

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2025

NEW ISSUE - BOOK-ENTRY ONLY

RATINGS: S&P: "___"

Fitch: "___"

See "RATINGS" herein

[DAC LOGO]

In the opinion of Co-Bond Counsel, under existing statutes, regulations, rulings and court decisions and subject to the conditions described herein under "TAX MATTERS", interest on the Series 2025 Bonds is (a) excludable from gross income of the owners thereof for federal income tax purposes except as otherwise described herein under the caption "TAX MATTERS", and (b) not an item of tax preference for purposes of the federal alternative minimum tax; provided, however, with respect to certain corporations, interest on the Series 2025 Bonds is taken into account in determining the annual adjusted financial statement income for the purpose of computing the alternative minimum tax imposed on such corporations. See "TAX MATTERS" herein for a more general discussion of Co-Bond Counsel's opinion and other tax considerations.

\$ _____ *

**[ORANGE COUNTY ORANGE COUNTY, FLORIDA
LOGO] WATER AND WASTEWATER UTILITY REVENUE BONDS
SERIES 2025**

Dated: Date of Delivery

Due: As shown on the inside cover hereof

Orange County, Florida (the "County") is issuing its \$ _____ * Water and Wastewater Utility Revenue Bonds, Series 2025 (the "Series 2025 Bonds") as fully registered bonds, without coupons, in denominations of \$5,000 or any integral multiple thereof. Interest on the Series 2025 Bonds is payable semiannually on each April 1 and October 1, commencing October 1, 2025, and will be payable by check or draft of U.S. Bank Trust Company, National Association, Orlando, Florida, as Registrar and Paying Agent (the "Registrar" and "Paying Agent"), to the holders in whose names the Series 2025 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 2025 Bonds is payable to the holder thereof upon presentation and surrender at the designated office of the Paying Agent. Upon initial issuance, the Series 2025 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 2025 Bonds, payments of the principal of and interest on the Series 2025 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 2025 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.

* Preliminary, subject to change.

The Series 2025 Bonds are subject to optional redemption and may be subject to mandatory redemption prior to their stated maturities as set forth herein.

The Series 2025 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 2025 Bonds.

The Series 2025 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 (the "Master Resolution"), and particularly as amended and supplemented by Resolution No. 2025-[]-[] adopted by the Board on [April 22], 2025 (the "Supplemental Resolution" and together with the Master Resolution, the "Resolution").

The Series 2025 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) 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 2025 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 2025 BOND SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER TO PAY SUCH SERIES 2025 BOND, OR BE ENTITLED TO PAYMENT OF SUCH SERIES 2025 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 2025 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 2025 Bonds will be received by the County through IHS Markit's Parity Bid Submission System ("PARITY®") on May 6, 2025, until 11:00 a.m., local Orlando, Florida 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 2025 Bonds, dated _____, 2025.

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

Purchasers of the Series 2025 Bonds, by their purchase and acceptance thereof, are deemed to have expressly and irrevocably consented to and approved the amendment of the terms and provisions of the Resolution by incorporating the amendment (the "Amendment") set forth in the Supplemental Resolution. As provided in the Supplemental Resolution, the Amendment shall become effective upon the consent thereto of the owners of not less than 51% of the aggregate principal amount of the Bonds at the time Outstanding under the Resolution. See "SECURITY FOR THE SERIES 2025 BONDS - Springing Amendment to Resolution" contained herein.

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 2025 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 2025 Bonds. It is expected that the Series 2025 Bonds will be available in definitive form for delivery to DTC in New York, New York, on or about [____], 2025.

Dated: [____], 2025

MATURITY SCHEDULE

\$ _____^{*}
ORANGE COUNTY, FLORIDA
WATER AND WASTEWATER UTILITY REVENUE BONDS
SERIES 2025

Maturity (October 1)[*]	Principal Amount[*]	Interest Rate	Yield	Price	CUSIP[†]
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036 ^{**}					
2037 ^{**}					
2038 ^{**}					
2039 ^{**}					
2040 ^{**}					
2041 ^{**}					
2042 ^{**}					
2043 ^{**}					
2044 ^{**}					
2045 ^{**}					

^{*} 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.

^{**} Subject to Term Bond Option as described in the Official Notice of Bond Sale.

