association Utility Council and is also a founding member and steering committee member of the Florida Water/Wastewater Agency Response Network.

Water System

General. OCU operates the County's potable water treatment, storage, and distribution system. As of December 2019, OCU provided potable water service to 151,046 premises, including both residential and commercial users. OCU's water service areas are located entirely within the County, bounded by Osceola County to the south, Lake County to the west, Seminole and Volusia counties to the north, and Brevard County to the east. The Engineer's Report states that the Consulting Engineer believes that, overall, based on site visits and discussions with OCU staff, the County's Water Supply Facilities are in good condition.

OCU presently supplies potable water to areas of the County separated into four service areas: East, South, Southwest, and West. OCU also maintains agreements with customers that establish emergency interconnects and/or allow OCU to provide or purchase water, depending on the agreement.

Wholesale Water Supply Contracts and Emergency Interconnects. OCU has established agreements with several neighboring utilities that allow interconnects for wholesale use and emergency purposes. Wholesale interconnects provide water from OCU to the wholesale partner and allow OCU to purchase water from the partner. OCU has wholesale agreements to provide potable water to portions of the service areas for Ocoee, OUC, Seminole County, UCF, Utilities, Inc. of Florida, Winter Garden, and Winter Park. OCU has wholesale agreements to purchase potable water from OUC, RCID, Seminole County, TWA, Winter Garden, and Winter Park. OCU maintains emergency interconnects with OUC, Seminole County, UCF, and Winter Park. All of the wholesale users maintain the components of their individual treatment, transmission, and distribution systems. See "APPENDIX E – CONSULTING ENGINEER'S REPORT" attached hereto for a description of such agreements.

Potable Water Supply and Storage. For the past 40 years, groundwater from the upper Floridan aquifer has served as the state's primary potable water supply source. As Florida's population continues to increase and groundwater resources reach their sustainable limits, state agencies like the Florida Department of Environmental Protection ("FDEP") have increased regulatory pressure on utilities to develop and use alternative water supply ("AWS") sources to serve their customers.

Alternative water supply sources may include seawater, brackish groundwater, surface water, stormwater, reclaimed water, aquifer storage and recovery ("ASR"), and any other nontraditional supply source as identified in a water management district's regional water supply plan. OCU has developed AWS projects in compliance with their water use permits ("WUPs") issued by the South Florida Water Management District ("SFWMD") and a consumptive use permit ("CUP") issued by the St. Johns River Water Management District ("SJRWMD"). The below table summarizes each permit, including permitted maximum annual, monthly, and daily water allocations in million gallons ("MG").

Permitted Raw Water Withdrawal Quantities

Permitting Agency: WUP/CUP	Annual Allocation (MG)	Maximum Month Allocation (MG)	Maximum Day Allocation (MG)
SFWMD: 48-00134 W ⁽¹⁾	11,826	1,674.4	NA
SFWMD: 48-00059 W (Hidden Springs) ⁽²⁾	1,095	NA	7.14
SFWMD: 49-02051 W (Cypress Lake) ⁽³⁾	13,688 ⁽⁴⁾ / 4,106.4 ⁽⁵⁾	1,140.6 ⁽⁴⁾ / 342.2 ⁽⁵⁾	NA
SJRWMD: 3317 ⁽⁶⁾	20,331.5	NA	NA
OCU Subtotal	37,358.9	2,016.6	7.14

Notes:

- ⁽¹⁾ SFWMD, WUP, permit no. 48-00134-W, effective date December 28, 2012 (West Palm Beach, FL). Issued to OCU.
- ⁽²⁾ SFWMD, WUP, permit no. 48-00059-W, effective date September 17, 2012 (West Palm Beach, FL). Issued to OCU for the Hidden Springs Water Supply Facility.
- ⁽³⁾ SFWMD, WUP permit no. 49-02051-W, effective date October 3, 2011 (West Palm Beach, FL). Issued to the Water Cooperative of Central Florida and RCID for the Cypress Lake Wellfield.
- ⁽⁴⁾ Total withdrawal authorized under SFWMD Cypress Lake Wellfield water use permit.
- ⁽⁵⁾ OCU's estimated pro-rated share of the Cypress Lake Wellfield allocation.
- ⁽⁶⁾ SJRWMD, CUP, permit no. 3317-46 (stated herein as 3317), effective date February 22, 2019 (Palatka, FL). Issued to OCU for the OCU Water Service Areas project.

Source: Engineer's Report.

Groundwater Supply. Like most utilities in Florida, OCU's current potable water supply comes almost entirely from groundwater pumped out of the Floridan aquifer. OCU operates and maintains 49 active groundwater wells that supply their water supply facilities. An additional 30 groundwater wells are planned while 5 older wells are inactive. The below table summarizes OCU's permitted groundwater wells, including active, planned, and inactive wells and the pumping capacity of the 79 active and planned wells in million gallons per day ("mgd").

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Potable Water Supply Groundwater Wells

Wellfield	Permitted Wells		Pumping Capacity ⁽²⁾ (mgd)	Permitting Agency
	Active ⁽¹⁾ / Planned	Inactive		
East Service Area				
Eastern Regional	16/2		80.64	SJRWMD
Bonneville ⁽³⁾	0/0	2	N/A	SJRWMD
South Service Area				
Southern Regional	8/3		50.54	SFWMD
Orangewood	2/0	1	10.08	SFWMD
Hunters Creek	2/1		15.12	SFWMD
Vistana	3/0		8.64	SFWMD
Cypress Walk	2/0		3.46	SFWMD
Southwest Service Area				
Hidden Springs	2/0	2	8.64	SFWMD
Malcolm Road (under construction)	0/6		25.92	SJRWMD
CR 535	3/0		6.62	SFWMD
West Service Area				
Western Regional	8/5		56.16	WJRWMD
Oak Meadows	2/1		9.0	SJRWMD
Lake John Shores	1/0		0.09	SJRWMD
Water Cooperative of Central Florida				
Cypress Lake	0/12		N/A	SFWMD
Total	49/30	5	274.91	(91)

Notes:

- (1) Active as of August 31, 2020.
- (2) Pumping capacity for active and planned wells.
- (3) Water supply facility decommissioned in 2012.

Source: Engineer's Report.

Alternative Water Supply. To meet future water supply needs and comply with their water use permits and consumptive use permit, OCU has developed initiatives for alternative water

supply projects that use reclaimed water, surface water, brackish groundwater, and aquifer storage and recovery.

Per WUP 48-00134-W, OCU must produce an annual average of 40.9 mgd of reclaimed water to be used for land application (e.g., irrigation). Per CUP 3317, OCU is expected to provide an average of 41.8 mgd of reclaimed water to meet irrigation water demands. Additionally, CUP 3317 requires existing projects to provide a total annual average 0.9 mgd of reclaimed water for aquifer recharge.

Per the requirements of CUP 3317 and WUP 48-00134-W, OCU is developing the St. Johns River/Taylor Creek Reservoir water supply project, which involves constructing a new surface water intake on the St. Johns River and expanding storage volume in the existing Taylor Creek Reservoir. This project is expected to provide up to approximately 50 mgd of surface water for populations served by the project partners (OCU, OUC, City of Cocoa, TWA, and East Central Florida Services, Inc.). OCU has committed to receive at least 10 mgd from this project.

Per WUP 48-00134-W, OCU proposed the Cypress Lake Wellfield project (WUP 49-02051-W) as an additional alternative water supply project. The Cypress Lake Wellfield is a cooperative regional project that includes constructing lower Floridan aquifer (brackish groundwater) wells, which will supply water to the Cypress Lake Water Supply Facility. Water supplied by the Cypress Lake Wellfield and Water Supply Facility will be shared by the City of St. Cloud, TWA, OCU, Polk County Utilities, and RCID, also known as the "STOPR" utilities group, all of which are involved in construction of the facilities. Per WUP 49-02051-W, the total permitted annual average withdrawal allocation is 13,688 MG. OCU's estimated pro-rated share of the annual average allocation is 4,106.4 MG.

Another alternative water supply project implemented by OCU is the County's potable water aquifer storage and recovery system, which provides approximately one billion gallons of storage volume for treated water. Operation of the Class V, Group 7 aquifer storage and recovery well is permitted by an FDEP underground injection control permit (48-0272819-001 UC). Construction of the aquifer storage and recovery well was completed in 2010, and the system has undergone a cycle testing program using potable water from the Eastern Regional Water Supply Facility. During testing, recovered water was sent to the Eastern Water Reclamation Facility and became part of the reuse system. Based on the test results, the aquifer storage and recovery system can operate in compliance. The aquifer storage and recovery system will be used to store treated water in the aquifer during the wet season and recover the water during the dry season or when supplies are limited.

Historical Water Demand. OCU operates 11 active water supply facilities within its four service areas. A twelfth water supply facility, Malcolm Road, is being constructed and planned for completion by the beginning of 2021.

Occasionally, OCU purchases water from other utilities for operational purposes. In 2019, OCU purchased potable water from OUC, RCID, and Winter Garden. The table below summarizes the historical water production for each water supply facility by service area, including the total annual amount of purchased potable water for 2015 to 2019.

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Historical Water Demand (2015 - 2019)

Water Supply Facility	Annual Average Water Demand (mgd) ⁽¹⁾				
	2015	2016	2017	2018	2019
East Service Area					
Eastern Regional	26.56	27.29	28.70	27.43	27.31
South Service Area					
Southern Regional	8.53	8.60	9.07	9.55	9.82
Orangewood	2.40	2.42	3.13	3.48	2.89
Hunters Creek	2.33	2.56	2.36	2.08	2.19
Vistana	1.75	1.92	1.89	2.04	2.50
Cypress Walk	1.43	1.43	1.42	1.41	1.34
Southwest Service Area					
Hidden Springs	2.09	2.21	2.86	2.74	2.95
CR 535	1.86	1.95	2.24	2.61	2.82
West Service Area					
Western Regional	9.45	9.79	9.96	9.73	10.18
Oak Meadows	1.72	1.87	1.68	1.65	1.63
Lake John Shores	0.005	0.005	0.006	0.006	0.005
<i>Purchased Water</i>	0.22	0.21	0.30	0.34	0.34
Total	58.35	60.26	63.62	63.07	63.98

⁽¹⁾ Data source: OCU monthly operating summaries.
Source: Engineer's Report.

Potable Water Demand Projections. OCU's most recent water demand projections are based on the potable water demand projections published in the Central Florida Water Initiative Regional Water Supply Plan (December, 2015), with minor updates made over the years based on more recent development data, along with an estimated spatial distribution by OCU service area. Based on these projections, existing water supply facility production capacities, and planned water supply facility capacity expansion projects, OCU should have sufficient water supplies to meet its anticipated service needs through 2045.

Potable Water Demand Projections

Service Areas	Max Day Production Capacity (mgd)	Annual Average Demand Projections ⁽¹⁾					
		2020	2025	2030	2035	2040	2045
East	50.0 ⁽²⁾	31.89	34.53	37.09	40.26	43.43	46.60
South	51.1	22.40	24.18	26.04	28.33	30.61	32.90
Southwest	12.6 ⁽³⁾	4.18	5.68	6.82	8.23	9.63	11.04
West	31.4 ⁽⁴⁾	15.88	16.74	17.60	18.65	19.71	20.76
Total	145.1	74.35	81.13	87.55	95.47	103.38	111.30

⁽¹⁾ Projections provided by OCU.

⁽²⁾ Capacity will increase to 62.5 mgd upon completion of the Phase 3B improvements, which is scheduled for April 2021.

⁽³⁾ Capacity will increase to 21.3 mgd upon completion of the Malcolm Road Water Supply Facility, which is scheduled for the beginning of 2021.

⁽⁴⁾ Capacity will increase to 34.6 mgd in late 2020 when the new Oak Meadows OM 5 well is placed into production.

Source: Engineer's Report.

Water Treatment. The supervisory control and data acquisition system for each water supply facility can be controlled from the regional water supply facilities and viewed, but not controlled, from the non-regional water supply facilities. All water supply facilities, except Lake John Shores, have load shedding generators for emergency power that allow capacity to be met by identifying and running only critical services. See "APPENDIX E - CONSULTING ENGINEER'S REPORT" attached hereto for a description of ongoing and planned future improvements to each of the water supply facilities.

The Eastern Regional Water Supply Facility is the only active water supply facility in the East Service Area. The Eastern Regional Water Supply Facility has a permitted maximum design capacity of 50 mgd and includes 16 active production wells. There are several ongoing projects at potable water facilities in the East Service Area. The East Service Area Storage and Re-pump Facility was recently constructed. The J. Lawson Booster Station is under construction and substantial completion is planned for April 2021. This facility will connect the East and South service areas and allow for operational flexibility between the two. The Econ Trail 42-inch Parallel Water Main is being designed and design completion is estimated to be in the fall of 2020. This project will provide redundancy and reliability between the Eastern Regional Water Supply Facility and the distribution system.

The South Water Service Area is comprised of five water supply facilities: Southern Regional, Orangewood, Hunter's Creek, Vistana, and Cypress Walk. The Southern Regional Water Supply Facility is permitted for a design capacity of 30.0 mgd and includes eight active production wells. The Orangewood Water Supply Facility is permitted for a maximum day capacity of 6.48 mgd and includes two active production wells. The Hunters Creek Water Supply Facility is permitted for a maximum day capacity of 6.366 mgd and includes two active production wells. The Vistana Water Supply Facility is permitted for a maximum day capacity of 4.841 mgd and includes three active production wells. The Cypress Walk Water Supply Facility is permitted for a maximum day capacity of 3.456 mgd and includes two active production wells.

There are two active water supply facilities in the Southwest Service Area: Hidden Springs and CR 535. The Hidden Springs Water Supply Facility is permitted for a maximum day capacity of 8.640 mgd and includes two active production wells. The CR 535 Water Supply Facility is permitted for a capacity of 4.0 mgd and includes three active production wells. An additional facility, Malcolm Road Water Supply Facility, is under construction, and completion is planned for the beginning of 2021. It is planned to have a permitted maximum day capacity of 8.64 mgd and six production wells.

There are three active water supply facilities in the West Service Area: Western Regional, Oak Meadows, and Lake John Shores. The Western Regional Water Supply Facility is permitted for a maximum day capacity of 25.8 mgd and includes eight active production wells. The Oak Meadows Water Supply Facility is permitted for a maximum day capacity of 5.56 mgd and includes two active production wells. A third production well has been permitted for construction and drilled, and it is expected to be operational by late 2020, at which point the wellfield capacity for Oak Meadows Water Supply Facility will increase to 8.76 mgd. The Lake John Shores Water Supply Facility is permitted for a treatment capacity of 0.014 mgd and includes one active production well.

For additional descriptions of the water supply facilities and their treatment processes, see "APPENDIX E - CONSULTING ENGINEER'S REPORT" attached hereto.

Potable Water Transmission, Re-Pump and Storage Facilities. The potable water distribution system consists of finished water high-speed pump stations located at the water supply facilities' re-pump facilities; seven active re-pump facilities/booster stations, four under construction and one out for bid; 26 ground storage tanks that are operational or nearing construction completion; an aquifer storage and recovery system; and approximately 1,937 miles of pipelines ranging from 1 inch to 60 inches in diameter.

Pipelines and high-speed pumps convey potable water to OCU retail and wholesale premises. Re-pump facilities maintain adequate system pressure by boosting the pressure throughout the distribution system as required.

Ground storage tanks provide balance for daily water demand fluctuations and additional capacity needed for firefighting or emergencies. The total storage volume within the system is 47.5 million gallons. There are 26 active or nearly operational potable water ground storage tanks in the system with a total storage capacity of 56.25 MG. Two of these 26 ground storage tanks, at the Malcolm Road WSF, are nearing construction completion and should be operational by early 2021. The planned Southwest Service Area storage and re-pump facility will add two ground storage tanks to the system with an added capacity of 7 MG. In addition to the ground storage tanks, OCU has approximately one billion gallons of storage volume available in its aquifer storage and recovery system.

Regulatory Compliance. The Environmental Protection Agency ("EPA") and FDEP regulate the operation of public water systems in the State. The EPA established drinking water standards which are divided into primary regulations (standards required for public health) and secondary regulations (aesthetic qualities). The State has adopted the secondary regulations as enforceable standards. FDEP has the primary role of regulating public water systems in the State.

FDEP has promulgated rules within the Florida Administrative Code ("FAC"), Chapter 62 for regulation of public water supplies. The OCU System complies with the rules of FAC Chapter 62.

OCU regularly monitors pH, temperature, free chlorine, and fluoride using online instrumentation at the water supply facilities. Comprehensive water quality tests are also performed annually using OCU's National Environmental Laboratory Program certified laboratory. OCU is currently in compliance with all applicable regulations relating to water quality and had not been cited for any regulatory violations within the past five years. OCU routinely funds annual renewal and replacement improvements to their public water system facilities.

The Consulting Engineer states in the Engineer's Report that, to its knowledge, OCU is in full compliance with all federal and state regulatory requirements relating to the provisions of water services and there are no outstanding consent orders requiring corrective actions issued by any regulatory agency relating to any component of the water system. OCU operates its wellfields and water supply facilities according to permits issued by the regulatory agencies and has maintained current permits for all of its facilities.

Wastewater System

General. OCU is the operator of the County's wastewater collection and treatment system. OCU operates three water reclamation facilities: the Eastern Water Reclamation Facility ("EWRF"), the Northwest Water Reclamation Facility ("NWRF") and the South Water Reclamation Facility ("SWRF"). In addition to OCU's three existing water reclamation facilities, a fourth water reclamation facility (Hamlin) is being constructed in the Southwest Service Area and is planned for completion by the summer of 2023. Flows in the East, South, and West service areas are directed to EWRF, SWRF, and NWRF, respectively. Currently, flows from the Southwest Service Area are directed to SWRF or to RCID's wastewater treatment plant. The Engineer's Report states that the Consulting Engineer believes that, overall, the County's water reclamation facilities are in relatively good condition and are in comparable condition to facilities of similar age and are operating as intended. See "APPENDIX E – CONSULTING ENGINEER'S REPORT" attached hereto for a description and condition of such facilities.

As of December 2019, OCU provided wastewater collection and treatment services to 164,462 premises, including residential, commercial, and industrial users. As of December 2019, OCU provided reclaimed water services to 30,235 premises. In addition, OCU has interconnects with regional municipalities for wholesale and emergency purposes. Wastewater wholesale partners include Ocoee, Orlando, RCID, Seminole County, TWA, and Winter Park. Reclaimed water wholesale partners include Ocoee, Orlando, Apopka, OUC, RCID, TWA, and Winter Garden.

Wastewater and Reclaimed Water Agreements. OCU has established agreements with several neighboring utilities that allow interconnects for wastewater or reclaimed water wholesale use and emergency purposes. Wastewater wholesale interconnects allow OCU to accept wastewater from a wholesale partner or direct wastewater flow to those wholesale partners. Reclaimed water wholesale interconnects allow OCU to purchase reclaimed water to help meet demands or sell excess reclaimed water to a wholesale partner, depending on the terms of each agreement.

OCU has wholesale agreements to provide wastewater service to portions of Ocoee, Seminole County, TWA, and Winter Park and wholesale agreements to purchase wastewater service from Orlando, RCID, Seminole County, and TWA. OCU has wholesale agreements to provide reclaimed water service to portions of Apopka, Ocoee, Orlando, OUC, and Winter Garden and wholesale agreements to purchase reclaimed water service from Orlando, RCID, and TWA. OCU also has an emergency interconnect with Orlando. See "APPENDIX E – CONSULTING ENGINEER'S REPORT" attached hereto for a description of such agreements.

All wholesale users maintain the components of their individual wastewater and reclaimed water systems, which may consist of wastewater and reclaimed water lines, pipes, lift stations, pumping stations, and other facilities.

Historical Wastewater Flows. OCU owns and operates three water reclamation facilities that have a combined current permitted capacity of 78.25 mgd Average Annual Daily Flow ("AADF"), although projects are underway to provide a combined total capacity of 91.25 mgd AADF. A fourth water reclamation facility, Hamlin, is being constructed and planned for completion by the summer of 2023. The historical Fiscal Year annual flows for each water reclamation facility from 2015 to 2019 are listed in the table below.

Historical Wastewater Flows

Water Reclamation Facility	Permitted Capacity (mgd AADF)	Average Annual Daily Flow ⁽¹⁾ during FY Ending September 30 (mgd)				
		2015	2016	2017	2018	2019
Eastern	24.0	19.9	19.9	19.2	19.8	18.3
Northwest	11.25	5.5	5.6	6.1 ⁽²⁾	7.0	6.4
South ⁽³⁾	43.0 ⁽⁴⁾	38.6 ⁽⁵⁾	39.3 ⁽⁵⁾	39.8 ⁽⁵⁾	38.0	38.3
Total County	78.25	64.0	64.8	65.1	64.8	63.0

(1) Data Source: OCU Flow Records.

(2) A metering discrepancy was discovered in 2017. Prior to 2017, flows had been recorded lower than actual values. Once corrected, the higher, actual flows were recorded.

(3) OCU is replacing influent flow meters at SWRF to rectify potential flow measurement discrepancies.

(4) Capacity increases from 43.0 to 56.0 mgd upon completion of the Phase V improvements, which is scheduled for late 2020.

(5) Reported values included side stream flows in addition to plant influent flow. 2018, 2019, and future flow data subtract the estimated side stream flow from the total.

Source: Engineer's Report.

Wastewater Flow Projections. Wastewater flow projections were originally developed by OCU based on 2010 population data that is projected and updated annually with the Concurrency Report that is submitted to the Orange County Planning Division. The projected flows through 2040 are summarized in the table below. Based on these projections, the existing water reclamation facility treatment capacities, and planned capacity expansion projects, the Consulting Engineer finds that OCU should have sufficient wastewater treatment capacity at NWRF and SWRF to meet its anticipated service needs through 2040.