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

ORANGE COUNTY MAYOR

Jerry L. Demings

Michael "Mike" Scott, Commissioner, Vice Mayor, District 6

Nicole H. Wilson, Commissioner, District 1

Christine Moore, Commissioner, District 2

Mayra Uribe, Commissioner, District 3

Maribel Gomez Cordero, Commissioner, District 4

Kelly Martinez Semrad, Commissioner, District 5

COUNTY COMPTROLLER

Phil Diamond, CPA

CHIEF DEPUTY COUNTY COMPTROLLER

Eric D. Gassman, CPA

COUNTY ADMINISTRATOR

Byron W. Brooks, AICP

DEPUTY COUNTY ADMINISTRATOR

Carla Bell Johnson

ASSISTANT COUNTY ADMINISTRATOR

Lisa Snead

COUNTY ATTORNEY

Jeffrey J. Newton, Esquire

MANAGER, FISCAL AND BUSINESS SERVICES DIVISION

Stephanie Taub

DIRECTOR, UTILITIES DEPARTMENT

Ed Torres, M.S., P.E., LEED AP

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, SALESPERSON 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 2025 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 2025 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 2025 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 TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE SERIES 2025 BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF THE SECURITIES LAWS OF THE STATES, IF ANY, IN WHICH THE SERIES 2025 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 2025 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 2025 BONDS.

IN CONNECTION WITH THE OFFERING OF THE SERIES 2025 BONDS, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2025 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 EXCEPT FOR CERTAIN INFORMATION PERMITTED TO BE OMITTED PURSUANT TO RULE 15C2-12(B)(1).

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION	1
THE SERIES 2025 PROJECT.....	2
ESTIMATED SOURCES AND USES OF FUNDS	3
DESCRIPTION OF SERIES 2025 BONDS.....	3
Terms and Form.....	3
Interchangeability, Negotiability and Transfer	4
Optional Redemption of Series 2025 Bonds.....	5
Mandatory Redemption	5
Notice of Redemption	6
Purchase in Lieu of Optional Redemption.....	7
BOOK-ENTRY ONLY SYSTEM.....	7
SECURITY FOR THE SERIES 2025 BONDS	10
General.....	10
Outstanding Bonds.....	12
Funds and Accounts.....	12
Investments	13
Flow of Funds	14
Connection Fees Fund.....	19
Construction Fund.....	19
Rate Stabilization Fund.....	20
Rate Covenant.....	20
Additional Bonds	21
Subordinated Indebtedness	24
Operation and Maintenance	25
Annual Budget	25
Books and Records	25
Annual Audit.....	25
No Mortgage or Sale of the System.....	26
Insurance	27
No Free Service.....	28
No Impairment of Rights	28
Compulsory Connections.....	29
Enforcement of Charges	29
Unit Bills.....	29
Collection of Connection Fees.....	29
Consulting Engineers	29
Amendments Without Bondholder Consent	30
Springing Amendment to Resolution.....	30
DEBT SERVICE SCHEDULE.....	33
THE SYSTEM.....	33
Overview of the System.....	33
Water System	34
Wastewater System.....	41

Regulatory Compliance	44
Industrial Compliance Programs.....	46
Conclusions of the Consulting Engineer.....	47
FINANCIAL FEASIBILITY REPORT	48
RATES, FEES AND CHARGES	48
Water, Wastewater and Reclaimed Water Rates	49
Rate and Connection Fee Comparison.....	54
HISTORICAL AND PROJECTED OPERATING RESULTS.....	57
Projected Operating Results Debt Service Coverage.....	58
THE CAPITAL IMPROVEMENT PROGRAM.....	60
Conclusions of the Feasibility Consultant	62
PENSION AND OTHER POST EMPLOYMENT BENEFITS	62
RISK FACTORS	64
Cybersecurity	64
Natural Disasters.....	64
LITIGATION.....	64
CONTINUING DISCLOSURE.....	65
FINANCIAL ADVISOR	65
LEGAL MATTERS.....	66
TAX MATTERS.....	66
Opinion of Co-Bond Counsel	66
Internal Revenue Code of 1986	66
Collateral Tax Consequences.....	67
Other Tax Matters	67
Original Issue Bond Premium.....	68
Original Issue Bond Discount.....	68
RATINGS	69
ENFORCEABILITY OF REMEDIES	69
UNDERWRITING	69
FINANCIAL REPORTS	69
DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS	70
FORWARD LOOKING STATEMENTS	70
CONTINGENT AND OTHER FEES	70
ACCURACY AND COMPLETENESS OF OFFICIAL STATEMENT.....	70
MISCELLANEOUS	71
AUTHORIZATION OF OFFICIAL STATEMENT.....	71
APPENDIX A - GENERAL INFORMATION CONCERNING ORANGE COUNTY, FLORIDA	
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, 2024 AND 2023	
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

§ _____ *

ORANGE COUNTY, FLORIDA
WATER AND WASTEWATER UTILITY REVENUE BONDS
SERIES 2025

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 \$ _____* aggregate principal amount of Orange County, Florida Water and Wastewater Utility Revenue Bonds, Series 2025 (the "Series 2025 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 2025 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 (the "Master Resolution"), and particularly as amended and supplemented by Resolution No. 2025-[]-[] adopted by the Board on [April 22], 2025 (the "Supplemental Resolution" and together with the Master Resolution, 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 2025 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 2025 Bonds.

The Series 2025 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) 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 2025 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 2025 Bonds shall be set to an amount equal to \$0.**

* Preliminary, subject to change.

The Series 2025 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."

Purchasers of the Series 2025 Bonds, by their purchase and acceptance thereof, are deemed to have expressly and irrevocably consented to and approved the amendment of the terms and provisions of the Resolution by incorporating the amendment (the "Amendment") set forth in the Supplemental Resolution. As provided in the Supplemental Resolution, the Amendment shall become effective upon the consent thereto of the owners of not less than 51% of the aggregate principal amount of the Bonds at the time Outstanding under the Resolution. See "SECURITY FOR THE SERIES 2025 BONDS - Springing Amendment to Resolution" contained herein.

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 2025 Bonds. See "APPENDIX G - FORM OF CONTINUING DISCLOSURE CERTIFICATE" herein.

Complete descriptions of the terms and conditions of the Series 2025 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 2025 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.

THE SERIES 2025 PROJECT

The Series 2025 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 2025 Project.

ESTIMATED SOURCES AND USES OF FUNDS

The proceeds to be received from the sale of the Series 2025 Bonds along with other legally available funds are expected to be applied as follows:

Sources of Funds

Principal Amount of Series 2025 Bonds	\$
Plus/Minus Original Issue Premium/Discount	<hr/>
TOTAL SOURCES:	\$ <hr/>

Use of Funds

Deposit to Series 2025 Account of the Construction Fund ⁽¹⁾	\$
Deposit to Series 2025 Costs of Issuance Account ⁽²⁾	<hr/>
Underwriter's Discount	<hr/>
TOTAL USES:	\$ <hr/>

⁽¹⁾ Includes an estimated reimbursement to the County for approximately \$[] of prior capital expenditures for the System.

⁽²⁾ Costs of issuance include financial, legal, printing and other expenses incidental to the issuance of the Series 2025 Bonds.

DESCRIPTION OF SERIES 2025 BONDS

Terms and Form

The Series 2025 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 2025 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 2025 Bonds is payable semiannually on each April 1 and October 1, commencing October 1, 2025 (the "Interest Dates"). Interest payable on the Series 2025 Bonds on any Interest Date shall be paid by check or draft of U.S. Bank Trust Company, National Association, Orlando, Florida, as Registrar and Paying Agent (the "Registrar" or "Paying Agent"), to the holders in whose names the Series 2025 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 2025 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 2025 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 2025 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 2025 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 2025 Bonds of the same maturity of any other authorized denominations.

The Series 2025 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 2025 Bonds. So long as any of the Series 2025 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 2025 Bonds.

Each Series 2025 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 2025 Bond, the County shall issue, and cause to be authenticated, in the name of the transferee a new Series 2025 Bond or Series 2025 Bonds of the same aggregate principal amount and series and maturity as the surrendered Series 2025 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 2025 Bond shall be registered upon the books of the County as the absolute owner of such Series 2025 Bond, whether such Series 2025 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 2025 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 2025 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 2025 Bonds, forthwith (A) following the fifteenth day prior to an interest payment date for the Series 2025 Bonds; (B) following the fifteenth day next preceding the date of first mailing of notice of redemption of any Series 2025 Bonds; and (C) at any other time as reasonably requested by the Paying Agent of such Series 2025 Bonds, shall certify and furnish to such Paying Agent the names, addresses and holdings of Series 2025 Bondholders and any other relevant information reflected in the registration books. Any Paying Agent of any fully registered Series 2025 Bond shall effect

payment of interest on such Series 2025 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 2025 Bonds or transferring Series 2025 Bonds is exercised, the County shall execute and deliver Series 2025 Bonds and the Registrar shall authenticate such Series 2025 Bonds in accordance with the provisions of the Resolution. Execution of Series 2025 Bonds by the Mayor or County Administrator and attestation by the Comptroller for purposes of exchanging, replacing or transferring Series 2025 Bonds may occur at the time of the original delivery of the Series 2025 Bonds. All Series 2025 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 2025 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 2025 Bonds during the fifteen days next preceding an Interest Date on the Series 2025 Bonds or, in the case of any proposed redemption of the Series 2025 Bonds, then, for the Series 2025 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 2025 Bonds

The Series 2025 Bonds maturing on or after October 1, 2036, 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, 2035 (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.