EWRf will have sufficient wastewater treatment capacity to treat anticipated flows through 2030; however, a facility expansion is expected to be needed by 2035. Improvements are planned that include further expansion of EWRf (Phase VI B) to approximately 32.0 mgd by 2029. This expansion will give EWRf sufficient wastewater treatment capacity to meet its projected service needs through 2040.

Wastewater Flow Projections

Water Reclamation Facility	Permitted Capacity (mgd AADF)	Average Annual Daily Flow ⁽¹⁾ (mgd)				
		2020	2025	2030	2035	2040
Eastern	24.0	20.3	21.6	22.9	24.2	25.6
Northwest	11.25	6.8	7.4	8.2	9.0	9.8
South	43.0 ⁽²⁾	37.3	38.6	40.0	41.3	42.6
Total	78.25	64.4	67.6	71.1	74.5	78.0

⁽¹⁾ Projections provided by OCU.

⁽²⁾ Capacity will increase to 56.0 mgd upon completion of the Phase V improvements, which is scheduled for late 2020.

Source: Engineer's Report.

Wastewater Collection. OCU's wastewater collection system consists of approximately 1,390 miles of gravity mains, 623 miles of force mains, and 813 pump stations across its four service areas. The larger pump stations have on site backup power supply and odor control systems, and the County owns several portable generators in case of power failure at smaller pump stations. Additionally, all pump stations are equipped with remote terminal units and monitored through the supervisory control and data acquisition system.

The 1,390 miles of gravity mains range in diameter from 4 inches to 54 inches and are mostly made of polyvinyl chloride ("PVC") and vitrified clay. The 623 miles of force mains range in diameter from 1 inch to 48 inches and are mostly made of cast iron, ductile iron, and PVC.

Reclaimed Water Transmission, Distribution and Storage. The reclaimed water transmission and distribution system includes several high service pump stations at the water reclamation facilities, five active re-pump facilities and one in consideration, 15 operational ground storage tanks, 16 rapid infiltration basins, and approximately 616 miles of pipelines ranging from 2 to 54 inches in diameter. Pipelines and high service pumps convey reclaimed water to OCU retail and wholesale premises.

The re-pump facilities maintain adequate system pressure by boosting the pressure throughout the distribution system as required. The East Service Area has the East Service Area Reclaimed Water Storage and Re-pump Facility (completed in 2016 and likely to be expanded because of rapidly increasing development in the area) and the Lake Pickett Reclaimed Water Storage and Re-pump Facility (being considered as a future CIP project). The South Service Area has four reclaimed water re-pump stations, two of which are dedicated to golf course premises (the Orange Tree Country Club and the Bay Hill Country Club).

Ground storage tanks and rapid infiltration basins provide balance and capacity to manage fluctuations in reclaimed water demand and effluent water quality. There are 15 active reclaimed water ground storage tanks in the reclaimed water system with a total storage capacity of 62.5 MG. Two ground storage tanks in the east service area provide 4.5 MG of storage. Additional ground storage tanks are planned at EWRP and the East Service Area Storage and Re-pump Facility to expand storage volume in the East Service Area. The Lake Pickett Reclaimed Water Storage and Re-pump Facility is planned to have two 2-MG ground storage tanks and will also be in the East Service Area.

The South and Southwest service areas have 11 ground storage tanks with a total capacity of 53 MG: two 5 MG and two 10 MG ground storage tanks at SWRF, one 1 MG ground storage tank at the Hidden Springs Reclaimed Water Storage and Re-pump Facility, two 1 MG ground storage tanks at the Meadow Woods Storage and Re-pump Facility, and four 5 MG ground storage tanks at the Water Conserv II Distribution Center (the "Center"), a reclaimed water distribution center jointly owned by the County and Orlando.

The Center receives reclaimed water from both SWRF and Orlando via a 54 inch-diameter transmission main. A Center booster pump station is currently included as a planned capital improvement project to increase transmission main capacity from 75 mgd to 90 mgd. In addition to the four 5 MG ground storage tanks, the Center has rapid infiltration basins for aquifer recharge, a pump station, and a monitoring and control building. The Center pump station has a design capacity of over 130 mgd to deliver water to the Center distribution system, which includes over 70 miles of pipeline within the OCU system.

SWRF also distributes reclaimed water to two rapid infiltration basin sites in the South Service Area that can be used for wet weather storage or disposal. The West Service Area has a 2 MG ground storage tank and a 3 MG ground storage tank at NWRF. See "APPENDIX E – CONSULTING ENGINEER'S REPORT" attached hereto for a summary of OCU's reclaimed water storage facilities by service area.

Permits.

To operate, each water reclamation facility is required to have a current permit issued by FDEP that regulates discharged reclaimed water quality. OCU initiates the permit renewal application process well before permit expiration dates.

OCU's three water reclamation facilities are properly permitted. The EWRF permit (FL 0038849) was renewed on March 24, 2020 and expires on March 23, 2025; the NWRF permit (FLA010798) was renewed on April 4, 2018 and expires on April 3, 2023; and the SWRF permit (FLA107972) was renewed on March 7, 2019 and expires on March 6, 2024.

A portion of SWRF's reclaimed water distribution system is permitted through the Center's permit (FLA010795), which was recently renewed on June 26, 2020 and expires on July 26, 2025.

Regulatory Compliance

The following sections outline regulatory compliance matters for the water reclamation facilities over the past five years. See "APPENDIX E – CONSULTING ENGINEER'S REPORT" attached hereto for additional details and descriptions of minor permit infractions by discharge location for 2019 and early 2020.

Eastern Service Area and Water Reclamation Facility

In December 2015, the EPA issued OCU a notice of violation identifying 12 sanitary sewer overflows ("SSOs") of untreated sewage that occurred between September 1, 2009 and September 30, 2014. The notice alleged that EWRF was in violation of its National Pollutant Discharge Elimination System permit (FL0038849) and the Clean Water Act for discharging 1,535,935

gallons of untreated sewage to waters of the state. An additional 143 SSOs were identified to have discharged 2,386,406 gallons of untreated sewage that did not reach waters of the state. Although the USEPA did not require any enforceable action, they are monitoring OCU's progress toward reducing SSOs.

In response, OCU developed new plans and improved existing plans to prevent future SSOs, including developing and implementing written management, operations, and maintenance programs; improving the SSO response plan; and continuing to assess and rehabilitate force mains within the wastewater collection system. Many commitments have been completed or are ongoing under established programs. For example, OCU finalized their Force Main Program Manual in 2018 and it is now undergoing annual review.

On November 9, 2018, FDEP issued EWRf a revised consent order (OGC file no. 14-0475) in response to several permit violations that occurred between December 2012 and October 2017. The consent order required the Phase V improvements to be completed by March 31, 2019 and records to be submitted documenting compliance with interim limits set for total phosphorus, total nitrate, and allowable flow to the wetland system. The consent order has been closed and FDEP recognized that EWRf is in compliance with State and federal rules.

On August 12, 2020, FDEP issued EWRf a draft consent order (OGC file no. 20-1194) in response to three SSOs that occurred between August 2019 and May 2020. The draft consent order requires several force main, gravity, and lift station projects to be completed within an allotted time and payment of a fine or completion of a pollution prevention project. OCU is reviewing this consent order.

FDEP issued EWRf a compliance assistance offer based on results from an industrial stormwater inspection FDEP completed on March 19, 2015. In response to this offer, OCU modified EWRf's Stormwater Pollution Prevention Plan and submitted it to FDEP on January 20, 2016. The updated plan included revisions to the stormwater monitoring plan, spill prevention, runoff management, employee training, and a pollutant sampling program. FDEP determined that EWRf was able to comply with regulations and, thus, closed the compliance assistance offer on January 16, 2016.

On March 24, 2020, FDEP issued EWRf an administrative order (No. CD-19-WW-20) in response to a single sample of discharge from the wetland system exceeding the allowable maximum concentration of 0.07 micrograms per liter (ug/L) for silver. Per the order, this discharge location shall have an interim limit for silver of 0.15 ug/L until January 2022. FDEP determined that "the discharge will not be destructive to the quality of the receiving waters."

Since April 2016, OCU has performed quarterly samplings for mercury through their Mercury Minimization Plan. This plan included various public outreach activities, and no mercury exceedances have occurred since program inception.

Northwest Water Reclamation Facility

NWRF has not received any documents related to regulatory compliance violation in the past five years. No permit violations or SSOs were recorded at NWRF from January 2020 to April 2020. However, five SSOs occurred at NWRF in 2019 resulting in spills of approximately 17,500 gallons of treated effluent and 150 gallons of raw influent. All spills were addressed appropriately, and no discharge reached any surface waters.

SWRF and South Service Area

On January 11, 2019, FDEP issued SWRF a consent order (OGC File no. 19-0034) for unauthorized discharges of 2 MG of partially treated wastewater to waters of the state and 1,031,219 gallons of partially treated wastewater that did not reach waters of the state. In lieu of paying a fine, OCU elected to complete a Pollution Prevention Project, which involved replacing 30 of the high-pressure sodium facility roadway lamps with LED lights. This project will result in energy savings that meet FDEP requirements, thus, FDEP has outlined and approved the project.

On May 21, 2019, FDEP issued SWRF a warning letter following compliance inspections FDEP completed in September 2018. OCU responded to the letter's potential violations on June 3, 2019.

On September 5, 2019, FDEP issued SWRF a warning letter regarding eight SSOs of partially treated or treated discharge and five SSOs of untreated discharge that occurred between July and August of 2019. OCU responded on October 10, 2019 detailing the 13 SSOs and explaining relevant actions that have been or will be taken to prevent future SSOs.

On July 30, 2020, FDEP issued SWRF a consent order (OGC file no. 20-0221) in response to several permit violations that occurred between September 2017 and January 2020. The consent order details several requirements including the Phase V improvements be completed by May 26, 2021 with project progress reports submitted each quarter until completion and a fine or approved Pollution Prevention Project be submitted. OCU is responding to this consent order.

Thirteen SSOs occurred at SWRF from January 2019 to May 2020 resulting in spills of approximately 76,000 gallons of treated effluent, 131,250 gallons of partially treated effluent, and 8,800 gallons of sludge/solids. No discharge reached any surface waters.

Industrial Compliance Programs

In support of Chapter 37, Article XX, of the Orange County Code (the "Sewer Use Ordinance"), the Water Reclamation Division's Environmental Compliance Section administers the Industrial Pre-treatment Program, the Environmental Surcharge Program, and the Oil and Grease Prevention Program. Additionally, the County's Sewer Use Ordinance establishes discharge standards for users of the OCU sewer system and sets contaminant concentration limits to protect the wastewater system and help the water reclamation facilities comply with regulatory standards. Examples of contaminants include, but are not limited to, heavy metals, biochemical oxygen demand, grease, and oils.

OCU currently monitors 23 industrial users, including some groundwater remediation sites, under its USEPA approved Industrial Pre-treatment Program. Through this program, OCU

surveys industries in its service areas to assess actual or potential discharge of harmful constituents. Additionally, industries are monitored through industrial wastewater discharge permits, compliance inspections, and sampling events. OCU's Industrial Pre-treatment Program is currently being updated.

Commercial and industrial facilities that discharge more than 10,000 gallons per day of high strength wastewater or require monitoring under the Industrial Pre-treatment Program must participate in the Environmental Surcharge Program. Through this program, OCU staff collect and test a representative wastewater sample from each participating facility each quarter. If the sample is found to violate certain pollutant limits, a surcharge is added to the customer's monthly utility bill. These fees supplement OCU for treating high strength wastewater that is more costly to treat than typical domestic-strength wastewater. Currently, 123 commercial facilities are monitored under this program.

Commercial sources that discharge oil and grease to the sewer system are required to participate in the Oil and Grease Prevention Program. This program is designed to eliminate SSOs caused by controllable actions, such as removing grease and oil from wastewater before it is discharged into the sewer system. Through this program, OCU issues registration certificates to premises that set a minimum pump out frequency for grease traps, interceptors, oil/water separators, and private pump stations. OCU also performs regular facility inspections to ensure premises comply with the requirements. Currently, 2,442 premises are monitored through this program, along with 624 of the 1,410 private pump stations connected to the sewer system.

Conclusions of the Consulting Engineer

The Consulting Engineer made the following conclusions based on the considerations, assumptions, study results, and analyses summarized in the Engineer's Report. The below conclusions represent opinions based on the Engineer's Report as a whole and are judgments based exclusively on the presented information, and the Engineer's Report should be read in its entirety.

1. OCU should be able to retain and renew current permits for the water, wastewater, and reclaimed water systems so long as operations, maintenance, and permit reporting continue as demonstrated in the past 5-years.
2. To the Consulting Engineer's knowledge, OCU is in compliance with all federal and state regulatory requirements relating to the provisions of System services, and there are no other outstanding orders requiring corrective actions issued by any regulatory agency relating to any component of the currently owned System aside from what is included in the Engineer's Report.
3. Based on the water facility capacities, planned expansions, and projected potable water demands included in the Engineer's Report, OCU has sufficient water supplies to meet its anticipated service needs through at least a 15-year period.
4. Based on available water reclamation facility capacities, planned facility expansions, and projected wastewater flows, NWRf and SWRF have sufficient wastewater treatment capacity to treat anticipated flows through 2030; however, a facility expansion is expected to be needed by 2035.

5. Based on aboveground inspections of OCU facilities, and discussions with County staff, the existing water supply facilities appear to be in overall good condition and are comparable to water supply facilities of similar age and capacity. The water reclamation facilities require some improvements and projects are underway to address these needs.
6. The System facilities appear adequately operated and maintained, and OCU is taking necessary steps to continue prudent utility practice as described throughout the Engineer's Report. Therefore, OCU appears to be capable of providing sufficient and reliable System service to its premises through the years pertinent to the Series 2020 Bonds.
7. OCU's capital improvement program ("CIP") projects are necessary and adequate to meet the current regulatory requirements and to provide adequate capacity for the anticipated growth in utility premises as discussed in the Engineer's Report.
8. Based on the Consulting Engineer's knowledge as OCU's engineer for water and wastewater facilities program management, planned and ongoing AWS projects are expected to help meet water supply demands the 15-year planning horizon.
9. OCU's CIP project cost estimates seem reasonable; however, the Consulting Engineer did not evaluate cost estimates of the CIP projects for the Engineer's Report. Based on knowledge learned while writing the Engineer's Report, it is reasonable to assume that additional funds will not be required for System improvements within the next five years, beyond what is identified in the 5-year CIP.

FINANCIAL FEASIBILITY REPORT

In connection with the proposed issuance of the Series 2020 Bonds, the County has retained Stantec Consulting Services Inc. ("Stantec"), as financial feasibility consultant (the "Feasibility Consultant") to develop the financial Feasibility Report (the "Feasibility Report"). The Feasibility Report provides, among other things, an analysis of the System, the Capital Improvement Program and certain financial matters, including forecasted financial results for the System through Fiscal Year 2025, particularly, the forecast sufficiency of Revenues of the System to pay debt service on the Series 2020 Bonds. The Feasibility Report is included herein as Appendix D in reliance upon the knowledge and experience of the Feasibility Consultant as experts in utility systems, feasibility analyses, revenue forecasting, and related financial matters.

The Feasibility Consultant has assembled financial forecasts of Revenues of the System available for debt service through Fiscal Year 2025 based upon OCU's estimates of the most probable results of operations and debt service coverage for each year of the forecast period. The forecast reflects OCU's judgment, based upon present circumstances, as to the most likely set of conditions and County management's most likely course of action. The financial forecast set forth in the Feasibility Report indicates that, based upon the assumptions presented therein, sufficient revenues are projected to be generated by the System to meet its operations and maintenance, debt service and coverage, and capital cost requirements through fiscal year 2025. Based upon its analysis, the Feasibility Consultant believes that the financial forecast set forth in the Feasibility

Report is presented in conformity with generally accepted guidelines for presentation of a financial forecast and that the underlying assumptions provide a reasonable basis for OCU's forecast.

The Feasibility Report should be read in its entirety for a discussion of historical and forecast financial results of the System, and an understanding of all of the assumptions and rationale underlying the forecasts and the conclusions contained therein. No assurances can be given that the assumptions on which the forecasts in the Feasibility Report are based will materialize. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances will occur. Therefore, actual results achieved during the forecast period will vary from those set forth in the Feasibility Report and the variations may be material. Further, the forecast period covered by the Feasibility Report does not cover the entire period through maturity of the Series 2020 Bonds. See "APPENDIX D - FINANCIAL FEASIBILITY REPORT" attached hereto.

RATES, FEES AND CHARGES

The County has established rates, fees and charges to recover the cost of providing water, wastewater, and reclaimed water service, as well as the authority to establish and collect charges and fees for connection to each system. The current rates, fees and charges have been established through a series of resolutions and are not subject to approval by any other local or state agency.

Water, Wastewater and Reclaimed Water Rates

The County collects fixed and variable monthly charges for recovering the cost of operating, maintaining, and expanding the System, including operating and maintenance costs, capital project requirements (including renewal and replacement), debt service expenses and corresponding net income to debt service coverage ratios, and adequate levels of operating reserves. The tables below present the current schedules of water, wastewater, and reclaimed water rates, effective October 1, 2020.

**Water and Wastewater Rate Schedule
Fiscal Year 2021**

Fixed Monthly Charges By Meter Size:	Water	Wastewater
5/8" by 3/4"	\$ 7.79	\$ 18.22
1"	13.86	40.53
1-1/2"	23.94	77.70
2"	36.04	122.32
3"	68.34	241.28
4"	104.65	375.15
6"	205.51	746.95
8"	326.55	1,193.11
10"	508.11	1,862.32

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Volume Charges Per 1,000 Gallons:	Water	Wastewater
Residential Water Accounts:		
0-3,000	\$ 1.23	
4,000-10,000	\$ 1.71	
11,000-20,000 (Conservation Rate)	\$ 3.40	
21,000-30,000 (Conservation Charge)	\$ 6.79	
31,000+ (Conservation Surcharge)	\$13.54	
Residential Wastewater Accounts:		
All Consumption		\$ 4.14
Single-Family/Mobile Home (<i>maximum 14,000 gallons</i>)		
Multi-Family (2-4 units) (<i>maximum 25,000 gallons</i>)		
Commercial Water Accounts - 5/8" x 3/4" Meter:		
0-10,000 gallons	\$ 1.71	
11,000-20,000 gallons	\$ 3.40	
21,000-30,000 gallons	\$ 6.79	
31,000 and above gallons	\$13.54	
Commercial Water Accounts - 1" Meter & Larger:		
All Consumption	\$ 1.71	
Volume Charges Per 1,000 Gallons:		
Commercial Wastewater Accounts		
All Consumption		\$ 4.14
Monthly Flat Rate - Sewer Only Accounts:		
	Water	Wastewater
Single Family Home		\$ 59.65
Duplex (1 or 2 bedrooms)		\$ 49.62
Duplex (3 or more bedrooms)		\$ 59.65
Multi-Family (1 or 2 bedrooms)		\$ 49.62
Multi-Family (3 or more bedrooms)		\$ 59.65
Mobile Homes (1 or 2 bedrooms)		\$ 39.74
Mobile Homes (3 or more bedrooms)		\$ 49.62
Other Charges		
Lockheed-Martin Treatment Charge per 1,000 gallons		\$ 4.25
High Strength Surcharges per 1,000 gallons		\$ 4.14
BOD (biochemical oxygen demand) per 100 pounds		\$ 61.19
SS (suspended solids) per 100 pounds		\$ 65.25
Total Nitrogen per 100 pounds		\$ 67.70
Phosphorous per 100 pounds		\$252.85
Septage Disposal Charge per 100 gallons		\$ 7.33
Oil and Grease Program		
Application Fee		\$ 29.61
Monthly Maintenance Fee		\$ 32.62

Source: Financial Feasibility Report dated _____, 2020.

**Reclaimed Water Rate Schedules
Fiscal Year 2021**

RETAIL RATE SCHEDULE:

<u>Meter Size</u>	<u>Fixed Monthly Charges</u>	<u>Monthly Usage Allowance</u>
5/8" by 3/4"	\$ 4.10	4,000 gallons
3/4"	\$ 4.10	4,000 gallons
1"	\$10.26	10,000 gallons
1-1/2"	\$20.52	19,000 gallons
2"	\$32.80	31,000 gallons
3"	\$61.52	57,000 gallons
Volume Charge For Use Above Monthly Usage Allowance:		
	\$ 1.11	<i>Per 1,000 gallons</i>

Source: Financial Feasibility Report dated _____, 2020.

WHOLESALE RATE SCHEDULE:

Fixed Monthly Charges By Meter Size:

<u>Meter Size</u>	<u>Priority User</u>	<u>Interruptible User: No Onsite Storage</u>	<u>Interruptible User: w/ Onsite Storage</u>	<u>Monthly Usage Allowance</u>
4"	\$ 198.85	\$ 119.32	\$ 79.54	218,000 gallons
6"	\$ 454.90	\$ 272.94	\$ 181.97	499,000 gallons
8"	\$ 710.94	\$ 426.55	\$ 284.37	780,000 gallons
10"	\$1,081.34	\$ 648.81	\$ 432.53	1,185,000 gallons
12"	\$1,649.72	\$ 989.84	\$ 659.90	1,808,000 gallons
16"	\$3,271.31	\$1,962.77	\$1,308.52	3,584,000 gallons
Volume Charge For Use Above Monthly Usage Allowance:				
Priority User			\$0.90	<i>per 1,000 gallons</i>
Interruptible User: No Onsite Storage			\$0.52	<i>per 1,000 gallons</i>
Interruptible User: w/ Onsite Storage			\$0.37	<i>per 1,000 gallons</i>

Source: Financial Feasibility Report dated _____, 2020.

The schedules of water, wastewater, and reclaimed water rates above reflect rate increases of 3.00%, effective October 1, 2020, as approved by the Board. It is important to note that the County has adopted 3.00% automatic rate increases effective each October 1, but reviews its rates annually and reserves the right to repeal the automatic increase when determined not to be needed. For example, the County adopted rate increases of 3.00% on October 1, 2010, held rates flat the following year, adopted rate increases of 3.00% on October 1, 2012 (for all but the Tier 1 water volume charge), and then again held rates flat until October 1, 2015. For the purposes of the Feasibility Report, 3.00% annual rate adjustments are assumed effective each October 1 of the forecast period.