Mandatory Redemption

The Series 2025 Bonds maturing October 1, 20__ are subject to mandatory redemption in part by the County by lot prior to their scheduled maturity from moneys in the Term Bonds Redemption Account established under the Resolution in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on October 1 of the years and in the principal amounts set forth below:

October 1 of the Year	Amortization Installment	October 1 of the Year	Amortization Installment
----------------------------------	-------------------------------------	----------------------------------	-------------------------------------

*

* Maturity.

Notice of Redemption

Notice of any redemption shall specify the Series 2025 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 2025 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 2025 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 2025 Bonds to be redeemed, or any defect therein, shall not affect the proceedings for redemption of Series 2025 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 2025 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 2025 Bonds. Notice of optional redemption of the Series 2025 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 2025 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 2025 Bonds being redeemed, (2) the original issue date of such Series 2025 Bonds, (3) the maturity date and rate of interest borne by each Series 2025 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 2025 Bonds are to be redeemed, the certificate number (and, in the case of a partial redemption of any Series 2025 Bond, the principal amount) of each Series 2025 Bond to be redeemed, (8) that on such redemption date there shall become due and payable upon each Series 2025 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 2025 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 2025 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 2025 Bondholders as soon as practicable.

Purchase in Lieu of Optional Redemption

Notwithstanding anything in the Resolution to the contrary, at any time the Series 2025 Bonds are subject to optional redemption pursuant to the Resolution, all or a portion of the Series 2025 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 2025 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 2025 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 2025 Bonds or any other Outstanding Bonds. In the event the Paying Agent, as trustee, is so directed to purchase Series 2025 Bonds in lieu of optional redemption, no notice to the holders of the Series 2025 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 2025 Bonds if such Series 2025 Bonds had been redeemed rather than purchased. Each Series 2025 Bond so purchased shall not be canceled or discharged and shall be registered in the name of the County. Series 2025 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 2025 Bonds. The Series 2025 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 2025 Bond certificate will be issued for each maturity of the Series 2025 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 2025 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2025 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2025 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 2025 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 2025 Bonds, except in the event that use of the book-entry system for the Series 2025 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2025 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 2025 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 2025 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2025 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 2025 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2025 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2025 Bond documents. For example, Beneficial Owners of Series 2025 Bonds may wish to ascertain that the nominee holding the Series 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 Bonds certificates will be printed and delivered to the holders of the Series 2025 Bonds.

So long as Cede & Co. is the registered owner of the Series 2025 Bonds, as nominee for DTC, references herein to the registered owners of the Series 2025 Bonds shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the Series 2025 Bonds.

SECURITY FOR THE SERIES 2025 BONDS

General

The payment of the principal of or Redemption Price, if applicable, and interest on the Series 2025 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) 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 2025 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 2025 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 2025 BOND SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER TO PAY SUCH SERIES 2025 BOND, OR BE ENTITLED TO PAYMENT OF SUCH SERIES 2025 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 2025 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, 2024 is \$62,445,000.

On December 10, 2020, the County issued its 140,740,000 Orange County, Florida Water and Wastewater Utility Revenue Bonds, Series 2020 (the "Series 2020 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 2020 Bonds outstanding as of October 1, 2024 is \$126,215,000.

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 2025 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 and the Connection Fees Fund (unless pledged pursuant to Supplemental Resolution)), 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. **The Series 2025 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 2025 Bonds shall be set to an amount equal to \$0.**

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 2025 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 2025 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 2025 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 2025 Project to be deemed the "Series 2025 Account." There shall be paid into the Series 2025 Account the amounts required to be so paid by the provisions of the Resolution, and there may be paid into the Series 2025 Account, at the option of the County, any moneys received for or in connection with the Series 2025 Project by the County from any other source. The Cost of the Series 2025 Project is to be paid in whole or in part out of the Series 2025 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 \$74,077 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 its address to the Comptroller and requested in writing that the same be furnished to it.

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) an 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) an 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 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.

See, "SECURITY FOR THE 2025 BONDS - Springing Amendment to Resolution" below for a discussion of potential springing amendment to these provisions upon the consent thereto of the owners of not less than 51% of the aggregate principal amount of the Bonds at the time Outstanding.

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.

Springing Amendment to Resolution

The Supplemental Resolution provides that upon the consent thereto of the owners of not less than 51% of the aggregate principal amount of the Bonds at the time Outstanding, the provisions of the Resolution relating to no mortgage or sale of the System shall be amended and restated as set forth below. **Each owner of the Series 2025 Bonds shall be deemed to have irrevocably and expressly consented in writing to the below amendments.** Upon the issuance of the Series 2025 Bonds, the Series 2025 Bonds will not constitute 51% or more of the aggregate principal amount of the Bonds Outstanding under the Bond Resolution. Accordingly, the amendments below will not be effective until a future date once such threshold is reached.

Additions are indicated by double underlining and deletions are indicated by ~~double strikethrough~~.

(A) 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.

(B) The foregoing provision notwithstanding, the County shall have and reserves the right to sell, lease or otherwise dispose of (including the or granting of rights via contract, license, or easement) any of the property comprising a part of the System in the following manner, if any one of the following conditions exist: (1) such property is not necessary for the operation of the System, (2) such property is not useful in the operation of the System, (3) such property is not profitable in the operation of the System, or (4) in the case of a lease ~~of, contract, license for the operation of, or grant of easements or other rights with respect to~~ such property, such such property, such ~~lease will be advantageous to~~ disposition will not impede or restrict the operation of the System and will not materially adversely affect the security for the Bondholders, in all cases subject to satisfying the requirements of (C) below.

(C) 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%) of the book value of the ~~net~~gross plant in service of the System, ~~(a)~~ an Authorized Issuer Officer shall make a finding in writing determining that one or more of the conditions ~~for~~ provided for in Section 5.07(B) above have been met (provided that if the book value of the property net of depreciation is zero and the property is being disposed of, then no such finding is necessary and the requirements of this Section 5.07(C) shall not apply); or

(2) if the amount to be received from such sale, lease, or other disposition of property said property shall be in excess of one percent (1%) of the book value of the gross plant in service of the System, (a) an Authorized Issuer Officer and the Consulting Engineers shall each first make a finding in writing determining that one or more of the conditions provided for in the second paragraph of this Section 5.07(B) above have been met, and (b) the Board shall, by resolution, duly adopt, approve, and concur in the findings; and

(3) in the case of either (1) or (2) above, 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 Issuer 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 Issuer'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%) of the book value of the net plant in service of the System, (a) an 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 second paragraph of this Section 5.07 have been met, (b) the Board shall, by resolution, duly adopt, approve and concur in the finding of the Authorized Issuer Officer and the Consulting Engineers, and (c) the Issuer 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 Issuer's receipt of Federal Subsidy Payments with respect to any Outstanding Federal Subsidy Bonds.~~

(D) 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 grant of any license for the operation or grant of easement or other rights or lease of assets of the System shall constitute Gross Revenues and shall be deposited in the Revenue Fund.

(E) 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 this Section 5.07 and such successor board or authority shall fall within the definition of "Issuer" in Section 1.01 hereof.

(F) Notwithstanding the foregoing provisions of this Section 5.07, the Issuer shall have the authority to (1) sell, or (2) transfer out of the System to another department of the Issuer, 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 fourth paragraph of this Section 5.07; 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 Issuer 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 Issuer's receipt of Federal Subsidy Payments with respect to said Outstanding Federal Subsidy Bonds provided that the requirements set forth in Sections 5.07(C) and (D) above have been satisfied."

~~===== The Issuer 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 Issuer, impede or restrict the operation by the Issuer of the System, but any payments to the Issuer 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 Issuer 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 Issuer's receipt of Federal Subsidy Payments with respect to said Outstanding Federal Subsidy Bonds.~~

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

DEBT SERVICE SCHEDULE

The following table sets forth the annual debt service payments on the Outstanding Series 2016 Bonds, Series 2020 Bonds and the Series 2025 Bonds.