Historically, the County recovers the cost of providing private fire protection service from the fixed monthly charges it collects from those receiving the service. Prior to 2000, non-residential customers with compound meters were charged fixed monthly charges for water and wastewater service based upon the small flow register of their compound meter. Since 2000, the Utility has billed any new non-residential customer with a compound meter the fixed monthly

charge based upon the large flow register of their compound meter, while any meters in-place prior to 2000 were "grandfathered" and, unless a change occurs in property ownership, have continued to be charged based upon the small flow register of the compound meter. Effective October 1, 2020, all non-residential accounts receiving private fire protection services from the County will receive a fixed charge based upon the small flow register of their compound meter. The projected operating results presented in the Feasibility Report reflect the estimated revenue impacts associated with this change.

Furthermore, the County is currently evaluating its commercial water and wastewater volumetric rates and fixed monthly charges in an effort to achieve greater interclass equity, by addressing the interclass differentials in effective rates, while mitigating gradually over time the revenue loss associated with charging non-residential accounts with compound meters according to their small flow register. While the County continues its evaluation, for the purposes of the Feasibility Report, the 3.00% annual rate adjustments are assumed effective each October 1 of the forecast period.

Rate and Connection Fee Comparison

A comparison of the cost of providing monthly water and wastewater service for a residential single-family customer calculated under the County rates and rates of other neighboring utilities is provided below. The rates utilized for the utilities shown were calculated based upon the Fiscal Year 2020 water and wastewater rates.

Monthly Water & Wastewater Bill Comparison - Municipal Survey Single-Family Residential Service, Assuming 5,000 Gallons per Month

Entity	Water	Wastewater	Total
Local Municipalities Surveyed:			
Cocoa	33.54	53.54	87.08
Melbourne	30.85	46.08	76.93
Oviedo	20.66	50.66	71.32
Mt. Dora	19.32	51.66	70.99
Casselberry	20.89	48.72	69.61
Maitland	19.22	49.69	68.91
Sanford	19.04	40.20	59.24
Orlando Utilities Commission/Orlando	13.67	44.31	57.98
Ocoee	19.13	38.38	57.51
Orange County	14.45	37.79	52.24
Winter Park	15.62	34.73	50.35
Apopka	15.93	28.73	44.66
Lake Mary	10.75	30.10	40.85
Altamonte Springs	13.69	26.16	39.85
Winter Garden	11.34	26.16	37.50
Local Municipalities Surveyed - Average:	\$18.54	\$40.46	\$59.00

Source: Financial Feasibility Report dated _____, 2020.

Monthly Water & Wastewater Bill Comparison - County Survey
Single-Family Residential Service, Assuming 5,000 Gallons per Month

Entity	Water	Wastewater	Total
Florida Counties Surveyed:			
Collier County	\$39.21	\$60.03	\$99.24
Columbia County	32.65	64.76	97.41
Polk County	21.66	68.54	90.20
Volusia County (East)	35.84	46.91	82.75
Brevard County	36.88	44.59	81.47
Lee County	28.94	49.70	78.64
Volusia County (West)	25.94	46.91	72.85
Pinellas County	29.05	42.26	71.31
Marion County	18.70	51.23	69.93
Broward County	25.54	44.11	69.65
Seminole County	20.35	48.57	68.92
Manatee County	20.85	47.69	68.54
Okaloosa County	25.69	42.76	68.45
Pasco County	19.59	48.25	67.84
Toho Water Authority (Osceola County)	13.99	38.34	52.33
Orange County	14.45	37.79	52.24
Hillsborough County	12.93	38.73	51.66
Palm Beach County	20.76	24.68	45.44
Miami-Dade County	14.40	30.17	44.58
Florida Counties Surveyed - Average:	\$24.07	\$46.11	\$70.18

Source: Financial Feasibility Report dated _____, 2020.

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The County requires that all new and expanded capacity connections to the water and wastewater systems pay connection fees, also commonly referred to as capital charges, impact fees, capacity charges, or system development charges, to recover the County's investment in expansion-related capital projects. These fees are one-time charges that are required to be maintained in separate accounts and used solely for system expansions.

The table below compares the County's current water and wastewater connection fees per equivalent residential connection ("ERC") and equivalent residential unit ("ERU"), respectively. The fees utilized for the utilities shown were calculated based upon the Fiscal Year 2020 water and wastewater connection fees.

**Connection Fee Comparison - Municipal Survey
Connection Fee Per ERC/ERU**

Entity	Water	Wastewater	Total
Local Municipalities Surveyed:			
Ocoee	\$2,210	\$6,554	\$8,764
Apopka	3,367	5,294	8,661
Oviedo	2,325	3,490	5,815
Orlando Utilities Commission/Orlando	3,187	2,538	5,725
Mt. Dora	1,340	4,215	5,555
Orange County	1,970	3,570	5,540
Maitland	1,035	4,045	5,080
Sanford	1,193	2,688	3,881
Winter Park	1,100	2,700	3,800
Melbourne	1,540	2,210	3,750
Lake Mary	1,010	2,664	3,674
Cocoa	1,750	1,250	3,000
Altamonte Springs	600	2,255	2,855
Winter Garden	1,086	1,767	2,853
Casselberry	600	1,324	1,924
Local Municipalities Surveyed - Average:	\$1,621	\$3,104	4,725

Source: Financial Feasibility Report dated _____, 2020.

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The table below presents the comparative survey of other counties throughout the State.

Connection Fee Comparison - County Survey
Connection Fee Per ERC/ERU

Entity	Water	Wastewater	Total
Florida Counties Surveyed:			
Polk County	\$2,844	\$4,195	\$7,039
Collier County	3,382	3,314	6,696
Toho Water Authority (Osceola County)	2,415	3,450	5,865
Hillsborough County	2,214	3,651	5,865
Columbia County	1,900	3,800	5,700
Orange County	1,970	3,570	5,540
Marion County	1,659	3,844	5,503
Lee County	2,440	2,660	5,100
Manatee County	1,738	3,175	4,913
Volusia County (East)	1,546	2,936	4,482
Pasco County	1,561	2,730	4,291
Volusia County (West)	1,334	2,936	4,270
Brevard County	1,903	2,257	4,160
Palm Beach County	1,903	2,257	4,160
Okaloosa County	800	3,200	4,000
Broward County	1,590	2,010	3,600
Seminole County	1,054	2,229	3,283
Miami-Dade County	487	1,960	2,447
Pinellas County	352	2,060	2,412
Florida Counties Surveyed - Average:	\$1,742	\$2,960	\$4,701

Source: Financial Feasibility Report dated _____, 2020.

HISTORICAL AND PROJECTED OPERATING RESULTS

The historical revenues and expenses of the System for Fiscal Years 2015 through 2019 are summarized in the table below. The historical results are based upon audited information from the County's Comprehensive Annual Financial Reports ("CAFR") for Fiscal Years 2015 through 2019 and reflects the requirements of the Resolution. The projections are based on certain assumptions and estimates and no representation is made that any of the assumptions or estimates are valid or that any of such projections will be realized. While the Feasibility Consultant believes its assumptions and estimates are reasonable, said assumptions and estimates are dependent on future events and actual conditions may differ from those assumed. To the extent that actual conditions differ from those assumed by the Feasibility Consultant, the actual operating results of the System will vary from such projections. There can be no assurance that such projections will be realized. In summary, as provided in the Resolution, Gross Revenues less Operating Expenses results in Net Revenues available for debt service.

**Historical Operating Results⁽¹⁾
Last Five Fiscal Years**

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Gross Revenue					
Charges for Services - Water ⁽²⁾	\$ 45,736,737	\$ 48,073,846	\$ 52,326,367	\$ 52,640,677	\$ 55,333,454
Charges for Services - Wastewater ⁽³⁾	114,901,425	122,657,765	131,154,191	139,139,276	145,687,239
Other Miscellaneous Revenue ⁽⁴⁾	4,701,243	4,682,680	5,922,542	7,241,109	8,317,025
Total Gross Revenues	\$ 165,339,405	\$ 175,414,291	\$ 189,403,100	\$ 199,021,062	\$ 209,337,718
Interest Income ⁽⁵⁾	1,447,826	1,004,354	852,927	1,374,488	5,158,476
Less Operating Expenses					
Personal Services	\$ (45,191,375)	\$ (46,213,348)	\$ (49,363,637)	\$ (53,305,549)	\$ (55,093,659)
Operating and Maintenance ⁽⁶⁾	(69,071,256)	(78,654,511)	(78,556,075)	(88,466,938)	(96,674,901)
Total Operating Expenses	\$(114,262,631)	\$(124,867,859)	\$(127,919,712)	\$(141,772,487)	\$(151,768,560)
Less Required Deposits to Specified Accounts	-	\$ (969,012)	\$ (1,402,910)	\$ (1,697,742)	\$ (2,136,509)
Net Revenues Available for Debt Service	\$ 52,524,600	\$ 50,581,774	\$ 60,933,405	\$ 56,925,321	\$ 60,591,125
Senior Lien Debt Service Requirement ⁽⁷⁾	-	\$ (1,008,991)	\$ (2,905,894)	\$ (6,170,894)	\$ (6,172,644)
Senior Lien Debt Service Coverage (1.10 Required)	NA	50.13	20.97	9.22	9.82
Less Senior Lien Debt Service	-	\$ (1,008,991)	\$ (2,905,894)	\$ (6,170,894)	\$ (6,172,644)
Net Revenues Available for Subordinate Debt	\$ 52,524,600	\$ 49,572,783	\$ 58,027,511	\$ 50,754,427	\$ 54,418,481
Subordinate Debt Service Requirement	\$ (1,907,487)	\$ (2,658,673)	\$ (3,083,307)	\$ (3,051,891)	\$ (7,509,776)
Subordinate Debt Service Coverage (1.15 Required)	27.54	18.65	18.82	16.63	7.25
Less All Debt Service	\$ (1,907,487)	\$ (3,667,664)	\$ (5,989,201)	\$ (9,222,785)	\$ (13,682,420)
Net Revenues Available for Capital Improvements and Other System Requirements	\$ 50,617,113	\$ 46,914,110	\$ 54,944,204	\$ 47,702,536	\$ 46,908,705

(1) Historical operating results through September 30, 2019 are as reported in each of the County's Comprehensive Annual Financial Reports for each respective Fiscal Year.

(2) Amounts shown include rate revenues from residential and commercial water accounts, including water conservation tiers 3, 4, and 5.

(3) Amounts shown include rate revenues from residential, commercial, and OUC wastewater accounts, including sewer environmental surcharge revenues, reclaimed water account revenues, and industrial user revenues.

(4) Amounts shown include revenues such as meter test fees, late payment fees, and other revenue associated with the application of miscellaneous fees and charges, which are considered operating revenues of the System based upon generally accepted accounting principles. Amounts do not include any gain on disposal of assets or grant proceeds.

(5) Amounts shown include realized interest and investment earnings on available funds. Amounts do not include earnings on water and wastewater connection fees or other funds restricted for capital.

(6) Amounts shown do not include minor capital outlays, depreciation, or amortization expenses.

(7) There was no senior lien debt service requirement in Fiscal Year 2015, as all outstanding bonds were retired in Fiscal Year 2014.

Source: Financial Feasibility Report dated _____, 2020.

Projected Operating Results Debt Service Coverage

The projected annual revenues and expenses of the System for the five Fiscal Years beginning on October 1, 2020 and ending September 30, 2025 are based upon the Fiscal Year 2020 Budget and the Fiscal Year 2021 proposed budget adjusted annually for projected growth, rate adjustments, and cost inflation assumptions developed in consultation with County staff.

Projected Operating Results

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Gross Revenue						
Charges for Services - Water ⁽²⁾	\$ 57,673,607	\$ 57,938,546	\$ 60,413,818	\$ 63,021,190	\$ 65,767,442	\$ 68,659,717
Charges for Services - Wastewater ⁽³⁾	153,509,133	154,057,969	162,997,602	172,358,058	182,265,326	193,117,822
Other Miscellaneous Revenue ⁽⁴⁾	7,580,030	7,340,633	7,395,795	7,452,059	7,509,449	7,567,987
Total Gross Revenues	<u>\$218,762,770</u>	<u>\$219,337,148</u>	<u>\$230,807,215</u>	<u>\$242,831,307</u>	<u>\$255,542,218</u>	<u>\$269,345,525</u>
Interest Income ⁽⁵⁾	\$ 697,073	\$ 821,524	\$ 852,032	\$ 990,814	\$ 1,016,754	\$ 1,047,457
Less Operating Expenses						
Personal Services	\$ (58,545,514)	\$ (61,431,583)	\$ (64,098,419)	\$ (66,884,503)	\$ (69,795,360)	\$ (72,836,779)
Operating and Maintenance ⁽⁶⁾	(89,365,516)	(94,905,811)	(97,254,863)	(100,016,887)	(103,810,558)	(106,384,538)
Total Operating Expenses	<u>\$ (147,911,030)</u>	<u>\$ (156,337,394)</u>	<u>\$ (161,353,283)</u>	<u>\$ (166,901,390)</u>	<u>\$ (173,605,918)</u>	<u>\$ (179,221,317)</u>
Net Revenues Available for Debt Service	\$ 71,548,813	\$ 63,821,279	\$ 70,305,964	\$ 76,920,730	\$ 82,953,054	\$ 91,171,666
Senior Lien Debt Service Requirement	\$ (6,171,144)	\$ (12,042,620)	\$ (19,425,975)	\$ (23,178,007)	\$ (28,705,316)	\$ (32,591,813)
Senior Lien Debt Service Coverage <i>(1.20 Required)</i>	11.59	5.30	3.62	3.32	2.89	2.80
Less Senior Lien Debt Service	\$ (6,171,144)	\$ (12,042,620)	\$ (19,425,975)	\$ (23,178,007)	\$ (28,705,316)	\$ (32,591,813)
Net Revenues Available for Subordinate Debt	\$ 65,377,669	\$ 51,778,659	\$ 50,879,989	\$ 53,742,723	\$ 54,247,737	\$ 58,579,853
Subordinate Debt Service Requirement	\$ (7,363,721)	\$ (7,363,721)	\$ (7,363,721)	\$ (7,363,721)	\$ (7,363,721)	\$ (7,363,721)
Subordinate Debt Service Coverage <i>(1.15 Required)</i>	8.88	7.03	6.91	7.30	7.37	7.96
Less All Debt Service	\$ (13,534,864)	\$ (19,406,340)	\$ (26,789,696)	\$ (330,541,728)	\$ (36,069,037)	\$ (39,955,533)
Net Revenues Available for CIP & Other	<u>\$ 58,013,949</u>	<u>\$ 44,414,939</u>	<u>\$ 43,516,268</u>	<u>\$ 46,379,002</u>	<u>\$ 46,884,017</u>	<u>\$ 51,216,132</u>

(1) Minor addition/subtraction variances are due to rounding.

(2) Amounts shown include rate revenues from residential and commercial water accounts, including water conservation tiers 3, 4 and 5.

(3) Amounts shown include rate revenues from residential, commercial, and OUC wastewater accounts, including sewer environmental surcharge revenues, reclaimed water account revenues, and industrial user revenues.

(4) Amounts shown include revenues such as meter test fees, late payment fees, and other revenue associated with the application of miscellaneous fees and charges, which are considered operating revenues of the System based upon generally accepted accounting principles. Amounts do not include any gain on disposal of assets or grant proceeds.

(5) Amounts shown include realized interest and investment earnings on available funds. Amounts do not include earnings on water and wastewater connection fees or other funds restricted for capital.

(6) Amounts shown do not include minor capital outlays, depreciation, or amortization expenses.

Source: Financial Feasibility Report dated _____, 2020.

THE CAPITAL IMPROVEMENT PROGRAM

The County identified \$117,036,433 in capital improvement expenditures for the water system, \$657,976,060 for the wastewater system, and \$59,667,938 in other capital expenditures for Fiscal Year 2021 through Fiscal Year 2025 (five-year period ending September 30, 2025). Over the next five years, the total planned new capital improvement plan expenditures amount to \$834,680,431, not including funds carried over from previous years. The table below summarizes capital improvement plan funding amounts on an annual basis from 2020 through 2025.

Five Year CIP Summary

Fiscal Year	Water	Wastewater	Other ⁽¹⁾	Total
2021	\$35,297,933	\$148,076,437	\$8,705,229	\$192,079,599
2022	33,168,852	155,664,452	17,852,687	206,685,991
2023	23,020,701	146,888,561	15,662,130	185,571,392
2024	14,133,394	118,612,653	14,313,130	147,059,177
2025	11,415,553	88,733,957	3,134,762	103,284,272
Total	\$117,036,433	\$657,976,060	\$59,667,938	\$834,680,431

⁽¹⁾ Projects categorized as "other" include projects related to customer support, asset management, information management, and building improvements, among others. Some of the major projects classified as "other" include: Customer Information System Phase III, Utilities Network Enhancements, Maximo Enhancements, and construction of the Eastern Operations Center.

Source: Engineer's Report

The capital improvement plan includes 76 water/wastewater facilities projects, 262 collection system/distribution/force main repair and replacement projects, 50 new transmission projects, 9 alternative water projects and 33 "other" projects (Eastern Utilities Operations Building, billing, software, etc.). Major water facility projects include improvements in the East and West service areas and construction of the Malcolm Road Water Supply Facility and wells. Improvements at SWRF make up much of the wastewater facility improvements budget. A detailed listing of all capital improvement plan projects and funding sources are provided in "APPENDIX D - FINANCIAL FEASIBILITY REPORT" attached hereto.

Conclusions of the Feasibility Consultant

The Feasibility Consultant concludes based upon the principal considerations and assumptions and the results of their analyses, as summarized in their report, that:

1. The System is financially well managed, and the administrative staff is capable of addressing the administrative and financial needs of the System.
2. Historical operating revenues and expenses reflect favorable results for Fiscal Years 2015 through 2019.
3. Gross Revenue for Fiscal Years 2020 through 2021 under the System's existing rates and proposed annual rate adjustments are projected to be sufficient to: (i) pay projected Operating Expenses; (ii) pay Annual Debt Service; (iii) maintain the minimum Renewal and

Replacement Fund requirement; (iv) maintain the minimum operating reserve balance equal to at least 60 days of Operating Expenses; (v) provide positive annual contributions to the reserve fund for future System needs; and (vi) provide Net Revenues that exceed one hundred twenty percent (120%) of the Debt Service on its Bonds in each respective Fiscal Year.

4. The existing and projected Gross Revenues and Operating Expenses, described in the Feasibility Report, are reasonable based on the System's historic data, anticipated changes in accounts and billed usage, and the approved rate adjustments discussed in the Feasibility Report.

5. The County's charges for monthly water, wastewater and reclaimed water service as well as its water and wastewater connection fees, are reasonable when compared to other local municipalities and counties throughout the State.

6. Proposed annual rate increases of 3% through Fiscal Year 2025, if enacted, are reasonable and are anticipated to result in charges for services that will continue to be comparable to other local municipalities and counties throughout the State.

7. Pursuant to Resolution No. 2020-M-19, project proceeds will reimburse the County approximately \$69.7 million for funding of projects identified within the 2020 Project description list included as Exhibit A of the Resolution.

8. Nothing has come to the Feasibility Consultant's attention that would adversely affect the continued operating and financial condition of the System.

PENSION AND OTHER POST EMPLOYMENT BENEFITS

All of the OCU's employees participate in the Florida Retirement System (the "FRS"). As provided by Florida statute, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement including the FRS Pension Plan (the "Pension Plan") and the Retiree Health Insurance Subsidy (the "HIS Plan"). As required by statute, FRS also provides a defined contribution plan alternative to the Pension Plan (the "Investment Plan"), which is administered by the State Board of Administration. The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000 or from the website: www.dms.myflorida.com/workforce_operations/retirement/publications.

The System's contribution to the Pension Plan totaled \$3,222,232 for the fiscal year ended September 30, 2019 and the System reported a liability of \$34,791,165 for its proportionate share of the Board's Pension Plan's net pension liability as of September 30, 2019. The System's contribution to the HIS Plan totaled \$730,887 as of September 30, 2019 and the System reported a liability of \$14,509,196 for its proportionate share of the Board's HIS Plan's net pension liability as of September 30, 2019. The System's Investment Plan pension expense totaled \$427,364 for the fiscal year ended September 30, 2019. See "APPENDIX C – AUDITED BASIC FINANCIAL STATEMENTS AND REQUIRED SUPPLEMENTARY INFORMATION OF THE ORANGE

COUNTY, FLORIDA WATER UTILITIES SYSTEM FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2019 AND 2018" attached hereto.

In addition to the pension benefits, the System offers a postemployment benefit ("OPEB") plan that subsidizes the cost of health care for its retirees and eligible dependents. In 2007, the County established the Orange County Health Care Benefit Trust (the "Trust"), a qualified irrevocable trust and single employer defined benefit OPEB plan for, and administered by, the Board and five of the County's six constitutional officers (the County Comptroller, the Property Appraiser, the Sheriff, the Supervisor of Elections, and the Tax Collector). The Trust established by the County will cover benefits that have been approved by the Board for county employees and the constitutional officers, with the exception of the Clerk of Courts who is responsible for the establishment of her own trust fund. The Board has the authority to establish and amend the OPEB plan and engages an actuarial firm to determine each participant's estimated obligation and actuarially determined contribution ("ADC").

The County's net OPEB liability was measured to be \$50,456,715 as of September 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation of that date. Funding the actuarially determined OPEB costs of the County and the Clerk has not had a significant impact on operating costs or financial position. A full presentation of the Trust and OPEB plan assets, liabilities, and actuarial methods and assumptions is included in the Orange County, Florida Comprehensive Annual Financial Report which may be found at <https://www.occompt.com/finance/financial-reports/>. Separate stand-alone financial statements for the Trust are not prepared.

For Fiscal Year 2019, the System's ADC payment was \$472,410 representing 1.11% of the System's covered payroll amount of \$42,490,963. The System recognized OPEB expense of \$360,997 for Fiscal Year 2019. See, "APPENDIX C - AUDITED BASIC FINANCIAL STATEMENTS AND REQUIRED SUPPLEMENTARY INFORMATION OF THE ORANGE COUNTY, FLORIDA WATER UTILITIES SYSTEM FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2019 AND 2018" attached hereto.

RISK FACTORS

The future financial condition of the System could be affected adversely by, among other things, legislation, environmental and other regulatory actions as set forth above, changes in demand for services, economic conditions, demographic changes and litigation. The County's System is subject to regulation and control by numerous federal, state and local governmental agencies. The County cannot predict future policies such agencies may adopt. Future changes could result in the County having to discontinue operations at certain facilities or to make unanticipated and significant capital expenditures and could generate substantial litigation.

CERTAIN IMPACTS OF COVID-19 ON NET REVENUES AND COUNTY ECONOMICS

A novel coronavirus outbreak first identified in 2019 is causing coronavirus disease 2019 ("COVID-19"), which was characterized by the World Health Organization on March 11, 2020, as a pandemic. Responses to COVID-19 have varied at the local, state and national levels. In response to the public health crisis created by COVID-19, the Governor of the State of Florida issued Executive Order No. 2020-52 on March 9, 2020, declaring a state of emergency in the State of Florida (the "State"). The declaration allows for certain executive actions to respond to the increasing number of COVID-19 cases in the State. The Governor has subsequently issued numerous additional executive orders in response to COVID-19, in an effort to reduce community spread of the virus and protect Florida's most vulnerable citizens. These measures have included, among others, closing or restricting access to certain businesses and activities, restricting nonessential travel and screening persons traveling into the State, suspension of vacation rental property operations, and limiting movement of all persons in the State to those necessary to obtain or provide essential services or conduct essential activities. The Governor has also issued executive orders lifting many of the restrictions in order to lead to the economic recovery of the State.

The County's Mayor also issued a series of executive orders to, among other things, implement a shelter in place directive and banning all nonessential gatherings; and at certain points, establishing a curfew. The Mayor also convened an advisory council comprised of representatives from organizations and businesses in the County to advise the Mayor on the measures necessary to be in place and the steps to be taken to end the Mayor's shelter in place order, and to reopen the County for business, tourism, entertainment and nightlife, congregational worship, large gatherings, and athletic events.

Since the pandemic declaration, COVID-19 has negatively affected travel, commerce, and financial markets globally, and is widely expected to continue to negatively affect economic growth and financial markets worldwide, including within Florida and the County. How long this negative impact will last cannot be determined at this time. While the foregoing describes certain risks related to the current outbreak of COVID-19, the same risks may be associated with any contagious epidemic or pandemic or disease.

While the effects of COVID-19 may be temporary, it has altered the behavior of businesses and people in a manner resulting in negative impacts on global and local economies. The continued spread of COVID-19, and measures taken to prevent or reduce it, adversely impacted state, national and global economic activities and, accordingly, adversely impacted the financial condition and performance of the State and the County, and the extent of that impact could be material. During the crisis, stock markets in the U.S. and globally saw significant declines that have been attributed, at least in part, to the COVID-19 concerns.

While the impact of COVID-19 on the County and the Net Revenues is uncertain at this time, the County is monitoring and will address such impacts as they arise. For the Fiscal Year ended September 30, 2020, the County received approximately ___% of the total budgeted revenues. Specifically, as it relates to the Net Revenues, due to the time lag between local economic collection activity and the availability of state and local collections data, the County

cannot yet predict with certainty the percentage decrease in such revenue sources as a result of COVID-19. The County's collection of Net Revenues have not been as adversely impacted as other revenues of the County which are more dependent upon tourism. Net Revenues collected during the _____ month period ended _____, 2020 (unaudited) [declined/remained consistent, etc.] _____% as compared to the _____ month period ended _____, 2019. [The County proactively proposed expenditure reductions to mitigate such impact.]

As set forth in the Engineering Report, for January through August 2020, a general short-term decline in demand was observed for several of the County's South Service Area facilities, notably the Southern Regional Water Supply Facility. This is likely a result of a temporary reduction in non-permanent population, as the South Service Area includes several tourism-based businesses. However, the other service areas showed no decline in water demand during this period. Overall, the total water supply facility demand increased by about 10 percent between February and May 2020, which is typical because of increased outdoor irrigation during the warm, dry spring months. Additionally, the total average daily demand for January through August 2020 is comparable to demand for the same months for every year since 2010. Based on these data, it appears that the economic impacts of COVID 19 had very little effect on OCU potable water demand.

The percent change in wastewater flow for each water reclamation facility was calculated between February and May to estimate how flows may have changed because of the stay at home orders. No significant trend is observed for EWRF or NWRf; however, a significant temporary reduction in wastewater flow to SWRF (on the order of 10 mgd or more) is apparent.

The wastewater collection area for SWRF, which includes all the South Service Area and some of the Southwest Service Area, includes the County's major tourism areas, with numerous hotels, theme parks, shops, and more. The reduction in wastewater flow to SWRF in March through May 2020 is likely a result of a temporary reduction in non-permanent tourist population in the south/southwest areas of the County. SWRF wastewater flows are expected to increase as tourism, theme park attendance, and hotel occupancy ramp back up. Additionally, it is worth noting that OCU intentionally diverted increased volumes of wastewater flow from the South and Southwest service areas to RCID's wastewater treatment facility during this time. With its resorts closed and flows greatly reduced, RCID asked for temporary support from OCU in the form of extra wastewater influent to keep the RCID biological treatment system functioning.

In April 2020, the United States Treasury allocated \$243 million to the County in an effort to limit the severe economic impacts of the COVID-19 pandemic through the CARES Act of 2020. This grant provides funding to establish and operate COVID-19 testing and other health need sites within the County, serves to promote the County's protection of its tax base, mitigates the County's cost, and provides rapid economic relief to both individuals and small businesses in the County.

LITIGATION

Other than as disclosed herein, there is no pending or, to the knowledge of the County, any threatened litigation against the County which in any way questions or affects the validity of the

Series 2020 Bonds, or any proceedings or transactions relating to their issuance, sale or delivery, or the adoption of the Resolution, or the source of security described herein.

The County experiences claims, litigation, and various legal proceedings which individually are not expected to have a material adverse effect on the operations or financial condition of the County or the System, but may, in the aggregate, have a material impact thereon. In the opinion of the County Attorney, however, the County will either successfully defend such actions or otherwise resolve such matters without any material adverse consequences to the financial condition of the County.

CONTINUING DISCLOSURE

The County has agreed to execute a Continuing Disclosure Certificate, a form of which is attached hereto as APPENDIX G, concurrently with the issuance of the Series 2020 Bonds. Under the Continuing Disclosure Certificate, the County, as an "obligated party" under Rule 15c2-12(b)(5) of the Securities Exchange Act of 1934 (the "Rule") and, initially, the sole obligated party under the Continuing Disclosure Certificate, will provide certain financial information and operating data (the "Annual Information") relating to the County and notices of the occurrence of certain enumerated events with respect to the Series 2020 Bonds.

The Annual Information will be filed by or on behalf of the County to the Municipal Securities Rulemaking Board (the "MSRB") via its Electronic Municipal Market Access System ("EMMA"), or with such other repository as designated from time to time by the SEC. See "APPENDIX G - FORM OF CONTINUING DISCLOSURE CERTIFICATE" attached hereto. The nature of the information to be provided in the Annual Information and the notices of such enumerated events is set forth in "APPENDIX G - FORM OF CONTINUING DISCLOSURE CERTIFICATE" attached hereto. The Continuing Disclosure Certificate further provides that a default under the Continuing Disclosure Certificate shall not constitute an Event of Default under the Resolution.

In the previous five year period beginning October __, 2015 and ending October __, 2020, the County has not failed to comply, in any material respects, with any previous continuing disclosure undertakings entered into pursuant to the Rule.

The County has contracted with Digital Assurance Certification LLC ("DAC") to be a supplemental source of information for the County's bond issuances. Such services may be discontinued at any time. Information regarding this debt issuance may be found at the DAC internet site, www.dacbond.com.

FINANCIAL ADVISOR

The County has retained PFM Financial Advisors LLC, Orlando, Florida as Financial Advisor in connection with the preparation of the County's plan of financing and with respect to the authorization and issuance of the Series 2020 Bonds. The Financial Advisor is not obligated to undertake and has not undertaken to make an independent verification of the accuracy, completeness or fairness of the information contained in this Official Statement.

LEGAL MATTERS

Certain legal matters incident to the issuance of the Series 2020 Bonds and with regard to the tax-exempt status of the interest on the Series 2020 Bonds are subject to the legal opinions of Nabors, Giblin & Nickerson, P.A., Tampa, Florida and Ruye H. Hawkins, P.A., Orlando, Florida, whose legal services as Co Bond Counsel have been retained by the County. See "TAX MATTERS" herein. The signed legal opinions, dated and premised on law in effect as of the date of original delivery of the Series 2020 Bonds, will be delivered at the time of original delivery of the Series 2020 Bonds.

The proposed text of the legal opinions is set forth as "APPENDIX F - FORM OF CO-BOND COUNSEL OPINION" attached hereto. The actual legal opinions to be delivered may vary from that text if necessary to reflect facts and law on the date of delivery. The opinions will speak only as of their date and subsequent distribution by re-circulation of the Official Statement or otherwise shall create no implication that Co-Bond Counsel has reviewed or expresses any opinion concerning any of the matters referenced in the opinion subsequent to its date.

Certain legal matters will be passed upon for the County by Jeffrey J. Newton, County Attorney. Certain legal matters will be passed upon by the County's Co-Disclosure Counsel, Greenberg Traurig, P.A., Orlando, Florida, and Debi V. Rumph, Orlando, Florida.

TAX MATTERS

Opinion of Co-Bond Counsel

In the opinion of Co-Bond Counsel, the form of which is included as APPENDIX F hereto, the interest on the Series 2020 Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax under existing statutes, regulations, rulings and court decisions. Failure by the County to comply subsequently to the issuance of the Series 2020 Bonds with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code") including, but not limited to, requirements regarding the use, expenditure and investment of Series 2020 Bond proceeds and the timely payment of certain investment earnings to the Treasury of the United States, may cause interest on the Series 2020 Bonds to become includable in gross income for federal income tax purposes retroactive to their date of issue. The County has covenanted in the Resolution to comply with all provisions of the Code necessary to, among other things, maintain the exclusion from gross income of interest on the Series 2020 Bonds for purposes of federal income taxation. In rendering its opinion, Co-Bond Counsel has assumed continuing compliance with such covenants.

Internal Revenue Code of 1986

The Code contains a number of provisions that apply to the Series 2020 Bonds including, among other things, restrictions relating to the use or investment of the proceeds of the Series 2020 Bonds and the payment of certain arbitrage earnings in excess of the "yield" on the Series 2020 Bonds to the Treasury of the United States. Noncompliance with such provisions may result in

interest on the Series 2020 Bonds being included in gross income for federal income tax purposes retroactive to their date of issue.

Collateral Tax Consequences

Except as described above, Co-Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of the Series 2020 Bonds. Prospective purchasers of the Series 2020 Bonds should be aware that the ownership of the Series 2020 Bonds may result in other collateral federal tax consequences. For example, ownership of the Series 2020 Bonds may result in collateral tax consequences to various types of corporations relating to (1) denial of interest deduction to purchase or carry such Series 2020 Bonds, (2) the branch profits tax, and (3) the inclusion of interest on the Series 2020 Bonds in passive income for certain Subchapter S corporations. In addition, the interest on the Series 2020 Bonds may be included in gross income by recipients of certain Social Security and Railroad Retirement benefits.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2020 BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL OR CORPORATE BONDHOLDERS INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE BONDHOLDERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.

Other Tax Matters

Interest on the Series 2020 Bonds may be subject to state or local income taxation under applicable state or local laws in other jurisdictions. Purchasers of the Series 2020 Bonds should consult their tax advisors as to the income tax status of interest on the Series 2020 Bonds in their particular state or local jurisdictions.

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2020 Bonds. In some cases, these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the Series 2020 Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2020 Bonds and their market value. No assurance can be given that additional legislative proposals will not be introduced or enacted that would or might apply to, or have an adverse effect upon, the Series 2020 Bonds. For example, proposals have been discussed in connection with deficit spending reduction, job creation and other tax reform efforts that could significantly reduce the benefit of, or otherwise affect the exclusion from gross income of, interest on obligations such as the Series 2020 Bonds. The further introduction or enactment of one or more of such proposals could affect the market price or marketability of the Series 2020 Bonds.

Original Issue Discount

Certain of the Series 2020 Bonds (the "Discount Bonds") may be offered and sold to the public at an original issue discount, which is the excess of the principal amount of the Discount Bonds over the initial offering price to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers, at which price a substantial amount of the Discount Bonds of the same maturity was sold. Original issue discount represents interest which is excluded from gross income for federal income tax purposes to the same extent as interest on the Series 2020 Bonds. Original issue discount will accrue over the term of a Discount Bond at a constant interest rate compounded semi-annually. A purchaser who acquires a Discount Bond at the initial offering price thereof to the public will be treated as receiving an amount of interest excludable from gross income for federal income tax purposes equal to the original issue discount accruing during the period he holds such Discount Bonds and will increase its adjusted basis in such Discount Bonds by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or other disposition of such Discount Bonds. The federal income tax consequences of the purchase, ownership and prepayment, sale or other disposition of Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those above. Owners of Discount Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, prepayment or other disposition of such Discount Bonds and with respect to the state and local tax consequences of owning and disposing of such Discount Bonds.

Original Issue Bond Premium

Certain of the Series 2020 Bonds (the "Premium Bonds") may be offered and sold to the public at a price in excess of the principal amount of such Premium Bond, which excess constitutes to an initial purchaser amortizable bond premium which is not deductible from gross income for Federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of the Premium Bonds which term ends on the earlier of the maturity or call date for each Premium Bond which minimizes the yield on said Premium Bonds to the purchaser. For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation in the initial offering to the public at the initial offering price is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Premium Bonds. The federal income tax consequences of the purchase, ownership and sale or other disposition of Premium Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. Owners of the Premium Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

RATINGS

The Series 2020 Bonds have been assigned ratings of "____" by S&P Global Ratings and "____" by Fitch Ratings (collectively, the "Rating Agencies"). Such ratings reflect only the respective views of such Rating Agencies, and an explanation of the significance of such ratings may be obtained from the respective Rating Agencies. Any downward change in or suspension or withdrawal of such ratings may have an adverse effect on the market price of the Series 2020 Bonds.

ENFORCEABILITY OF REMEDIES

The remedies available to the owners of the Series 2020 Bonds upon an Event of Default under the Resolution and the Municipal Bond Insurance Policy, if any, are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, the remedies specified by the Resolution and the Municipal Bond Insurance Policy, if any, may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2020 Bonds, including Co-Bond Counsel's approving opinion, will be qualified, as to the enforceability of the various legal instruments, by limitations imposed by (i) bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery, (ii) principles of equity, and (iii) exercise of governmental police powers. See "APPENDIX B – FORM OF RESOLUTION" attached hereto for a description of events of default and remedies.

UNDERWRITING

The Series 2020 Bonds are being purchased by [_____] (the "Underwriter"), subject to certain terms and conditions.

The Underwriter shall purchase the Series 2020 Bonds at an aggregate price of \$_____ (equal to the principal amount of the Series 2020 Bonds, less Underwriter's discount of \$_____, plus/minus net bond premium/discount of \$_____). The Series 2020 Bonds are offered for sale to the public at the prices set forth on the inside front cover page of this Official Statement. The Series 2020 Bonds may be offered and sold to certain dealers at prices lower than such offering prices, and such public offering prices may be changed, from time to time, by the Underwriter.

FINANCIAL REPORTS

The audited basic financial statements and required supplementary information of the County for the years ended September 30, 2019 and 2018 attached hereto as "APPENDIX C – AUDITED BASIC FINANCIAL STATEMENTS AND REQUIRED SUPPLEMENTARY INFORMATION OF THE ORANGE COUNTY, FLORIDA WATER UTILITIES SYSTEM FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2019 AND 2018", have been audited by Cherry Bekaert, L.L.P., independent auditors, as stated in their report included in APPENDIX C attached hereto. The consent of the County's auditor to include in this Official Statement the

aforementioned report was not requested, and the general purpose financial statements of the County are provided only as publicly available documents. The auditor was not requested nor did they perform any other procedures with respect to the preparation of this Official Statement or the information presented herein.

The Series 2020 Bonds are payable solely from the Pledged Funds as described in the Resolution and the Series 2020 Bonds are not otherwise secured by, or payable from, the general revenues of the County. The basic financial statements and required supplementary information attached hereto as APPENDIX C are presented for general information purposes only.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Florida law requires the County to make a full and fair disclosure of any bonds or other debt obligations which it has issued or guaranteed and which are or have been in default as to principal or interest at any time after December 31, 1975 (including bonds or other debt obligations for which it has served as a "conduit" issuer). The County is not and has not been, since December 31, 1975, in default as to principal and interest on bonds or other debt obligations which it has issued, whether as the principal obligor or as a conduit.

There are several special-purpose governmental authorities in the County that have served as conduit issuers of "private activity" bonds for such purposes as housing, industrial development, and health care. Defaults have occurred in connection with some of those bonds. However, these governmental authorities are legally separate and distinct from the County, and the County has no liability whatsoever for the payment of such defaulted bonds.

FORWARD LOOKING STATEMENTS

The Official Statement contains certain "forward looking statements" concerning the County's and the System's operations, performance and financial condition, including its future economic performance, plans and objectives and the likelihood of success. These statements are based upon a number of assumptions and estimates which are subject to significant uncertainties, many of which are beyond the control of the County. The words "may," "would," "could," "will," "expect," "anticipate," "believe," "intend," "plan," "estimate," and similar expressions are meant to identify these forward-looking statements. Actual results may differ materially from those expressed or implied by these forward-looking statements.

CONTINGENT AND OTHER FEES

The County has retained Co-Bond Counsel, Co-Disclosure Counsel and the Financial Advisor with respect to the authorization, sale, execution and delivery of the Series 2020 Bonds. Payment of the fees to such professionals and an underwriting discount to the Underwriter (including the fees of their counsel) to be paid by the County are each contingent upon the issuance of the Series 2020 Bonds.

ACCURACY AND COMPLETENESS OF OFFICIAL STATEMENT

The references, excerpts, and summaries of all documents, statutes, and information concerning the County and certain reports and statistical data referred to herein do not purport to be complete, comprehensive and definitive and each such summary and reference is qualified in its entirety by reference to each such document for full and complete statements of all matters of fact relating to the Series 2020 Bonds, the security for the payment of the Series 2020 Bonds and the rights and obligations of the owners thereof and to each such statute, report or instrument. Copies of such documents may be obtained from the County's Financial Advisor, PFM Financial Advisors LLC, 300 S. Orange Avenue, Suite 1170, Orlando, Florida 32801, telephone (407) 406-5760.

The information contained in this Official Statement has been compiled from official and other sources deemed to be reliable and is believed to be correct as of the date of the Official Statement but is not guaranteed as to accuracy or completeness by and is not to be construed as a representation by, the Underwriter.

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Official Statement nor any statement that may have been made verbally or in writing is to be construed as a contract with the owners of the Series 2020 Bonds.

The appendices attached hereto are integral parts of this Official Statement and must be read in their entirety together with all foregoing statements.

MISCELLANEOUS

All information included herein has been provided by the County except where attributed to other sources. The information herein has been compiled from official and other sources and, while not guaranteed by the County, is believed to be correct. So far as any statements made in this Official Statement and the appendices attached hereto which involve matters of opinion or of estimates, whether or not expressly stated, they are set forth as such and not as representation of fact, and no representation is made that any of the estimates will be realized. Except as specified otherwise herein, the County specifically disclaims, and does not undertake, any obligation to further supplement, amend or update the information contained in this Official Statement to reflect the occurrence of any event or transaction since the date of this Official Statement. See "APPENDIX G - FORM OF CONTINUING DISCLOSURE CERTIFICATE" herein.

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AUTHORIZATION OF OFFICIAL STATEMENT

The delivery of this Official Statement has been duly authorized by the Board.

ORANGE COUNTY, FLORIDA

By: Board of County Commissioners

By: _____
County Mayor

APPENDIX A

GENERAL INFORMATION CONCERNING ORANGE COUNTY, FLORIDA

Orange County, Florida

General Information Concerning Orange County

Orange County, Florida (the "County") was established in 1824 and became a Charter County upon the enactment of its County Charter approved by the voters effective January 1, 1987. Its territorial limits as they presently exist were defined in 1913 and encompass approximately 1,000 square miles. Orlando, the County seat, is its principal city. It is located geographically in the approximate center of the State of Florida (the "State"), midway between Jacksonville to the north and Miami to the south, between the St. Petersburg-Tampa area on the Gulf of Mexico and Daytona Beach on the Atlantic Coast. Two of the State's major highways, Interstate 4 (for east-west travel) and the Florida Turnpike (for north-south travel), intersect ten miles southwest of downtown Orlando.* In 2019, the County had a population of 1,386,080*. For the period from 2010 to 2019, the population of the County increased from 1,145,956 to 1,386,080*. This represents an increase of approximately 21.0% for the County and an average annual increase of 2.0% for the 2010-2019 period.