Series 2025 Bonds					
Year Ending October 1	Principal	Interest	Total	Outstanding Parity Bonds	Total Aggregate Debt Service
2025				\$ 17,817,144	
2026				17,813,494	
2027				17,814,794	
2028				17,815,194	
2029				17,818,944	
2030				17,818,975	
2031				17,819,175	
2032				17,821,800	
2033				17,821,550	
2034				17,812,750	
2035				17,814,650	
2036				17,815,700	
2037				11,644,750	
2038				11,645,750	
2039				11,647,750	
2040				11,644,500	
2041					
2042					
2042					
2043					
2044					
2045					
Total				\$260,386,920	

THE SYSTEM

Overview of the System

The following descriptions of the System have been excerpted from the Consulting Engineer's Report dated [March 2025] (the "Engineer's Report") by Carollo Engineers, Inc. (the "Consulting Engineer"). 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 customers within unincorporated areas of the County. 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 Orange County Research and

Development Authority, 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 Central Florida Tourism Oversight District ("CFTOD"), Seminole County, the Tohopekaliga Water Authority ("TWA"), the University of Central Florida ("UCF"), and Sunshine Water Services.

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

Ed Torres, M.S., P.E., LEED AP, Director of the Orange County Utilities Department, has been with the department and Orange County Government for four years.

Prior to the County, he worked in the public and private sector in various management roles including Director of Public Works and Utilities for the City of Altamonte Springs. In addition to the City of Altamonte Springs, he worked to ensure efficient and sustainable services were delivered to residents in Seminole County, the City of Casselberry, the City of Palm Bay, and more. He has also worked for private engineering firms in the region. With over 30 years in the industry, Mr. Torres has garnered experience in a full range of utility-related programs, including solid waste collection and recycling.

Mr. Torres holds both bachelor's and master's degrees in Civil Engineering from the Florida Institute of Technology and is a board member in the Florida Water Environment Association Utility Council. Formerly, Mr. Torres served as a board member for both the Florida Stormwater Association and UCF's Stormwater Management Academy. He is also a strong advocate of education and STEM programs for the community. Mr. Torres is a licensed professional engineer in Florida and a Leadership in Energy and Environmental Design Accredited Professional (LEED AP).

Water System

General. OCU operates the County's potable water treatment, storage, and distribution system. As of September 2024, OCU provided potable water service to 162,613 premises, including both residential and commercial users. In addition, OCU has interconnects with regional municipalities for wholesale and emergency purposes. Potable water wholesale partners include Ocoee, the Orange County Research and Development Authority, OUC, Central Florida Tourism Oversight District ("CFTOD"), Seminole County, TWA, UCF, Sunshine Water Services, Winter Garden, and Winter Park. The Engineer's Report states that overall, based on site visits and discussions with OCU staff, the County's Water Supply Facilities are in very 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, the Orange County Research and Development Authority, OUC, Seminole County, UCF, Sunshine Water Services, Winter Garden, and Winter Park. OCU has wholesale agreements to purchase potable water from OUC, CFTOD, Seminole County, TWA, Winter Garden, and Winter Park. OCU has emergency interconnects with the Orange County Research and Development Authority, 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. Historically, 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 and, monthly water allocations in million gallons ("MG").

Potable Water Supply Permits

Permitting Agency: WUP/CUP	Annual Allocation (MG)	Maximum Month Allocation (MG)	Expiration Date
SFWMD: 48-00134 W	11,826.0	1,674.43	June 14, 2027
SFWMD: 48-00059 W (Hidden Springs)	1,095.0	102.81	December 6, 2042
SFWMD: 49-02051 W (Cypress Lake)	4,106.4 ⁽¹⁾	342.20 ⁽¹⁾	October 3, 2041
SJRWMD: 3317	20,331.5	NA	December 12, 2036
OCU Subtotal	37,358.9	2,119.44	

Notes:

⁽¹⁾ OCU's estimated prorated share of the Cypress Lake Wellfield allocation. The total withdrawal authorized under the SFWMD Cypress Lake Wellfield WUP is an annual allocation of 13,688 MG and a maximum month allocation of 1,140.6 MG.

Source: Engineer's Report

Groundwater Supply. Like most utilities in Florida, OCU's current potable water supply comes entirely from groundwater pumped out of the Floridan aquifer. OCU operates and maintains 57 active groundwater wells that supply their water supply facilities. An additional 22

groundwater wells are planned, including 12 wells that would be jointly owned by several utilities as part of the regional cooperative Cypress Lake project. Five (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").