*Estimates from BEBR, Florida Estimates of Population, April 1, 2019

Administration and Management

Board of County Commissioners; Home Rule Charter

The Board of County Commissioners of Orange County, Florida (the "Board") is the principal legislative and governing body of the County. The powers and duties of the Board are those prescribed by the State Constitution or by the Legislature, and those as described in the Orange County Charter. The Board's mailing address is: Orange County Administration Center, Post Office Box 1393, Orlando, Florida 32802-1393. The Board consists of six commissioners elected by the voters from single member districts of the County for terms of four years each and a County Mayor elected at-large by the voters of the County. The current commissioners and the years in which their terms expire are as follows:

<u>Commissioner</u>	<u>District</u>	<u>Term Began</u>	<u>Term Expires</u>
Betsy VanderLey	1	December 2016	December 2020
Christine Moore	2	December 2018	December 2022
Mayra Uribe**	3	December 2016	December 2020
Maribel Gomez Cordero	4	December 2018	December 2022
Emily Bonilla	5	December 2016	December 2020
Victoria P. Siplin*	6	December 2018	December 2022

* Reelected, serving consecutive terms

**Elected in 2018; completing the term of Peter Clarke who resigned to run for Mayor

Orange County, Florida

The County Mayor

The chief ceremonial and executive official of the County is the County Mayor (the "Mayor"). Prior to a charter amendment that was approved by the electors in November 2004, the Mayor was known as the County Chairman. The Mayor is eligible for two consecutive four-year terms. This official serves as the chair of the Board and exercises direct authority over the day-to-day operations of all elements of County government under the jurisdiction of the Board, consistent with the policies, ordinances and resolutions enacted by the Board. The current Mayor is Jerry Demings. Mayor Demings previously served as Orange County's Director of Public Safety; he was appointed to that position in 2002, and continued to serve the County as Sheriff from 2008-2018. He was elected to the position of Mayor in August 2018. The duties of the Mayor include the following:

- Manage the operation of all elements of county government under the jurisdiction of the Board, consistent with the policies, ordinances and resolutions enacted by the Board;
- Serve as chair of the Board of County Commissioners;
- Vote on all matters before the Board;
- Be responsible for the execution of all contracts and legal documents, but may delegate this authority;
- Prepare and publish agendas for all meetings of the Board and submit the annual budget estimate with a plan of action to meet the needs of the County for adoption by the Board;
- Appoint and dismiss heads of County departments, divisions and other agencies under the jurisdiction of the Board except that all such appointments shall be made annually and shall be subject to confirmation by the Board;
- Assure the faithful execution of all ordinances, resolutions and orders of the Board and all laws of the State which are subject to enforcement by the Mayor, or by officers who are subject under this Charter to the Mayor's direction and supervision;
- Present annually at a time designated by the Board, a "State of the County" message, setting forth programs and recommendations to the Board;
- Supervise the daily activities of employees;
- Serve as the official representative and ceremonial dignitary for the government of Orange County, with prerogative to issue proclamations;
- Sign ordinances, resolutions and documents for the Board;

Orange County, Florida

- Call the Board into regular and special session; and
- Carry out other powers and duties as required by this Charter or may be prescribed by the Board.

The County Comptroller

The County Comptroller's duties can be classified into three broad categories: financial, audit, and records administration. The Comptroller's specific roles include serving as chief financial officer, county auditor, clerk of the Board, recorder, and general custodian of all County funds and records. The County Comptroller is Phil Diamond, who was elected to the position in November 2016. Mr. Diamond is a tax attorney and CPA with over 30 years of professional business experience.

The County Administrator

The County Administrator is appointed by the Mayor and confirmed by the Board. The County Administrator serves at the pleasure of the Mayor and is employed on a full-time basis to assist the Mayor in the daily management of the County. Byron Brooks was appointed as the County Administrator in December 2018. Mr. Brooks previously served as Deputy County Administrator for Orange County and served most recently as the Chief Administrative Officer for the City of Orlando, a position he held since December 2005. Orlando is Orange County's largest municipality.

The County Attorney

The County Attorney is appointed by the Mayor and confirmed by the Board. The County Attorney serves at the pleasure of the Mayor and is employed on a full-time basis for providing legal services to the Mayor, the Board, the County Administrator and staff, all divisions and departments, and certain Constitutional Officers upon request. The current County Attorney is Jeffrey J. Newton.

Budget Process

The fiscal year in Orange County begins on October 1st, and runs to September 30th. The budget preparation and amendment process, by contrast, typically runs from January to December. The Office of Management and Budget ("OMB") maintains a financial projection model that includes current revenue and expenditure budgets, as well as projections for the next five years. The model is updated throughout the year, but the projections from January mark the commencement of the annual budget process. This model provides County management with a clear vision of the financial condition of the upcoming fiscal year budgets.

During February, the Mayor announces budget guidelines for all County departments and Constitutional Officers. In March, departments and divisions submit their proposed budgets to OMB for review. During the review process, OMB meets with the County Administrator and the Department management to insure that the budgets are prepared according to guidelines, and that the budgets represent an appropriate balance between needs and available resources.

Orange County, Florida

By July, spending plans are finalized and the proposed millage is established. The Mayor presents the proposed budget to the Board in July. The budget for the upcoming year becomes effective October 1 and the spending plan as authorized by the Board will be implemented and monitored throughout the fiscal year.

The Property Appraiser certifies the tax roll by July 1. Within 35 days thereafter, the Board must advise the Property Appraiser of the proposed and rolled-back millage rates. The rolled-back rate is that millage rate which, exclusive of new construction and certain other changes, will provide the same ad valorem tax revenue as was levied during the prior year, less the amount paid with regard to dedicated increment value.

Notices of proposed property taxes, which include proposed and rolled-back millage rates, are mailed to each taxpayer within 55 days after the date the tax roll is certified. Within 80 days, but not earlier than 65 days, after the Property Appraiser certifies the tax roll, the Board conducts a public hearing to adopt the tentative budget and millage rates. No sooner than two days nor later than 20 days after the first public hearing, a second public hearing is held to finally adopt the budget and millages. The millages adopted at the second public hearing cannot exceed those adopted at the first public hearing without individual taxpayers being sent an additional notice of proposed property taxes. The maximum allowable millage for the County cannot exceed 10 mills, exclusive of voter-approved levies.

The Board adopts the Five-Year Capital Improvements Program as required by the County's Growth Management Policy at public hearings during the budget process.

During December, OMB reconciles the actual fund balance brought forward with the amount projected during the budget process. This adjustment marks the conclusion of the annual budget process, as well as the beginning of the next year's process.

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Orange County, Florida

The following tables set forth the taxable assessed property valuations and tax levies and collections for Tax Roll years 2011 through 2020 for the County and the principal taxpayers in the County.

Taxable Assessed Property Valuations Orange County, Florida 2011 – 2020

<u>Fiscal Year⁽¹⁾</u>	<u>Taxable Real Property Valuation</u>	<u>Taxable Personal Property Valuation</u>	<u>Centrally Assessed Property Valuation⁽²⁾</u>	<u>Total Taxable Property Valuation</u>
2020	\$131,904,088,224	\$11,430,866,262	\$27,403,128	\$143,362,277,614
2019	119,789,583,912	10,706,112,454	27,367,445	130,523,063,811
2018	109,500,879,285	9,869,028,098	26,097,552	119,396,004,935
2017	100,116,720,293	9,115,396,832	17,223,118	109,249,340,243
2016	90,951,149,725	9,278,525,759	25,232,027	100,254,907,511
2015	81,499,288,702	8,623,319,056	23,632,177	90,146,239,935
2014	75,834,808,008	8,234,617,790	23,361,435	84,092,787,233
2013	73,004,944,709	8,033,864,168	21,634,788	81,060,443,665
2012	73,277,233,801	7,991,129,432	22,076,031	81,290,439,264
2011	75,469,110,719	8,105,120,427	12,538,415	83,586,769,561

⁽¹⁾ Information is reported based on the fiscal year in which associated tax revenue is recognized – e.g., the 2019 tax roll data is reported here for Fiscal Year 2020, as that is the period of collection and revenue recognition.

⁽²⁾ Centrally Assessed Property consists of railroad property assessed by the State of Florida.

Source: Orange County Property Appraiser's Office

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Orange County, Florida

Tax Levies and Collections Orange County, Florida 2011 – 2020

Fiscal Years Ended 9/30	Countywide Base Millage	Property Taxes Levied ⁽¹⁾	Tax Discount ⁽²⁾	Net Tax Collections ⁽³⁾	Total Tax Collections ⁽⁴⁾	Gross Tax Collection Versus Taxes Levied ⁽⁵⁾
2020	4.4347	\$637,443,043	\$23,267,854	\$607,456,022	\$608,719,663	98.95%
2019	4.4347	580,978,822	21,109,618	557,000,174	557,551,802	99.51
2018	4.4347	530,319,360	19,279,362	508,298,085	508,629,700	99.48
2017	4.4347	485,362,673	17,547,277	464,484,989	465,642,086	99.31
2016	4.4347	447,590,592	16,043,377	427,046,189	428,271,565	98.99
2015	4.4347	400,774,556	14,492,691	385,116,692	386,338,815	99.70
2014	4.4347	374,495,114	13,467,868	359,229,541	360,694,898	99.52
2013	4.4347	360,872,987	12,852,412	346,250,690	348,343,707	99.51
2012	4.4347	361,843,317	12,782,443	347,390,614	349,111,487	99.54
2011	4.4347	372,736,856	12,961,204	357,325,139	358,605,438	99.34

⁽¹⁾ This amount does not include additional county millage assessed in unincorporated areas only (Special Tax Equalization District or Fire & Emergency Medical Services millages).

⁽²⁾ Aggregate amount of discounts actually taken by taxpayers as allowed by Florida law for early payment of taxes. This discount period falls during the months of November through February.

⁽³⁾ Aggregate of current taxes paid plus any proceeds from a tax certificate sale that is normally held in May (includes interest on delinquent taxes).

⁽⁴⁾ This column indicates the aggregate amount of tax collections as of close-out of each fiscal year ending September 30. Total tax collections include current taxes paid, tax certificate proceeds, delinquent tax payments upon taxable tangible personal property, and any prior period payments on County-held tax certificates. Includes interest from late payments.

⁽⁵⁾ Represents the percentage of current gross collections (current net collections plus discounts taken) to property taxes levied.

Source: Orange County Tax Collector's Office

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Orange County, Florida

**Millage Rates ⁽¹⁾
Orange County, Florida
2011 – 2020**

Fiscal Year⁽²⁾	General Revenue	Capital Projects	Parks Fund	Total Countywide
2020	4.0441	0.2250	0.1656	4.4347
2019	4.0441	0.2250	0.1656	4.4347
2018	4.0441	0.2250	0.1656	4.4347
2017	4.0441	0.2250	0.1656	4.4347
2016	4.0441	0.2250	0.1656	4.4347
2015	4.0441	0.2250	0.1656	4.4347
2014	4.0441	0.2250	0.1656	4.4347
2013	4.0441	0.2250	0.1656	4.4347
2012	4.0441	0.2250	0.1656	4.4347
2011	4.0441	0.2250	0.1656	4.4347

⁽¹⁾ Countywide tax rate excludes rates for non-countywide special taxing districts. The rate as stated is imposed per \$1,000 of taxable assessed value.

⁽²⁾ Information is reported based on the fiscal year in which associated tax revenue is recognized – e.g., the 2019 tax roll data is reported here for Fiscal Year 2020, as that is the period of collection and revenue recognition.

Sources: Orange County Annual Millage Resolution
Orange County Property Appraiser's Office

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Orange County, Florida

**Orange County, Florida
Principal Taxpayers
Tax Roll Year 2018⁽¹⁾**

Taxpayer	Type Of Business	Appraised Valuation	Percentage Of Total Taxable Appraised Value
Walt Disney Company	Tourism	\$ 11.1 billion	8.50%
Universal Studios	Tourism	2.7 billion	2.07
Marriott Resorts / Ritz Carlton	Hospitality	1.9 billion	1.46
Hilton Resorts / Waldorf Astoria	Hospitality	1.4 billion	1.07
Duke Energy	Electric Utility	903 million	0.69
Orange Lake Country Club	Hospitality	883 million	0.68
Wyndham Resorts	Hospitality	752 million	0.58
Westgate Resorts	Hospitality	687 million	0.53
Hyatt Resorts	Hospitality	677 million	0.52
Vistana / SVO Vistana Village	Hospitality	645 million	0.49
Total taxable assessed value of 10 largest taxpayers		21.65 billion	16.59
Total taxable assessed value of other taxpayers		<u>108.87 billion</u>	<u>83.41</u>
Total taxable assessed value of all taxpayers		<u>\$130.52 billion</u>	<u>100.00%</u>

⁽¹⁾ This comprehensive list is compiled based upon total real property and tangible personal property taxable value and ownership. It may include leased property, timeshare, subsidiary or partner owned properties. It is developed to show assessed value impact in Orange County. No warranties, expressed or implied, are provided for the data herein, its use or interpretation.

Sources: Orange County Property Appraiser's Office

Pension and OPEB

Orange County is one of the participating employers of the Florida Retirement System ("FRS"). FRS is the fourth largest state retirement system in the country. Legislation enacted during the 2000 legislative session requires annual actuarial valuations of the FRS. For Fiscal Year ended June 30, 2019⁽¹⁾, the Pension Plan had actuarial assets of \$161.0 billion and actuarial liabilities of \$191.3 billion, resulting in an unfunded obligation of \$30.3 billion and funding level of 84%. The valuation must comply with Governmental Accounting Standards Board ("GASB") Statement No. 67 and No. 68.

Orange County, Florida

The County has implemented GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. GASB 75 requires the County to report the net liability and other costs of other postemployment benefits ("OPEB"), such as health and life insurance, and annually recognize the cost of such benefits as a part of compensation for employee services over the working lifetime of its employees. Through the engagement of an actuarial firm, the County has determined its estimated OPEB funding obligations as of the fiscal year ended September 30, 2019. The total actuarially determined liability was \$141 million at the end of Fiscal Year 2019, with unfunded accrued liability at \$51.5 million⁽²⁾. The County does not expect the funding of the actuarially determined OPEB costs to have a significant impact on its operating costs or financial position.

The County has created a qualifying irrevocable trust to fund the annual actuarially determined contribution ("ADC") amount. For Orange County Government, consisting of the Board and its six Constitutional Officers, the County contributed \$10,131,183⁽²⁾ in Fiscal Year 2019, which consisted of components for the normal cost and amortization payment to fund the annual actuarial obligation. The irrevocable OPEB trust fund established by the County will cover benefits that have been approved by the Board for County employees and the Constitutional Officers, with the exception of the Clerk of Courts who is responsible for the establishment of her own trust fund and maintains a separate OPEB plan.

⁽¹⁾ For the State of Florida, the fiscal year runs from July 1 through June 30.

⁽²⁾ Beginning FY 2018, the total actuarially determined liability and unfunded accrued liability includes the Clerk's liability. Beginning FY 2019, total ADC includes the Clerk's ADC.

Sources: AON Hewitt, Orange County Government 2018-19 Actuarial Report for GASB 74 and GASB 75; Orange County Sheriff's Office 2018-19 Actuarial Report for GASB 74 and GASB 75; Orange County Clerk's Office 2018-19 Actuarial Report for GASB 74 and GASB 75.
Florida Retirement System 2018-19 Annual Report

Population

Orange County currently is the fifth most populous County in the State. Metro Orlando, which consists of Orange, Osceola, Seminole and Lake Counties, is home to over two million people. Over half of Metro Orlando's population is between the ages of 18 and 54, and the population median age is 37, which is lower than the State of Florida's median age of 42, which also translates into a large work force. Between 2015 and 2025, Metro Orlando's population is expected to grow by 25.6%.

Sources: Orlando Economic Partnership
Bureau of Economic and Business Research, Florida Population Studies, Bulletin
174 January 2016, Bulletin 184 June 2019, Bulletin 186 January 2020; <http://www.bebr.ufl.edu/>

Orange County, Florida

Historical and Projected Future Populations Orange County, Orlando MSA, Florida and United States 2010-2019, 2025, 2030, 2035

Year ⁽¹⁾	Orange County	% Inc	Orlando MSA	% Inc	Florida	% Inc	United States	% Inc
2035	1,797,400	5.9	3,395,900	6.4	25,498,000	4.4	364,862,000	2.7
2030	1,696,800	7.9	3,192,900	8.4	24,426,200	5.6	355,101,000	3.2
2025	1,573,000	13.5	2,946,700	14.0	23,130,900	9.1	344,234,000	4.9
2019	1,386,080	2.7	2,585,614	3.1	21,208,589	1.8	328,239,523	0.3
2018	1,349,597	2.7	2,508,570	2.9	20,840,568	1.7	327,167,434	0.4
2017	1,313,880	2.6	2,437,975	2.6	20,484,142	1.7	325,719,178	0.8
2016	1,280,387	2.2	2,376,358	2.4	20,148,654	1.7	323,127,513	0.5
2015	1,252,396	2.0	2,320,195	2.2	19,815,183	1.6	321,418,820	0.8
2014	1,227,995	2.1	2,270,370	2.0	19,507,369	1.3	318,857,056	0.9
2013	1,202,978	2.3	2,225,730	1.9	19,259,543	1.0	316,128,839	0.7
2012	1,175,941	1.6	2,184,588	1.4	19,074,434	0.9	313,914,040	0.7
2011	1,157,342	1.0	2,154,061	0.9	18,905,048	0.6	311,591,917	0.9
2010	1,145,956	1.1	2,134,411	1.0	18,801,310	0.6	308,745,538	0.4
Average Annual Increase 2010-2019		2.0%		2.0%		1.3%		0.7%

⁽¹⁾ Years 2025, 2030 and 2035 are projected populations.

Sources: U.S. Census Bureau, Population Division

University of Florida, College of Business Administration, Bureau of Economic Business Research, Florida Statistical Abstract 2011

Bureau of Economic and Business Research, Florida Population Studies, Bulletin 165 March 2013, Bulletin 168 April 2014, Bulletin 171 April 2015, Bulletin 174 January 2016, Bulletin 177 April 2017, Bulletin 180 January 2018, Bulletin 183 April 2019, Bulletin 186 January 2020

<http://www.bibr.ufl.edu/>

State of Florida Office of Economic and Demographic Research

Orange County, Florida

Population by Age 2019 Estimate

	<u>Orange County</u>	<u>State of Florida</u>
0-4 Years	6.4%	5.5%
5-17 Years	16.8%	14.8%
18-24 Years	11.5%	8.7%
25-54 Years	42.2%	37.2%
55-64 Years	11.2%	13.7%
65-79 Years	9.3%	14.8%
80 and Over	2.8%	5.3%
Total	100.0%	100.0%

Sources: Bureau of Economic & Business Research, University of Florida, Florida Population Studies, Bulletin 187, June 2020 <http://www.bibr.ufl.edu/>

Housing

As of 2019, residential building permits in Orange County totaled 3,293, of which 2,187 were for single-family dwellings. Residential new construction total project valuation was in excess of \$1.4 billion.

During 2019, 36,694 homes were sold in Orlando with an average selling price of \$283,658. The median selling price for an existing single-family home in the Orlando MSA in the second quarter of 2020 was \$296,000 compared with the national average of \$291,300.

There were 6,200 estimated apartment unit completions in the Orlando MSA during 2019. The overall estimated apartment vacancy rate in 2019 was 2.7%, with rentals at an estimated average of \$1,339 a month.

Sources: Orlando Regional Realtor Association
Orange County Community, Environmental & Development Services Department
Marcus & Millichap 2020 Multifamily North American Investment Forecast
National Association of Realtors

Orange County, Florida

Building Permits 2010 – 2019

Year	Single-Family	Townhome Residential	Multi-Family	Residential Valuations (\$Millions)
2019	2,187	1,005	101	1,479
2018	3,433	1,165	91	1,979
2017	3,262	571	97	1,517
2016	3,454	682	230	1,837
2015	2,821	574	106	1,446
2014	2,192	421	85	1,181
2013	1,970	415	99	1,070
2012	1,698	548	65	869
2011	1,138	428	38	579
2010	878	383	23	368

Source: * Orange County Community, Environmental & Development Services Department
* Source utilized changed in FY2018. The prior source included permits issued by other municipalities within Orange County. The current source reflects only permits issued by the County.
*Previous years' figures updated in FY2019 due to software code error which inadvertently double counted some permits that received revised plans.

Economy

Employment

As of July 2020, employment in Orange County was 642,693, with an unemployment rate of 16.1%.

Source: Florida Research and Economic Information Database Application

Orange County, Florida

Largest Employers in Orange County, Florida 2019

<u>Employer</u>	<u>Number of Employees</u>
Walt Disney World Company	75,000
AdventHealth/Florida Hospital	34,627
Universal Orlando Resort	27,000
Orange County Public Schools	25,145
Orlando Health	20,258
University of Central Florida	13,483
Orange County Government	11,104 ⁽¹⁾
Resource Employment Solutions, LLC	8,400
Lockheed Martin	8,000
Darden Restaurants, Inc.	7,178

⁽¹⁾ Orange County Government numbers are adjusted upwards from original source information to include employees of the six Constitutional Officers, which are included in the Primary Government.

Source: Orlando Business Journal: 2019 Book of Lists

Comparison of Annual Unemployment Rates 2011 – 2020

<u>Year</u>	<u>Orange County</u>	<u>Florida</u>	<u>U.S.</u>
2020 ⁽¹⁾	16.1	11.5	10.5
2019	2.4	3.1	3.5
2018	3.2	3.6	3.9
2017	3.8	4.2	4.4
2016	4.3	4.8	4.9
2015	5.0	5.5	5.3
2014	5.8	6.3	6.2
2013	6.8	7.2	7.4
2012	8.2	8.5	8.1
2011	9.8	10.0	8.9

⁽¹⁾ As of July 2020.

Source: Florida Research and Economic Information Database Application (subject to frequent revision)

Orange County, Florida

Average Annual Labor Force Summary Orange County, Florida 2011 – 2020

<u>Year</u>	<u>Labor Force</u>	<u>Employed</u>	<u>Unemployed</u>	<u>Unemployment Rate</u>
2020 ⁽¹⁾	765,876	642,693	123,183	16.1
2019	762,737	740,564	22,173	2.9
2018	745,550	721,134	24,416	3.3
2017	731,318	703,797	27,521	3.8
2016	705,953	675,257	30,696	4.3
2015	685,068	650,561	34,507	5.0
2014	675,922	636,407	39,515	5.8
2013	663,087	618,150	44,937	6.8
2012	653,886	600,251	53,635	8.2
2011	642,178	579,251	62,927	9.8

⁽¹⁾ As of July 2020.

Source: Florida Department of Economic Opportunity
Florida Research and Economic Information Database Application (subject to frequent revision)

Tourism

General

Orange County is one of the world's top visitor destinations. In 2018, Metro Orlando hosted 75 million visitors. Major tourist attractions in Orange County include Walt Disney World Magic Kingdom, Epcot, Disney's Hollywood Studios, Disney's Animal Kingdom, Disney Springs, SeaWorld Orlando, Discovery Cove, Aquatica, Universal Studios, Islands of Adventure, Volcano Bay and CityWalk.

In addition to the theme park attractions, the County, with its mild climate and natural scenic beauty, offers visitors a wide assortment of activities. Beaches on both the Atlantic coast and Gulf of Mexico are easily accessible from Orlando. The area contains more than 2,000 freshwater lakes that accommodate a wide range of recreational activities. A number of world-class golf and tennis facilities are located in the County and Central Florida. Professional sports franchises such as the NBA's Orlando Magic, Orlando City Soccer Club, and Orlando Solar Bears Hockey offer a variety of opportunities for professional sports enthusiasts. Additionally, the United States Tennis Association's National Campus has been relocated to Orlando and opened its doors in January 2017.

The mild climate, abundant hotel rooms and meeting facilities, the fourth busiest Origin & Destination airport in the United States, and the second largest convention center in the United States (prime exhibit space), make the County a desirable location for business travelers and convention/meeting attendees.

In 2019, CVent ranked Orlando as the top meeting destination in the U.S. In 2014, the Orange County Convention Center ("OCCC") received the Prime Site Facilities & Top Destinations Award. In previous

Orange County, Florida

years, the OCCC was ranked #1 convention center in the U.S. by Business Review U.S.A. and was awarded the Exhibitor's Choice Awards in the following categories: the Chairman's Award and the Best Convention Center Award.

2018 and Historical Information

Tourism is the driving force behind the County and Central Florida's economy. The economic impact on the Central Florida economy in 2018 was \$47 billion in visitor spending, \$6 billion of which came from international visitors and \$41 billion from domestic visitors. The tourism sector sustains 41% of all jobs in Orlando. Direct industry employment accounted for \$11.7 billion in direct wages in 2018. In Fiscal Year 2018, tourism generated \$277 million in the County tourist development taxes (all six cents).

Of the 75 million visitors in 2018, 68.6 million were domestic and 6.5 million were international. Of the 68.6 million domestic visitors, 57 million or 84% were leisure travelers and 11.3 million were business travelers. The average length of stay for overnight leisure visitors was 4.0 nights. Overnight convention/meeting attendees accounted for 3.9 million of the 11.3 million business visitors and had an average stay of 2.8 nights.

Of the 6.5 million international visitors in 2018, 4.9 million were from overseas and 1.2 million were from Canada, and 382,000 originated in Mexico. Canada remains Orlando's top international country of origin.

Attraction Information

Of the top 10 most visited theme parks in North America in 2018, seven are in the Orlando area. In addition, Busch Gardens in Tampa is the 12th most visited theme parks. Attendance estimates for these attractions are presented on the following chart.

<u>Park</u>	Theme Park Attendance* Attendance in Millions			% Increase	
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>17 to 18</u>	<u>18 to 19</u>
Walt Disney World Magic Kingdom	20.45	20.86	20.96	2.0%	0.5%
Epcot	12.20	12.44	12.44	2.0%	0.0%
Disney's Animal Kingdom	12.50	13.75	13.89	10.0%	1.0%
Disney's Hollywood Studios	10.20	11.26	11.48	10.4%	2.0%
Universal Studios	10.20	10.71	10.92	5.0%	2.0%
Islands of Adventure	9.55	9.79	10.36	2.5%	5.8%
SeaWorld Orlando	3.96	4.59	4.64	15.9%	1.1%
Busch Gardens Tampa	3.96	4.14	4.18	4.5%	1.0%
Total Theme Park Attendance	83.02	87.54	88.87	5.4%	1.5%

* Numbers may vary due to rounding

Orange County, Florida

Walt Disney Company

The Walt Disney Company owns more than 28,000 acres in Central Florida containing four theme parks as well as numerous on-site resorts, and has recently acquired additional, large parcels of land. The Magic Kingdom is comprised of approximately 107 acres made up of numerous family friendly attractions. EPCOT covers over 300 acres. Its World Showcase pavilions highlight 11 countries, while Future World, with its corporate sponsors, examines past, present and future technology. Disney's Hollywood Studios is a theme park encompassing 135 acres. Animal Kingdom is the largest of the parks with over 500 acres. It combines rides, dramatic landscapes, and close encounters with exotic animals.

Walt Disney Company also has several ancillary attractions and entertainment complexes that attract visitors. They include Disney Springs and the ESPN Wide World of Sports Complex. Disney Springs consists of numerous eateries, shops, a 24-screen movie theater, and Cirque Du Soleil. The ESPN Wide World of Sports Complex includes a 7,500-seat baseball stadium and fitness facilities. Disney Cruise Line operates ships with multi-day itineraries sailing from Port Canaveral. Blizzard Beach and Typhoon Lagoon offer water-oriented parks to visitors. In addition, Walt Disney World offers numerous hotels priced to meet every budget.

Universal Orlando

The Universal Orlando Resort is comprised of Universal Studios, Islands of Adventure, CityWalk, and Volcano Bay. Loews Portofino Bay Resort, Loews Sapphire Falls Resort, Loews Royal Pacific Resort, Hard Rock Hotel, Universal's Cabana Bay Beach Resort and Aventura Hotel are located on-site offering more than 5,000 rooms combined. Adding to its hotel offerings, in 2019, Universal opened Surfside Inn and Suites, the first of its two planned Value hotels. Universal Studios is an 838-acre park combining a motion picture and television studio complex with theme park rides, and motion picture and television theme performances. Islands of Adventure is an adjacent theme park with numerous rides. The Wizarding World of Harry Potter opened in the Islands of Adventure Park in June 2010, and was expanded to include Diagon Alley which opened in July 2014. CityWalk is a 30-acre entertainment complex comprised of eateries, clubs, shops and a 20-screen movie theater. Steps away from the other theme parks, Volcano Bay is Universal's all-new water theme park which opened in 2017 and features unique attractions and places for relaxation amidst a theme of tropical islands. In August 2019, Universal announced that it is building a new, fourth, theme park to be called Universal's Epic Universe. The new theme park is expected to also feature an entertainment center, hotels, shops, restaurants and more. It will be located within a larger 750-acre site that nearly doubles Universal's total available acreage in the County.

SeaWorld Orlando

SeaWorld Orlando is the world's largest marine life park where guests experience up-close animal interactions, one-of-a-kind attractions, and thrilling coasters. Along with its water park, Aquatica, SeaWorld is offering its guests more variety on its property east of International Drive and south of Sea Harbor Drive. Discovery Cove is an exclusive, reservations-only paradise adjacent to SeaWorld designed to offer guests a once in a lifetime opportunity to interact and swim with dolphins, rays, and tropical fish, as well as up-close interactions with exotic birds.

Orange County, Florida

Hotel Accommodations

There were approximately 96,000 hotel rooms in Orange County at the end of 2019. The total number of rooms in the metro Orlando area, which includes surrounding counties, was 125,167 in 2019. Occupancy in the Metro Orlando area was 76.1% in 2019, which is down 2.1% from 2018. 2019's average daily rate was \$126.59, up 1.1% from the previous year.

Sources: Visit Orlando Market Research & Insights Department
Orlando International Airport
Orange County Comptroller's Office
Universal Orlando Public Relations

Business and Industry

The Metro Orlando Economic Development Commission was established in 1977 to bring new industry into the area. The organization merged with The Central Florida Partnership in January 2017. The new entity—Orlando Economic Partnership—is a not-for-profit, public/private organization serving Central Florida's seven counties (Brevard, Lake, Orange, Osceola, Polk, Seminole, and Volusia) as well as the City of Orlando, continuing to assist many companies to relocate, expand and grow in Metro Orlando.

Metro Orlando's office market totals more than 83.7 million square feet and had an occupancy rate of approximately 93% as of the first quarter of 2019. Sites for new office buildings are available in downtown locations as well as suburban settings. As of the first quarter of 2019, the Orlando MSA's total industrial space was over 154 million square feet. Orlando continues to be a key distribution center in Florida. Industrial occupancy rates run more than 95%.

Source: Orlando Economic Partnership

Medical Research

A state-of-the-art medical, biomedical technology and research corridor is taking shape in southeast Orange County. The Sanford Burnham Prebys Medical Discovery Institute at Lake Nona opened its medical research facility in October 2009. In 2018, the 175,000-square-foot facility was sold to UCF who announced plans to establish a cancer research and treatment center as well as a teaching hospital adjacent to its medical school near the center.

Established in 2006 and opened in 2009, the UCF College of Medicine is one of the first U.S. medical schools in decades to be built from the ground up. The College's new state-of-the-art medical education building at Lake Nona cost about \$65 million and covers about 170,000 square feet. It features the latest in lab and classroom technology for the college that is working to be the nation's premier 21st Century medical school.

In May 2015, the Department of Veterans Affairs held the dedication for construction completion of the new Orlando VA Medical Center, a \$665 million, 1.2 million-square-foot facility located on 65-acres in Southeast Orange County. The new \$44 million, 100,000-square-foot University of Florida Academic & Research Center opened in 2012.

Orange County, Florida

Located in the heart of Lake Nona Medical City, the \$397-million Nemours Children's Hospital opened in October 2012. The state-of-the-art, 630,000-square-foot hospital at the time included 95 beds and anchored a 60-acre, fully integrated health campus consisting of a Nemours Children's Clinic, and extensive research and education facilities. Since the opening of the Children's Hospital, Nemours now has multiple locations in Central Florida. In December 2019, Nemours saw its first patients in their new \$29 million, 40,000 square feet hospital expansion which added 30 inpatient beds, a cardiac operating room and a catheterization lab on their sixth floor.

Sources: Sanford Burnham Prebys Medical Discovery Institute
University of Central Florida, College of Medicine
Department of Veterans Affairs
Orlando Sentinel
The Nemours Foundation
Orlando Business Journal

Naval Air Warfare Center Training Systems Division

In operation since the mid-1960s, the Naval Air Warfare Center Training Systems Division ("NAWCTSD") is a significant component of the Naval Air Systems Command, providing the modeling, simulation and training systems technologies which are essential to ensuring military preparedness.. NAWCTSD Orlando employs a group of exceptionally skilled military and civilian acquisition, research and development workforce, that produces leading-edge advances in training systems and human performance.

Source: Naval Air Warfare Center, Training Systems Division

Agriculture

Agriculture and related agribusiness industries are a major part of the economy of Orange County and are valued at \$1.3 billion in 2018. There are over 620 farms and plant nurseries in the County and 17% of the land area continues to be in agricultural use. The County is ranked 9th among Florida's 67 counties in total annual farm cash receipts. Many more individuals and businesses work in marketing and distribution of agriculture related products and services.

The City of Apopka and the surrounding greenhouse foliage industry in northwest Orange County are known as "The Indoor Foliage Capital of the World." There are more than 400 nursery businesses in the County and those nurseries together with foliage spin-off businesses and woody ornamental plant nurseries contribute approximately \$216 million to the economy.

Citrus has been an important economic factor in the County for the last century. In 2018, 1,130 acres of citrus groves remain while other fruit crops like blueberries are being added to the fruit crops inventory. It should be noted that each acre of citrus grove and blueberries captures over 1.25 million gallons of rainfall annually, making these lands a major contributor to recharging the aquifer.

The value of the vegetable industry is \$22 million which includes a unique five-acre mushroom farm, as well as the producer of the famous Zellwood sweet corn. The value of the livestock/agronomy area is approximately \$13 million. The largest cow/calf operation in the United States, Deseret Ranch, includes significant acreage in east Orange County.

Orange County, Florida

Related industries such as landscape services and pest control use agricultural products and equipment and given the urban nature of the County, this contribution to the local economy is significant, with over \$1 billion in economic activity annually.

2018 Value of Orange County Agriculture

Industry	Value
Landscape services, pest control, retail garden, golf courses	\$1,025,400,000
Nursery, greenhouse, tree and sod farms	215,843,000
Vegetables and Mushrooms.....	21,700,000
Citrus and Blueberries	8,677,000
Livestock/Agronomy	12,875,000
Total.....	<u>\$1,284,495,000</u>

Sources: Orange County Cooperative Extension Service
 University of Florida/IFAS, Food & Resource Economics Department
 Florida Dept. of Agriculture: Division of Plant Industry
 United States Census of Agriculture: National Agriculture Statistic Service, 2017 Census of Agriculture

Education

The Orlando MSA has many notable institutions of higher learning including the following: the University of Central Florida (a four-year state university with more than 60,000 full and part-time students, second largest university in the nation); Rollins College (the oldest four-year institution of higher learning in the State and an independent, co-educational liberal arts college with a full and part-time equivalent enrollment of more than 3,500 students); Barry University Dwayne O. Andreas School of Law (founded in early 1993 as the University of Orlando School of Law, it became part of Barry University in 1999, and received full ABA accreditation in 2006); Seminole State College (an undergraduate institution with nearly 30,000 students across six sites that offers two-year degrees as well as seven bachelor's degrees); Valencia College (an undergraduate institution covering seven campuses and centers with over 76,000 full and part-time students that offers two-year degrees as well as six bachelor degree programs); and the Florida A&M University Law School which opened in fall of 2002 and has been ABA accredited since 2004.

The UCF College of Medicine was established in 2006 by the Florida Legislature and the Florida Board of Governors to increase opportunities for medical education in Florida, address the physician shortage, and enhance the economy. In the past five years, enrollment continued to increase year after year, and in the 2019-2020 school year, approximately 489 physicians-in-training were enrolled. Additionally, the Burnett School of Biomedical Sciences is training over 3,000 undergraduate, masters, and Ph.D. students. A new university teaching hospital is also set to open next door to the medical school in late 2020.

The following chart provides public school enrollment for the 2017-2018 school year.

Orange County, Florida

Public School Statistics Orlando MSA 2017– 2018 School Year

	Orange County	Seminole County	Lake County	Osceola County
Total Number of Schools ⁽¹⁾	251	74	56	72
Number of Elementary Schools	140	43	26	29
Number of Secondary Schools	111	31	30	43
Number of Students ⁽²⁾	204,837	67,915	43,174	65,982
Number of High School Grads	13,102	4,941	2,707	4,441
High School Graduation Rates	88.9%	91.7%	84.1%	89.3%
Number of Full-Time Instructional Staff ⁽³⁾	14,607	4,479	2,938	4,219
Average Teacher Salary	\$47,198	\$48,283	\$45,472	\$45,135

⁽¹⁾ Includes Elementary Schools, Middle Schools, High Schools, Combination Schools and Adult Schools

⁽²⁾ Includes Elementary School, Middle School and High School Students

⁽³⁾ Does not include guidance counselors, social workers, school psychologists, librarians, and audio-visual workers

Sources: Orlando Economic Partnership
University of Central Florida
Rollins College
Barry University
Seminole State College
Valencia College
Florida A&M University
Law School Admission Council
Florida Department of Education

Transportation

Air service to Orange County and Central Florida is primarily provided by Orlando International Airport ("OIA"). In 2019, OIA ranked 10th busiest domestic facility, 31st busiest world facility and the fourth largest airport property in landmass in the United States with more than 15,000 acres. Designated as an international port of entry with full customs service, OIA has grown tremendously since 1970. Air passengers have increased from 1.3 million in 1971 to over 49 million in 2019. That increase in travelers gives OIA the distinction of being the busiest airport in Florida. As of September 2020, OIA was served by 24 airlines comprised of 17 passenger airlines and seven airlines providing cargo service. There are approximately 764 daily flights (based on commercial, military, and general aviation operations). Only 35% of airport property is developed, leaving large areas available for expansion. Construction is currently underway with their South Terminal Complex project, which is part of a \$4.2 billion, multi-year capital improvement program. The first phase of the project is expected to be completed in 2021, and will add 19 gates capable of accommodating up to 27 aircrafts.

Orange County, Florida

Central Florida is also served by five other regional airports: Orlando Executive Airport, Orlando Sanford International Airport, Kissimmee Gateway Airport, Leesburg International Airport, and Mid-Florida Air Service Airport located in Eustis. Tampa International Airport and Daytona Beach International Airport are within 90 minutes from downtown Orlando.

Commercial bus lines and rail systems are also available in the area. Greyhound Bus Lines provides interstate and intrastate bus service. Amtrak provides passenger service from the Orlando region to many cities in the U.S. In addition, it operates trains between New York and South Florida, through Metro Orlando and has two major, full-service freight stations moving goods between north and south Atlantic points on a daily basis. Being the largest rail network in the eastern United States, CSX Transportation owns and maintains approximately 1,750 route miles in Florida. Florida Central Railroad (FCEN) operates 68 miles of track and directly serves industries in the Orlando area. The first phase of SunRail, a commuter rail system that will run along a 61-mile stretch of existing rail freight tracks in Orange, Seminole, Volusia and Osceola counties, has been completed. Service began May 2014. The second phase, which will extend the current 32-mile stretch further north through Volusia County and south into Osceola County, began construction in April 2016.

Located 50 miles to the east of Orlando is Port Canaveral, the only deep-water, Panamax port between the harbors of Jacksonville and Fort Lauderdale. In 2015, to accommodate larger vessels, Port Canaveral completed a project to further deepen the entrance of the port to 46 feet, and in 2019 broke ground on a new cruise terminal. Port Canaveral is the second busiest cruise port in the world and the world's first quadramodal transportation hub, interchanging freight among sea, land, air, and space. During fiscal year 2018, Port Canaveral reported 4.5 million multi-day passenger movement, which is up 7.7% from the previous fiscal year. Port Canaveral is home to some of the finest cruise terminals in the world. Six cruise terminals are in operation, and a total of 6.4 million tons of cargo moved through Port Canaveral's facilities in 2018, up 6.9% from the previous year. The Port of Tampa is on Tampa Bay, located 70 miles west of Orlando. Largely a bulk commodities port, it is Florida's largest cargo tonnage port.

The County is at the crossroads of Florida and is crossed by superhighways such as Interstate 4, the Florida Turnpike and the Martin Andersen Beachline Expressway. I-4 connects the Tampa Bay area to Daytona Beach and passes through the heart of downtown Orlando. The Florida Turnpike connects South Florida and Miami with I-4 and with I-75 and North Central Florida. The Beachline links I-95, Cape Canaveral and the East Coast beaches with I-4 and the Florida Turnpike. To relieve congestion, in early 2015 the Florida Department Of Transportation began construction of the I-4 Ultimate project, a 21-mile improvement project which will add four new express lanes in the center of I-4.

In addition to these major interstate thoroughfares, the County is linked throughout by other major road systems. The SR 408 East-West Expressway expedites cross-town traffic through the City of Orlando. The 12.5-mile Osceola Parkway links the international airport to major attractions and half dozen regional arterial highways. SR 417, a 55-mile, limited access beltway which provides access to the southern and eastern suburbs of Orlando and serves as a southern connection with

Orange County, Florida

Orlando International Airport (consists of the Central Florida GreeneWay, Seminole Express Way, and Southern Connector Extension). Completing the northwest portion of the beltway around metropolitan Orlando will be the Wekiva Parkway, a 25-mile expressway which will connect to SR 417. In 2018, 13 miles of the parkway were open to traffic, the entire project however is expected to be completed in 2023.

Officially known as the Central Florida Regional Transportation Authority, LYNX is the primary mass transit provider in the Orlando urban area with a fleet of approximately 310 buses on 72 routes. LYNX buses operate daily on a fixed route system that primarily serves the communities of Orange, Seminole, and Osceola Counties covering 2,500 square miles and more than 1.8 million people. LYNX provides over 79,000 rides each weekday and delivering about 25.1 million passenger trips in FY 2019. Lynx provides LYMMO, a state-of-the-art, three-mile, dedicated lane bus system in downtown Orlando, available free-of-charge.

Sources: Orlando Economic Partnership
 Greater Orlando Aviation Authority
 Florida Department of Transportation
 Central Florida Regional Transportation Authority (LYNX)
 Florida's Turnpike Enterprise
 Port Canaveral

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Orange County, Florida

Major Revenues and Taxable Sales

The following table sets forth the major non-ad valorem revenues for the County for the most recent 10-year period. Sales tax, public service tax and state revenue sharing account for the bulk of the revenues, while gas taxes contribute the remainder. These revenues amounted to approximately \$390 million in Fiscal Year 2019. The next chart compares year-end totals for gross and taxable sales for Orange County, the State of Florida and selected other counties.

Major Sources of Non-Ad Valorem Revenue/Ten-Year History Orange County, Florida 2010-2019

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MAJOR SOURCES OF NON-AD VALOREM REVENUE/TEN YEAR HISTORY ORANGE COUNTY, FLORIDA

Fiscal Year	Local Option Gas		County Gas Tax	Constitutional Gas Tax	State Revenue Sharing	Public Service Tax ⁽¹⁾
	Sales Tax	Tax				
2019	\$197,116,992	\$29,221,672	\$5,638,349	\$12,727,833	\$46,546,505	\$99,054,167
2018	190,487,596	28,697,184	5,564,641	12,580,492	43,483,985	94,967,192
2017	174,610,976	28,126,091	5,412,151	12,375,216	41,274,292	93,506,469
2016	166,337,860	27,353,210	5,266,358	11,961,229	39,343,563	93,562,890
2015	160,187,901	26,127,090	5,114,589	11,608,767	37,922,381	92,572,384
2014	150,154,118	25,278,091	4,815,416	10,974,454	34,508,789	94,124,772
2013	140,650,247	24,689,646	4,605,910	10,507,998	32,046,096	90,562,850
2012	131,052,699	23,609,280	4,520,042	10,284,763	29,907,252	87,806,658
2011	124,823,259	22,732,982	4,509,757	10,247,499	27,820,309	92,091,369
2010	115,978,290	23,772,252	4,502,366	10,361,498	26,687,879	95,830,061

(1) Includes the county's Public Service Tax revenues on telecommunications services and the local communications services tax (CST) administered by the State. As of October 1, 2001, the State legislature replaced the telecommunications tax with a new local CST.