Potable Water Supply Groundwater Wells

Water Supply Facility	Permitted Wells		Design 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	6/0		30.24	SJRWMD
CR 535	3/0		6.62	SFWMD
West Service Area				
Western Regional	9/4		58.75	SJRWMD
Oak Meadows	3/0		9.0	SJRWMD
Lake John Shores	1/0		0.09	SJRWMD
Water Cooperative of Central Florida				
Cypress Lake	0/12		N/A	SFWMD
Total	57/22	5	281.82	

Notes:

- (1) Active as of September 30, 2024.
(2) Design 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 49-02051-W, OCU proposed the Cypress Lake Wellfield project 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 (managed by TWA), TWA, OCU, and Polk County Utilities, 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 ASR system, which provides approximately one billion gallons of storage volume for treated water. Operation of the Class V, Group 7 ASR well is permitted by an FDEP underground injection control permit (0315945-002-UO/5SR). 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. The ASR 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 12 active water supply facilities within its four service areas.

Occasionally, OCU purchases water from other utilities for operational purposes. In Fiscal Year 2024, OCU purchased potable water from CFTOD, OUC, TWA, 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 Fiscal Years 2020 to 2024.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Historical Water Demand (Fiscal Years 2020 - 2024)

Water Supply Facility	Annual Average Water Demand (mgd) ⁽¹⁾				
	FY2020	FY2021	FY2022	FY2023	FY2024
East Service Area					
Eastern Regional	26.97	27.32	29.29	27.17	25.37
South Service Area					
Southern Regional	8.42	8.94	9.88	12.28	13.45
Orangewood	2.71	2.95	2.81	3.06	3.00
Hunters Creek	2.31	2.14	2.09	2.26	2.62
Vistana	2.06	1.84	2.11	2.43	2.69
Cypress Walk	1.32	1.32	1.35	1.33	1.20
Southwest Service Area					
Hidden Springs	3.01	2.22	2.54	2.31	2.30
Malcolm Road	-	-	2.84	2.79	2.98
CR 535	2.75	2.37	1.79	1.96	2.01
West Service Area					
Western Regional	10.84	11.65	11.63	12.98	11.70
Oak Meadows	2.03	2.45	2.36	2.85	2.55
Lake John Shores	0.004	0.004	0.004	0.004	0.004
<i>Purchased Water</i>	0.31	0.42	1.12	1.23	1.29
Total	62.73	63.62	69.81	72.65	71.16

⁽¹⁾ Each value represents the average for the period from October 1 of the prior year to September 30 of the noted year. Data source: OCU monthly operating summaries.

Source: Engineer's Report.

Potable Water Demand Projections. OCU provided the County's water demand projections, which are being reviewed and updated as part of their ongoing Water, Wastewater, and Reclaimed Water Master Plan Update project. The table below summarizes the projected water demands through 2045. Based on these projections and existing WSF production capacities, OCU should have sufficient water production capacity to meet its anticipated service needs through 2045.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Potable Water Demand Projections

Service Areas	Max Day Production Capacity (mgd)	Annual Average Demand Projections (mgd)				
		2025	2030	2035	2040	2045
East	62.5	34.5	37.1	40.3	43.4	46.6
South	51.1	24.2	26.0	28.3	30.6	32.9
Southwest	21.3	5.7	6.8	8.2	9.6	11.0
West	34.6	16.7	17.6	18.7	19.7	20.8
Total	169.5	81.1	87.5	95.5	103.3	111.3

Source: Engineer's Report.

Water Treatment. The supervisory control and data acquisition ("SCADA") system for each water supply facility can be controlled from the regional water supply facilities ("WSF") and viewed, but not controlled, from the non-regional WSFs. All WSFs, except Lake John Shores, have load shedding generators for emergency power that allow capacity to be met by identifying and running only critical services. In addition to projects at the WSFs, OCU coordinates with Public Works and others to install, repair, and replace water mains during scheduled roadway projects. 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 WSF is the only active WSF in the East Service Area. The following are ongoing, planned and recently completed projects:

- Final design of the Bonneville storage and repump facility ("SRF") improvements is expected to be completed by Spring 2025.
- A post-storage treatment system is being designed to reduce arsenic levels in recovered water in the ASR system.
- Construction of Phase 1 West of the Bithlo Rural Area Water project—which will provide water service to a portion of Bithlo south of State Road ("SR") 50—is expected to be completed by Fall 2025.