Source: Orange County Comptroller's Office

Orange County, Florida

Comparison of Gross and Taxable Sales for the State of Florida and Selected Counties

	Gross Sales (1,000)			2019	Incr/(Decr)	2017	Taxable Sales (\$1,000)			Incr/(Decr)
	2017	2018	Incr/(Decr)				2018	Incr/(Decr)	2019	
Florida	\$1,175,391,552	\$1,256,189,361	6.9%	\$1,295,362,418	3.1%	\$423,795,023	\$451,193,698	6.5%	\$470,387,639	4.3%
Miami-Dade	156,972,659	164,551,581	4.8%	169,814,246	3.2%	52,174,899	55,268,539	5.9%	56,331,347	1.9%
Broward	108,784,698	119,618,275	10.0%	116,702,173	-2.4%	37,703,391	39,924,754	5.9%	40,092,708	0.4%
Orange	105,307,205	115,435,090	9.6%	116,030,338	0.5%	48,311,821	51,824,268	7.3%	53,602,422	3.4%
Hillsborough	76,941,115	80,728,841	4.9%	83,547,143	3.5%	26,571,483	28,162,746	6.0%	29,227,380	3.8%
Palm Beach	56,164,983	60,029,130	6.9%	62,464,152	4.1%	27,820,760	28,950,706	4.1%	29,699,603	2.6%
Duval	53,915,632	59,727,737	10.8%	59,938,965	0.4%	18,502,773	19,612,806	6.0%	20,245,596	3.2%
Pinellas	42,826,108	44,176,901	3.2%	44,744,196	1.3%	16,289,643	16,929,967	3.9%	17,683,736	4.5%

Source: Florida Department of Revenue, Office of Tax Research

All content for *General Information Concerning Orange County* provided by the Orange County Fiscal and Business Services Division

APPENDIX B

FORM OF RESOLUTION

APPENDIX C

**AUDITED BASIC FINANCIAL STATEMENTS AND REQUIRED SUPPLEMENTARY
INFORMATION OF THE ORANGE COUNTY, FLORIDA WATER UTILITIES
SYSTEM FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2019 AND 2018**

APPENDIX D

FINANCIAL FEASIBILITY REPORT

APPENDIX E

CONSULTING ENGINEER'S REPORT

APPENDIX F

FORM OF CO-BOND COUNSEL OPINION

APPENDIX G

FORM OF CONTINUING DISCLOSURE CERTIFICATE

EXHIBIT D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

CONTINUING DISCLOSURE CERTIFICATE

This **CONTINUING DISCLOSURE CERTIFICATE** (this "Disclosure Certificate") is executed and delivered as of December 1, 2020, by **ORANGE COUNTY, FLORIDA** (the "County"), in connection with the sale of the County's \$ _____ Water and Wastewater Utility Revenue Bonds, Series 2020 (the "Series 2020 Bonds") to be issued pursuant to and under the authority of Article VIII, Section 1 of the Constitution of the State of Florida, Section 125.01, Florida Statutes, the Charter of the County, and other applicable provisions of law (collectively, the "Act"), and under and pursuant to Resolution No. 92-B-06 adopted by the Board of County Commissioners of the County (the "Board") on June 12, 1992, as amended, restated and supplemented, in particular as amended and restated by Resolution No. 2016-B-02 adopted by the Board on March 15, 2016, as may be amended and supplemented, and particularly as amended and supplemented by Resolution No. 2020-B-___ adopted by the Board on October 27, 2020 (collectively, the "Resolution").

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the County for the benefit of owners and Beneficial Owners of the Series 2020 Bonds. The financial information and operating data forming the basis of the annual reporting requirements of Sections 4 and 5 of this Disclosure Certificate are derived from the Official Statement (as defined herein).

Section 2. Definitions. In addition to the definitions set forth in the Resolution which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined herein, the following capitalized terms used in this Disclosure Certificate have the following meanings:

"**Actual Knowledge**" as used herein, and for the purposes hereof, a party shall be deemed to have "actual knowledge" of the occurrence of any event only if and to the extent the individual or individuals employed by such party and directly responsible for the administration of this Disclosure Certificate on behalf of such party have actual knowledge of or receive written notice of the occurrence of such event.

"**Annual Financial Information**" shall mean the information with respect to the County described in Section 5 of this Disclosure Certificate.

"**Beneficial Owner**" shall mean any individual beneficial owner of the Series 2020 Bonds. Beneficial ownership is to be determined consistent with the definition thereof contained in Rule 13d-3 of the Securities and Exchange Act of 1934, as amended, or, in the event such provisions do not adequately address the situation at hand (in the opinion of nationally recognized bond counsel), beneficial ownership is to be determined based upon ownership for federal income tax purposes.

"**Business Day**" means a day other than: (a) Saturday or a Sunday, (b) a day on which banks are authorized or required by law to close, or (c) a day on which the County is authorized or required to be closed.

"**Dissemination Agent**" shall mean the County or any Dissemination Agent designated by the County pursuant to Section 8 hereof.

"EMMA" means the Electronic Municipal Market Access system, a service of the MSRB, or any successor thereto.

"Financial Obligation" shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). 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.

"Fiscal Year" shall mean the fiscal year of the County, which currently is the twelve-month period beginning October 1 and ending on September 30 of the following year or any such other twelve-month period designated by the County, from time to time, to be its fiscal year.

"GAAP" shall mean generally accepted accounting principles promulgated by the Governmental Accounting Standards Board as in effect from time to time in the United States.

"MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b) (1) of the Securities Exchange Act of 1934, as amended. All documents provided to the MSRB shall be in an electronic format and accompanied by identifying information, as prescribed by the MSRB. Initially, all document submissions to the MSRB pursuant to this Continuing Disclosure Certificate shall use the MSRB's Electronic Municipal Market Access (EMMA) system at www.emma.msrb.org.

"Notice Event" shall mean any of the events listed in Section 6(a) hereof.

"Obligated Person" shall mean the County 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 2020 Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities). The County confirms that, as of the date hereof, it is the only Obligated Person with respect to the Series 2020 Bonds.

"Official Statement" shall mean the Official Statement of the County, dated November ____, 2020, delivered in connection with the offering of the Series 2020 Bonds and any amendment or supplement thereto.

"Participating Underwriter" means, collectively, the original purchasers of the Series 2020 Bonds required to comply with the Rule in connection with the offering of the Series 2020 Bonds.

"Rule" shall mean Rule 15c2-12(b)(5) promulgated by the SEC pursuant to the Securities Exchange Act of 1934, as such rule may be amended from time to time and any successor provisions thereto.

"SEC" shall mean the Securities and Exchange Commission.

"State" shall mean the State of Florida.

Section 3. Scope of this Disclosure Certificate.

(a) The County has agreed to enter into this Disclosure Certificate and undertake the disclosure obligations hereunder, at the request of the Participating Underwriter and as a condition precedent to the Participating Underwriter's original purchase of the Series 2020 Bonds, in order to assist the Participating Underwriter with compliance with the Rule. The disclosure obligations of the County under this Disclosure Agreement relate solely to the Series 2020 Bonds. Such disclosure obligations are not applicable to any other securities issued or to be issued by the County, nor to any other securities issued by or on behalf of the County.

(b) Neither this Disclosure Certificate, nor the performance by the County of its obligations hereunder, shall create any third-party beneficiary rights, shall be directly enforceable by any third-party, or shall constitute a basis for a claim by any person except as expressly provided herein and except as required by law, including, without limitation, the Rule; provided, however, the Participating Underwriter and each Beneficial Owner are hereby made third-party beneficiaries hereof (collectively, and each respectively, a "Third-Party Beneficiary") and shall have the right to enforce the obligations of the parties hereunder pursuant to Section 10 hereof.

Section 4. Provision of Annual Financial Information. Except as otherwise provided herein, the County shall, or shall cause the Dissemination Agent to, provide the Annual Financial Information for each Fiscal Year ending on or after September 30, 2020, not later than the following June 1, to the MSRB. The Annual Financial Information may be submitted as a single document or as separate documents comprising a package, and may include by cross-reference other information as provided in Section 5 hereof; provided, however, that if the financial statements of the County are audited, then such audited financial statements must be submitted, but they may be submitted separately from the balance of the Annual Financial Information and later than the date required above for the filing of the Annual Financial Information if they are not available by such date. If the Fiscal Year changes, the County shall give written notice of such change in the same manner as for a Notice Event in Section 6 hereof. If the financial statements of the County specified in the manner described hereof are not available by the time the Annual Financial Information must be provided, unaudited Financial Statements of the County shall be provided by the County as part of the Annual Financial Information and such audited financial statements of the County, when and if available, will be provided by the County to the MSRB immediately upon such audited financial statements becoming available.

Any or all of the items above may be included by specific reference to other documents, including official statements of debt issues with respect to which the County is an "obligated person", which have been filed with MSRB or the SEC. If the document included by reference is a final official statement, it must be available from the MSRB. The County shall clearly identify each such other document so included by reference.

The requirements of this Section do not necessitate the preparation of any separate annual report addressing only the Series 2020 Bonds. These requirements may be met by the filing of a combined bond report or the County's Comprehensive Annual Financial Report; provided, such report includes all of the information required by this Disclosure Certificate to be provided and is available by June 1.

Section 5. Content of Annual Financial Information. The Annual Financial Information of the County shall consist of or cross-reference the following:

(a) Basic financial statements for the County prepared in accordance with GAAP.

(b) Operating data or financial information, consisting of, to the extent not included in the Audited Financial Statements, updates of the following information contained in the Official Statement:

(i) The general information set forth under the heading "THE SYSTEM" but excluding (A) biographical information, (B) projected information and (C) the information under the heading "THE SYSTEM – Conclusions of the Consulting Engineer";

(ii) The chart entitled "Water and Wastewater Rate Schedule" under the heading "RATES, FEES AND CHARGES – Water, Wastewater and Reclaimed Water Rates";

(iii) The chart entitled "Reclaimed Water Rate Schedules" (consisting of a Retail Rate Schedule and a Wholesale Rate Schedule) under the heading "RATES, FEES AND CHARGES – Water, Wastewater and Reclaimed Water Rates"; and

(iv) The chart entitled "Historical Operating Results – Last Five Fiscal Years" under the heading "HISTORICAL AND PROJECTED OPERATING RESULTS".

The County reserves the right to modify from time to time the specific types of information provided in its Annual Financial Information or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the County; provided that the County agrees that any such modification will be done in a manner consistent with the Rule.

Section 6. Reporting of Notice Events.

(a) In accordance with the Rule, the County or the Dissemination Agent shall file a Notice Event Filing with the Repository, in the appropriate format required by the MSRB and in a timely manner not in excess of ten (10) Business Days after it has actual knowledge of the occurrence of any of the following Notice Events with respect to the Series 2020 Refunding Bonds:

(i) Principal and interest payment delinquencies;

(ii) Non-payment related defaults, if material;

(iii) Unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) Unscheduled draws on credit enhancements reflecting financial difficulties;

(v) Substitution of credit or liquidity providers, or their failure to perform;

(vi) 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 status of the Series 2020 Bonds, or other material events affecting the tax status of the Series 2020 Bonds;

(vii) Modifications to rights of holders of the Series 2020 Bonds, if material;

(viii) Bond Calls, if material, and tender offers;

(ix) Defeasances;

(x) Release, substitution or sale of property securing repayment of the Series 2020 Bonds, if material;

(xi) Rating changes;

(xii) Bankruptcy, insolvency, receivership, or similar proceeding of the County. For purposes of this clause (xii), any such event shall be considered to have occurred when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the County in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the County, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the County;

(xiii) The consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, 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;

(xiv) Appointment of a successor or additional trustee or paying agent or the change of the name of a trustee or paying agent, if material;

(xv) Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or

other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; or

(xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

(b) Each notice given pursuant to this Section 6 shall prominently state the date, title and CUSIP numbers of the affected Series 2020 Bonds.

Section 7. Termination of Reporting Obligation.

(a) The obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2020 Bonds.

(b) If in the opinion of nationally recognized bond counsel satisfactory to the County, 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 bond counsel satisfactory to the County, 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 2020 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 7(a) or (b) hereof occurs prior to the final maturity of the Series 2020 Bonds, the County shall give or cause to be given notice of such event in the same manner as for a Notice Event under Section 6 hereof.

Section 8. Dissemination Agent. The County may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the County may unilaterally amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Sections 4, 5, 6 or 11 hereof, it may only be made in connection with a change in circumstances that arises from a change in applicable legal requirements, change in law, any subsequent change in or applicable and binding interpretation of the Rule, or change in the identity, nature or status of the County or any other Obligated Person or the type of business conducted;

(b) this Disclosure Certificate, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Series 2020 Bonds after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the amendment or waiver does not materially impair the interests of the owners or Beneficial Owners of the Series 2020 Bonds, as determined either by parties unaffiliated with the County or any other Obligated Persons (i.e., nationally recognized bond counsel satisfactory to the County).

Notwithstanding the foregoing, the County shall have the right to adopt amendments to this Disclosure Certificate necessary to comply with any then applicable provisions of securities law and modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the County shall describe such amendment in the next Annual Financial Information relating to the County, and shall include a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being provided by or in respect of the County. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Notice Event under Section 6 hereof, and (ii) the Annual Financial Information relating to the County for the year in which the change is made shall present a comparison (in narrative form and also, if feasible in quantitative form) between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the County to meet its obligations. To the extent reasonably feasible, the comparison also shall be quantitative.

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth herein or any other means of communication, or including any other information in any Annual Financial Information or notice of occurrence of a Notice Event, in addition to that which is required by this Disclosure Certificate. If the County chooses to include any information in any Annual Financial Information or notice of occurrence of a Notice Event, in addition to that which is specifically required by this Disclosure Certificate, the County shall have no obligation hereunder to update such information or include it in any future Annual Financial Information or notice of occurrence of a Notice Event.

Section 11. Default. In the event of a failure of the County to comply with any provision of this Disclosure Certificate, the sole remedy available to any holder, owner or Beneficial Owner of Series 2020 Bonds shall be to seek specific performance by court order to cause the County to comply with its obligations under this Disclosure Certificate, it being the County's position that

money damages would be inadequate recompense and/or difficult to ascertain. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Resolution.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the County, the Dissemination Agent, if any, all holders, owners and Beneficial Owners from time to time of the Series 2020 Bonds for the benefit of such holders, owners and Beneficial Owners, and shall create no rights in any other person or entity.

Section 13. Sources of Payment. The County shall be required to use only Pledged Revenues to pay any costs and expenses to be incurred in the performance of its obligations under this Disclosure Certificate and the performance of its obligations hereunder shall be subject to the availability of Pledged Revenues for that purpose. None of the members or employees of the County shall be charged personally with any liability, or held liable under any term or provision of this Disclosure Certificate because of its execution or attempted execution, or because of any breach or attempted or alleged breach thereof.

THE OBLIGATIONS UNDER THIS DISCLOSURE CERTIFICATE ARE NOT OBLIGATIONS OF THE STATE OF FLORIDA OR GENERAL OBLIGATIONS OF THE COUNTY, OR ANY POLITICAL SUBDIVISION OF THE STATE OF FLORIDA AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COUNTY, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF THE OBLIGATIONS, OR THE INTEREST OR PREMIUM, IF ANY, THEREON.

Section 14. Obligated Persons. Any change in Obligated Persons shall be reported by the County in connection with the Annual Financial Information. If any person, other than the County, becomes an Obligated Person relating to the Series 2020 Bonds, the County shall use its reasonable best efforts to require such Obligated Person to comply with all provisions of the Rule applicable to such Obligated Person; provided, however, the County takes no responsibility for the accuracy or completeness of any financial information or operating data or other filings by any future Obligated Person.

Section 15. Governing Law. This Disclosure Certificate shall be governed by and construed in accordance with the internal laws of the State of Florida (without regard to conflict of law principles thereof), provided that, to the extent this Disclosure Certificate addresses matters of federal securities laws, including the Rule, this Disclosure Certificate shall be construed in accordance with such federal securities laws and official interpretations thereof.

Section 16. Severability. In case any part of this Disclosure Certificate is held to be illegal or invalid, such illegality or invalidity shall not affect the remainder or any other section of this Disclosure Certificate. This Disclosure Certificate shall be construed or enforced as if such illegal or invalid portion were not contained therein, nor shall such illegality or invalidity of any application of this Disclosure Certificate affect any legal and valid application.

[SIGNATURE PAGE TO FOLLOW]

**SIGNATURE PAGE FOR
CONTINUING DISCLOSURE CERTIFICATE**

IN WITNESS WHEREOF, the County has executed this Disclosure Certificate to be executed on its behalf by its authorized representative as of the date first above written.

**ORANGE COUNTY, FLORIDA
By: Board of County Commissioners**

By: _____
Jerry L. Demings, County Mayor

EXHIBIT E

PROVISIONS RELATING TO ASSURED GUARANTY MUNICIPAL CORP. BOND INSURANCE POLICY

Unless otherwise defined in this EXHIBIT E, capitalized terms used in this EXHIBIT E shall have the meanings ascribed thereto in Resolution No. 92-B-06 adopted by the Board of County Commissioners of Orange County, Florida (the "Issuer") on June 12, 1992, as amended and supplemented, particularly as amended and supplemented by a resolution adopted on March 15, 2016 (the "Bond Resolution"), unless the context indicates another meaning.

(A) If, on the third business day prior to the related scheduled interest payment date or principal payment date ("Payment Date") there is not on deposit with the Issuer, after making all transfers and deposits required under the Bond Resolution pursuant to which the Series 2020 Bonds are authorized (referred to herein as the "Bond Resolution"), moneys sufficient to pay the principal of and interest on that portion of the Series 2020 Bonds which are insured by the Bond Insurance Policy (the "Insured Series 2020 Bonds") due on such Payment Date, the Issuer shall give notice to the Insurer and to its designated agent (if any) (the "Insurer's Fiscal Agent") by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such business day. If, on the second business day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Insured Series 2020 Bonds due on such Payment Date, the Issuer shall notify the Registrar and cause the Registrar to make a claim under the Bond Insurance Policy and give notice to the Insurer and the Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Insured Series 2020 Bonds and the amount required to pay principal of the Insured Series 2020 Bonds, confirmed in writing to the Insurer and the Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second business day by filling in the form of Notice of Claim and Certificate delivered with the Bond Insurance Policy.

(B) The Registrar shall designate any portion of payment of principal on Insured Series 2020 Bonds paid by the Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Insured Series 2020 Bonds registered to the then current Insured Series 2020 Bondholder, whether DTC or its nominee or otherwise, and shall issue a replacement Insured Series 2020 Bond to the Insurer, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Registrar's failure to so designate any payment or issue any replacement Insured Series 2020 Bond shall have no effect on the amount of principal or interest payable by the Issuer on any Insured Series 2020 Bond or the subrogation rights of the Insurer.

(C) The Registrar shall keep a complete and accurate record of all funds deposited by the Insurer into the hereinafter defined Policy Payments Account and the allocation of such funds to payment of interest on and principal of any Insured Series 2020 Bond. The Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Registrar.

(D) Upon payment of a claim under the Bond Insurance Policy, the Registrar shall establish a separate special purpose trust account for the benefit of the Insured Series 2020 Bondholders referred to herein as the "Policy Payments Account" and over which the Registrar shall have exclusive control and sole right of withdrawal. The Registrar shall receive any amount paid under the Bond Insurance Policy in trust on behalf of the Insured Series 2020 Bondholders and shall deposit any such amount in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Registrar to Insured Series 2020 Bondholders in the same manner as principal and interest payments are to be made with respect to the Insured Series 2020 Bonds under the provisions of the Bond Resolution regarding payment of Insured Series 2020 Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything to the contrary otherwise set forth in the Bond Resolution, the Issuer agrees to pay the Insurer (i) a sum equal to the total of all amounts paid by the Insurer under the Bond Insurance Policy (the "Insurer Advances"); and (ii) to the extent permitted by law, interest on such Insurer Advances from the date paid by the Insurer until payment thereof in full, payable to the Insurer at the Late Payment Rate per annum (collectively, the "Insurer Reimbursement Amounts"). "Late Payment Rate" means the lesser of (a) the greater of (I) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (II) the then applicable highest rate of interest on the Insured Series 2020 Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The Issuer hereby covenants and agrees that the Insurer Reimbursement Amounts are payable from the Pledged Funds (as defined in the Bond Resolution) and the amounts on deposit in certain funds and accounts established under the Bond Resolution to the same extent and on the same basis as the Insured Series 2020 Bonds (except as to amounts on deposit in the Reserve Account).

(E) Funds held in the Policy Payments Account shall not be invested by the Registrar and may not be applied to satisfy any costs, expenses or liabilities of the Registrar. Any funds remaining in the Policy Payments Account following an Insured Series 2020 Bond Payment Date shall promptly be remitted to the Insurer.

(F) No modification, amendment or supplement to the Bond Resolution which requires the consent of any Insured Series 2020 Bondholders or would otherwise adversely affect the rights and interests of the Insurer may become effective except upon obtaining the prior written consent of the Insurer.

(G) The Insurer shall, to the extent it makes any payment of principal of or interest on the Insured Series 2020 Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Bond Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). The obligations to the Insurer shall survive discharge or termination of the Bond Resolution.

(H) The Issuer shall pay or reimburse the Insurer any and all charges, fees, costs and expenses which the Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in the Bond Resolution, (ii) the pursuit of any remedies under the Bond Resolution or any other related document or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Bond Resolution or any other related document whether or not executed or completed, or (iv) any litigation or other dispute in connection with the Bond Resolution or any other related document or the transactions contemplated thereby, other than amounts resulting from the failure of the Insurer to honor its obligations under the Bond Insurance Policy. The Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Bond Resolution or any other related document.

(I) The Insurer shall be entitled to pay principal or interest on the Insured Series 2020 Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer (as such terms are defined in the Bond Insurance Policy), whether or not the Insurer has received a Notice of Nonpayment (as such terms are defined in the Bond Insurance Policy) or a claim upon the Bond Insurance Policy.

(J) The notice address of the Insurer is: Assured Guaranty Municipal Corp., 1633 Broadway, New York, New York 10019, Attention: Managing Director - Public Finance - Surveillance; Re: Policy No. _____, Telephone: (212) 974-0100, Telecopier: (212) 581-3268, e-mail: munidisclosure@assuredguaranty.com. In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of General Counsel at the same address or at the following Facsimile Number (212) 445-8705 and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

(K) The Insurer shall be provided with the following information at no charge:

(i) Annual audited financial statements within 30 days after the completion of the Issuer's annual audit (and in any event within 270 days of the end

of the Issuer's Fiscal Year) and the Issuer's annual budget and revised budget within 30 days after the approval thereof together with such other information, data or reports as the Insurer shall reasonably request from time to time;

(ii) Notice of any default known to the Registrar or the Issuer within five business days after knowledge thereof;

(iii) Prior notice of the advance refunding or redemption of any of the Insured Series 2020 Bonds, including the principal amount, maturities and CUSIP numbers thereof;

(iv) Notice of the resignation or removal of the Registrar and the appointment of, and acceptance of duties by, any successor thereto;

(v) Notice of the commencement of any proceeding by or against the Issuer commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding");

(vi) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the Insured Series 2020 Bonds;

(vii) A full original transcript of all proceedings relating to any amendment, supplement, or waiver to the Bond Resolution or any related documents;

(viii) All reports, notices and correspondence to be delivered under the terms of the Bond Resolution or any related documents; and

(ix) Such additional information as the Insurer may reasonably require.

(L) The Insurer is considered a third party beneficiary under the Bond Resolution.

(M) The rights granted to the Insurer under the Bond Resolution or any related document to request, consent to or direct any action are rights granted to the Insurer in consideration of its issuance of the Bond Insurance Policy. Any exercise by the Insurer of such rights is merely an exercise of the Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit or on behalf of the Insured Series 2020 Bondholders nor does such action evidence any position of the Insurer, positive or negative, as to whether the Insured Series 2020 Bondholder consent is required in addition to consent of the Insurer.

(N) Amounts paid by the Insurer under the Bond Insurance Policy shall not be deemed paid for purposes of the Bond Resolution and the Insured Series 2020 Bonds relating to such payments shall remain outstanding and continue to be due and owing until paid by the Issuer in accordance with the Bond Resolution. The Bond Resolution shall not be discharged unless all amounts due or to become due to the Insurer have been paid in full or duly provided for.

(O) The Insurer shall be deemed to be the sole holder of the Insured Series 2020 Bonds insured by it for the purpose of exercising any voting right or privilege or giving any consent or direction or taking of any other action that the holders of the Insured Series 2020 Bonds insured by it are entitled to take pursuant to the Bond Resolution subject to the provisions thereof and the provisions of the Bond Resolution pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Registrar or trustee, if any. In furtherance thereof and as a term of the Bond Resolution and the Insured Series 2020 Bonds, the Paying Agent and each Holder of the Insured Series 2020 Bonds appoint the Insurer as their agent and attorney-in-fact with respect to the Insured Series 2020 Bonds and agree that the 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 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 Registrar and each Holder of the Insured Series 2020 Bonds delegate and assign to the Insurer, to the fullest extent permitted by law, the rights of the Registrar and each Holder of the Insured Series 2020 Bonds with respect to the Insured Series 2020 Bonds 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.

(P) No contract shall be entered into by the Issuer nor any action taken by the Issuer by which the rights of the Insurer or security for or sources of payment of the Insured Series 2020 Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the Insurer.

(Q) Notwithstanding the provisions of Section 9.01 of the Bond Resolution, to accomplish the defeasance of the Insured Series 2020 Bonds, the Issuer shall cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to the Insurer ("Accountant") verifying the sufficiency of the escrow established to pay the Insured Series 2020 Bonds in full on the maturity or redemption date ("Verification"), (ii) an escrow deposit agreement (which shall be acceptable in form and substance to the Insurer), and (iii) an opinion of nationally recognized bond counsel to the effect that the Insured Series 2020 Bonds are no

longer "outstanding" under the Bond Resolution; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Issuer, the Registrar and the Insurer. The Insurer shall be provided with final drafts of the above-referenced documentation not less than five business days prior to the funding of the escrow. Insured Series 2020 Bonds shall be deemed "outstanding" under the Bond Resolution unless and until they are in fact paid and retired or the above criteria and the other criteria set forth in Section 8.01 are met.

(R) Notwithstanding satisfaction of other conditions to the issuance of Additional Bonds contained in the Bond Resolution, no such issuance may occur if any Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) has occurred and be continuing unless such default shall be cured upon such issuance.

(S) In determining whether any amendment, consent or other action to be taken, or any failure to act, under the Bond Resolution would adversely affect the security for the Insured Series 2020 Bonds or the rights of the Insured Series 2020 Bondholders, the Registrar and the Issuer shall consider the effect of any such amendment, consent, action or inaction as if there were no Bond Insurance Policy.

(T) Notwithstanding any provisions of the Bond Resolution to the contrary, no interest rate exchange agreement relating to the Insured Series 2020 Bonds shall be entered into by the Issuer without the prior written consent of the Insurer.

(U) Notwithstanding any other provision herein, if Insured Series 2020 Bonds are purchased in lieu of redemption the prior written approval of the Insurer shall be required if any Insured Series 2020 Bond so purchased is not to be cancelled upon purchase.

(V) The Issuer will permit the Insurer to discuss the affairs, finances and accounts of the Issuer or any information the Insurer may reasonably request regarding the security for the Insured Series 2020 Bonds with appropriate officers of the Issuer and will use commercially reasonable efforts to enable the Insurer to have access to the facilities, books and records of the Issuer on any business day upon reasonable prior notice.

(W) The Issuer shall notify the Insurer of any failure of the Issuer to provide notices, certificates and other information under the transaction documents.

(X) To the extent that the Issuer has entered into a continuing disclosure agreement, covenant or undertaking with respect to the Insured Series 2020 Bonds, all information furnished pursuant to such agreements shall also be provided to the Insurer, simultaneously with the furnishing of such information.

(Y) No grace period for a covenant default shall exceed thirty (30) days or be extended for more than sixty (60) days, without the prior written consent of the Insurer. No grace period shall be permitted for payment defaults.

EXHIBIT F

PROVISIONS RELATING TO BUILD AMERICA MUTUAL ASSURANCE COMPANY BOND INSURANCE POLICY

Unless otherwise defined in this EXHIBIT F, capitalized terms used in this EXHIBIT F shall have the meanings ascribed thereto in Resolution No. 92-B-06 adopted by the Board of County Commissioners of Orange County, Florida (the "Issuer") on June 12, 1992, as amended and supplemented, particularly as amended and supplemented by a resolution adopted on March 15, 2016 (the "Bond Resolution"), unless the context indicates another meaning.

1. Notice and Other Information to be given to BAM. The Issuer will provide Build America Mutual Assurance Company ("BAM") with all notices and other information it is obligated to provide (a) under its Continuing Disclosure Undertaking and (b) to the holders of Insured Series 2020 Bonds or the Paying Agent under the Bond Resolution.

The notice address of BAM is: Build America Mutual Assurance Company, 1 World Financial Center, 27th Floor, 200 Liberty Street, New York, NY 10281, Attention: Surveillance, Re: Policy No. _____, Telephone: (212) 235-2500, Telecopier: (212) 962-1524, Email: notices@buildamerica.com. In each case in which notice or other communication refers to an event of default or a claim on the Bond Insurance Policy, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel at the same address and at claims@buildamerica.com or at Telecopier: (212) 235-5214 and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

2. Defeasance. The investments in the defeasance escrow shall be limited to non-callable, direct obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, or otherwise be approved by BAM.

At least 5 business days prior to any defeasance, the Issuer shall deliver to BAM copies of an escrow agreement, opinions regarding the validity and enforceability of the escrow agreement, a verification report (a "Verification Report") of a nationally recognized independent financial analyst or firm of certified public accountants regarding sufficiency of the escrow and a defeasance legal opinion. Such opinions and Verification Report shall be addressed to BAM and shall be in form and substance satisfactory to BAM. In addition, the escrow agreement shall provide that:

(a) Any substitution of securities shall require the delivery of a Verification Report, an opinion of bond counsel that such substitution will not adversely affect the exclusion (if interest on the Insured Series 2020 Bonds is excludable) from gross income of the holders of the Insured Series 2020 Bonds (the

"Insured Bondholders") of the interest on the Insured Series 2020 Bonds for federal income tax purposes and the prior written consent of BAM.

(b) The Issuer will not exercise any prior optional redemption of Insured Series 2020 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 to any such redemption there shall be provided to BAM a Verification Report as to the sufficiency of escrow receipts without reinvestment to meet the escrow requirements remaining following any such redemption.

(c) The Issuer shall not amend the escrow agreement or enter into a forward purchase agreement or other agreement with respect to rights in the escrow without the prior written consent of BAM.

3. Paying Agent.

(a) BAM shall receive prior written notice of any name change of the Paying Agent for the Insured Series 2020 Bonds or the resignation or removal of the Paying Agent. Any Paying Agent must be (i) a national banking association that is supervised by the Office of the Comptroller of the Currency and has at least \$250 million of assets, (ii) a state-chartered commercial bank that is a member of the Federal Reserve System and has at least \$1 billion of assets, or (iii) otherwise approved by BAM in writing.

(b) No removal, resignation or termination of the Paying Agent shall take effect until a successor, acceptable to BAM, shall be qualified and appointed.

4. Amendments, Supplements and Consents. BAM's prior written consent is required for all amendments and supplements to the Bond Resolution, with the exceptions noted below. The Issuer shall send copies of any such amendments or supplements to BAM and the rating agencies which have assigned a rating to the Insured Series 2020 Bonds.

(a) *Consent of BAM.* Any amendments or supplements to the Bond Resolution shall require the prior written consent of BAM with the exception of amendments or supplements:

(i) To cure any ambiguity or formal defect or omissions or to correct any inconsistent provisions in the Bond Resolution or in any supplement thereto, or

(ii) To grant or confer upon the Insured Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Insured Bondholders, or

(iii) To add to the conditions, limitations and restrictions on the issuance of Insured Series 2020 Bonds under the provisions of the transaction documents other conditions, limitations and restrictions thereafter to be observed, or

(iv) To add to the covenants and agreements of the Issuer in the transaction documents other covenants and agreements thereafter to be observed by the Issuer or to surrender any right or power therein reserved to or conferred upon the Issuer.

(b) *Consent of BAM in Addition to Bondholder Consent.* Any amendment, supplement, modification to, or waiver of, the Bond Resolution that requires the consent of holders of the Insured Series 2020 Bonds or adversely affects the rights or interests of BAM shall be subject to the prior written consent of BAM.

(c) *Consent of BAM in the Event of Insolvency.* Any reorganization or liquidation plan with respect to the Issuer must be acceptable to BAM in writing. In the event of any reorganization or liquidation of the Issuer, BAM shall have the right to vote on behalf of all holders of the Insured Series 2020 Bonds absent a continuing failure by BAM to make a payment under the Bond Insurance Policy.

(d) *Consent of BAM Upon Default.* Anything in the Bond Resolution to the contrary notwithstanding, upon the occurrence and continuance of a default or an event of default under the Bond Resolution, BAM shall be entitled to control and direct the enforcement of all rights and remedies granted to the holders of the Insured Series 2020 Bonds or the Paying Agent for the benefit of the holders of the Insured Series 2020 Bonds under the Bond Resolution. Neither the Issuer nor the Paying Agent may waive any default or event of default without BAM's written consent.

(e) *BAM as Owner.* Upon the occurrence and continuance of a default or an event of default under the Bond Resolution, BAM shall be deemed to be the sole owner of the Insured Series 2020 Bonds for all purposes under the Bond Resolution, including, without limitations, for purposes of exercising remedies and approving amendments.

(f) *Consent of BAM for acceleration.* BAM's prior written consent is required as a condition precedent to and in all instances of acceleration; provided, however, acceleration is currently prohibited under the terms of the Bond Resolution.

(g) *Grace Period for Payment Defaults.* No grace period shall be permitted for payment defaults on the Insured Series 2020 Bonds. No grace period for a covenant default shall exceed 30 days without the prior written consent of BAM.

(h) *Special Provisions for Insurer Default.* If an Insurer Default (as defined below) shall occur and be continuing under the Bond Insurance Policy, then, notwithstanding anything in paragraphs 4(a)-(e) above to the contrary, (i) if at any time prior to or following an Insurer Default, BAM has made payment under the Bond Insurance Policy, to the extent of such payment BAM shall be treated like any other holder of the Insured Series 2020 Bonds for all purposes, including giving of consents, and (ii) if BAM has not made any payment under the Bond Insurance Policy, BAM shall have no further consent rights until the particular Insurer Default is no longer continuing or BAM makes a payment under the Bond Insurance Policy, in which event, the foregoing clause (i) shall control. For purposes of this paragraph (h), "Insurer Default" means: (A) BAM has failed to make any payment under the Bond Insurance Policy when due and owing in accordance with its terms; or (B) BAM shall (I) voluntarily commence any proceeding or file any petition seeking relief under the United States Bankruptcy Code or any other Federal, state or foreign bankruptcy, insolvency or similar law, (II) consent to the institution of or fail to controvert in a timely and appropriate manner, any such proceeding or the filing of any such petition, (III) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for such party or for a substantial part of its property, (IV) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (V) make a general assignment for the benefit of creditors, or (VI) take action for the purpose of effecting any of the foregoing; or (C) any state or federal agency or instrumentality shall order the suspension of payments on the Bond Insurance Policy or shall obtain an order or grant approval for the rehabilitation, liquidation, conservation or dissolution of BAM (including without limitation under the New York Insurance Law).

5. BAM As Third Party Beneficiary. BAM is recognized as and shall be deemed to be a third party beneficiary of the Bond Resolution and may enforce the provisions of the Bond Resolution as if it were a party thereto.

6. Payment Procedure Under the Bond Insurance Policy. In the event that principal and/or interest due on the Insured Series 2020 Bonds shall be paid by BAM pursuant to the Bond Insurance Policy, the Insured Series 2020 Bonds shall remain outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Issuer, the assignment and pledge of the Pledged Funds (except as to amounts on deposit in the Reserve Account) and all covenants, agreements and other obligations of the Issuer to the registered owners shall continue to exist and shall run to the benefit of BAM, and BAM shall be subrogated to the rights of such registered owners including,

without limitation, any rights that such owners may have in respect of securities law violations arising from the offer and sale of the Insured Series 2020 Bonds.

In the event that on the second (2nd) business day prior to any payment date on the Insured Series 2020 Bonds, Issuer reasonably believes it shall not have sufficient moneys to pay all principal of and interest on the Insured Series 2020 Bonds due on such payment date, the Issuer shall immediately notify BAM or its designee on the same business day by telephone or electronic mail, of the amount of the expected deficiency. If any deficiency is made up in whole or in part prior to or on the payment date, the Issuer or the Paying shall so notify BAM or its designee.

In addition, if the Paying Agent has notice that any holder of the Insured Series 2020 Bonds has been required to disgorge payments of principal of or interest on the Insured Series 2020 Bonds 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 law, then the Paying Agent shall notify BAM or its designee of such fact by telephone or electronic mail, or by overnight or other delivery service as to which a delivery receipt is signed by a person authorized to accept delivery on behalf of BAM.

The Paying Agent shall irrevocably be designated, appointed, directed and authorized to act as attorney-in-fact for holders of the Insured Series 2020 Bonds as follows:

(a) If there is a deficiency in amounts required to pay interest and/or principal on the Insured Series 2020 Bonds, the Paying Agent shall (i) execute and deliver to BAM, in form satisfactory to BAM, an instrument appointing BAM as agent and attorney-in-fact for such holders of the Insured Series 2020 Bonds in any legal proceeding related to the payment and assignment to BAM of the claims for interest on the Insured Series 2020 Bonds, (ii) receive as designee of the respective holders (and not as Paying Agent) in accordance with the tenor of the Bond Insurance Policy payment from BAM with respect to the claims for interest so assigned, and (iii) disburse the same to such respective holders; and

(b) If there is a deficiency in amounts required to pay principal of the Insured Series 2020 Bonds, the Paying Agent shall (i) execute and deliver to BAM, in form satisfactory to BAM, an instrument appointing BAM as agent and attorney-in-fact for such holder of the Insured Series 2020 Bonds in any legal proceeding related to the payment of such principal and an assignment to BAM of the Insured Series 2020 Bonds surrendered to BAM, (ii) receive as designee of the respective holders (and not as Paying Agent) in accordance with the tenor of the Bond Insurance Policy payment therefore from BAM, and (iii) disburse the same to such holders.

The Paying Agent shall designate any portion of payment of principal on the Insured Series 2020 Bonds paid by BAM, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Insured Series 2020 Bonds registered to the then current holder, whether DTC or its nominee or otherwise, and shall issue a replacement Insured Series 2020 Bond to BAM, registered in the name directed by BAM, in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Paying Agent's failure to so designate any payment or issue any replacement Insured Series 2020 Bond shall have no effect on the amount of principal or interest payable by the Issuer on any Insured Series 2020 Bond or the subrogation or assignment rights of BAM.

Payments with respect to claims for interest on and principal of Insured Series 2020 Bonds disbursed by the Paying Agent from proceeds of the Bond Insurance Policy shall not be considered to discharge the obligation of the Issuer with respect to such Insured Series 2020 Bonds, and BAM shall become the owner of such unpaid Insured Series 2020 Bonds and entitled to claims for the interest in accordance with the tenor of the assignment made to it under the provisions of the preceding paragraphs or otherwise.

Irrespective of whether any such assignment is executed and delivered, the Issuer and the Paying Agent agree for the benefit of BAM that:

(a) They recognize that to the extent BAM makes payments directly or indirectly (*e.g.*, by paying through the Paying Agent), on account of principal of or interest on the Insured Series 2020 Bonds, BAM will be subrogated to the rights of such holders to receive the amount of such principal and interest from the Issuer, with interest thereon, as provided and solely from the sources stated in the transaction documents and the Insured Series 2020 Bonds; and

(b) They will accordingly pay to BAM the amount of such principal and interest, with interest thereon as provided in the transaction documents and the Insured Series 2020 Bonds, but only from the sources and in the manner provided therein for the payment of principal of and interest on the Insured Series 2020 Bonds to holders, and will otherwise treat BAM as the owner of such rights to the amount of such principal and interest.

7. Additional Payments. The Issuer agrees unconditionally that it will pay or reimburse BAM on demand any and all reasonable charges, fees, costs, losses, liabilities and expenses that BAM may pay or incur, including, but not limited to, fees and expenses of BAM's agents, attorneys, accountants, consultants, appraisers and auditors and reasonable costs of investigations, in connection with the administration (including waivers and consents, if any), enforcement, defense, exercise or preservation of any rights and remedies in respect of the Bond Resolution ("Administrative Costs"). For purposes of the foregoing, costs and expenses shall include a reasonable allocation of compensation and overhead attributable to the time of employees of BAM spent in connection with the actions

described in the preceding sentence. The Issuer agrees that failure to pay any Administrative Costs on a timely basis will result in the accrual of interest on the unpaid amount at the Late Payment Rate (as defined below), compounded semi-annually, from the date that payment is first due to BAM until the date BAM is paid in full.

Notwithstanding anything herein to the contrary, the Issuer agrees to pay to BAM (i) a sum equal to the total of all amounts paid by BAM under the Bond Insurance Policy ("BAM Policy Payment"); and (ii) interest on such BAM Policy Payments from the date paid by BAM until payment thereof in full by the Issuer, payable to BAM at the Late Payment Rate per annum (collectively, "BAM Reimbursement Amounts") compounded semi-annually. The Issuer hereby covenants and agrees that the BAM Reimbursement Amounts and Administrative Costs are secured solely by a lien on and pledge of the Pledged Funds and payable from such Pledged Funds on a parity with debt service due on the Insured Series 2020 Bonds (except as to amounts on deposit in the Reserve Account).

"Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank, N.A., at its principal office in The City of New York, New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank, N.A.) plus 3%, and (ii) the then applicable highest rate of interest on the Insured Series 2020 Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. In the event JPMorgan Chase Bank, N.A., ceases to announce its Prime Rate, the Prime Rate shall be the prime or base lending rate of such other bank, banking association or trust company as BAM, in its sole and absolute discretion, shall designate. Interest at the Late Payment Rate on any amount owing to BAM shall be computed on the basis of the actual number of days elapsed in a year of 360 days.

8. Exercise of Rights by BAM. The rights granted to BAM under the Bond Resolution to request, consent to or direct any action are rights granted to BAM in consideration of its issuance of the Bond Insurance Policy. Any exercise by BAM of such rights is merely an exercise of BAM's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the holders of the Insured Series 2020 Bonds and such action does not evidence any position of BAM, affirmative or negative, as to whether the consent of the holders of the Insured Series 2020 Bonds or any other person is required in addition to the consent of BAM.

BAM shall be entitled to pay principal or interest on the Insured Series 2020 Bonds that shall become Due for Payment (as such terms are defined in the Bond Insurance Policy) but shall be unpaid by reason of Nonpayment by the Issuer (as such terms are defined in the Bond Insurance Policy) and any amounts due on the Insured Series 2020 Bonds as a result of acceleration of the maturity thereof in accordance with the Bond Resolution, whether or not BAM has received a claim upon the Bond Insurance Policy.