The Eastern Regional Water Supply Facility has a permitted maximum design capacity of 62.5 mgd and includes 16 active production wells. The final improvement to increase the facility's capacity from 50.0 mgd to 62.5 mgd was completed in 2022 and included converting the sodium hypochlorite system from on-site generation to bulk storage and feed. With this improvement, the FDEP has re-rated the facility's capacity to 62.5 mgd

There are several ongoing projects at potable water facilities in the East Service Area including: (i) Improvements to the ground storage tanks ("GSTs"), including coating of the interior and exterior, installation of stairways, and baffle wall and piping modifications. In addition, the project will include construction of a concrete injection vault and new chemical injector on the HSP suction manifold for the sodium hypochlorite post injection to replace the existing 6-inch buried injection line. Final design was recently completed; (ii) improvements to the emergency

power system are currently under design, and final design is expected to be completed by Summer 2025; and (iii) preliminary (30 percent) design of the Central Laboratory renovation and expansion project is complete. Final design is expected to start by 2025.

The South Water Service Area is comprised of five water supply facilities: Southern Regional, Orangewood, Hunter's Creek, Vistana, and Cypress Walk. Projects in the South Service Area include a stormwater management study and a moisture intrusion study planned for each facility. Also, plans exist to replace the roof at the Lake Buena Vista repump facility and to construct an access road to the International Drive booster pump station.

The Southern Regional WSF is permitted for a design capacity of 30.0 mgd and includes eight active production wells. Six wells are on site and two are located at the Southern Remote Wellfield.

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 WSF is permitted for a maximum day capacity of 6.366 mgd and includes two active production wells. The Vistana WSF is permitted for a maximum day capacity of 4.841 mgd and includes three active production wells. The Cypress Walk WSF is permitted for a maximum day capacity of 3.456 mgd and includes two active production wells.

There are three active WSFs in the Southwest Service Area: Hidden Springs, Malcolm Road (recently completed), and CR 535. The Southwest Service Area SRF is under construction and completion is planned for Spring 2025. 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, The Malcolm Road WSF was completed in 2021. It has 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 nine active production wells. The Oak Meadows Water Supply Facility is permitted for a maximum day capacity of 8.76 mgd and includes three active production wells. 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; 11 active repump facilities/booster stations and one under construction, 26 operational GSTs and one under construction, an ASR system, and approximately 2,028 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. There are 26 active potable water ground storage tanks and one under construction in the system with a total storage capacity of 56.25 MG. The Southwest Service Area SRF will add two GSTs and 7 MG of storage capacity to the system.

Regulatory Compliance. The Environmental Protection Agency ("EPA") and FDEP regulate the operation of public water systems in the State. The EPA established minimum 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. OCU routinely funds annual renewal and replacement improvements to their public water system facilities.

OCU did not complete all monitoring or reporting for lead and copper under Florida Administrative Code Chapter 62-550. OCU sampled and submitted 48 out of the 50 required sites to be sampled for lead and copper, however, all 48 samples met the selection criteria for lead and copper. To the Consulting Engineer's knowledge, this is the only infraction by OCU with all federal and state regulatory requirements to the provisions of water services. 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 four water reclamation facilities: the Eastern Water Reclamation Facility ("EWRF"), the Northwest Water Reclamation Facility ("NWRF"), the South Water Reclamation Facility ("SWRF"), and the Hamlin Water Reclamation Facility ("HWRF"). In general, flows in the East, South, Southwest, and West service areas are directed to EWRF, SWRF, HWRF, and NWRF, respectively. The Engineer's Report states that, overall, the County's water reclamation facilities are in very good condition. See "APPENDIX E – CONSULTING ENGINEER'S REPORT" attached hereto for a description and condition of such facilities.

As of September 2024, OCU provided wastewater collection and treatment services to 179,265 premises, including residential, commercial, and industrial users, and provided reclaimed water services to 37,324 premises. In addition, OCU has interconnects with regional

municipalities for wholesale and emergency purposes. Wastewater wholesale partners include Ocoee, Orlando, CFTOD, Seminole County, TWA, and Winter Park. Reclaimed water wholesale partners include Apopka, Ocoee, Orlando, OUC, CFTOD, 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 can provide wastewater service to Ocoee, Seminole County, and Winter Park and can purchase wastewater service from Orlando, CFTOD, Seminole County, and TWA. OCU can provide reclaimed water service to Apopka, Ocoee, Orlando, OUC, and Winter Garden and can purchase reclaimed water from Orlando, CFTOD, and TWA. OCU has an emergency wastewater 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 four water reclamation facilities that have a combined current permitted capacity of 96.25 mgd Average Annual Daily Flow ("AADF"). The historical Fiscal Year annual flows for each water reclamation facility from 2020 to 2024 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)				
		2020	2021	2022	2023	2024
Eastern	24.00	18.4	18.3	18.6	19.2	19.8
Northwest	11.25	6.1	6.2	6.3	6.5	6.6
South	56.00	31.5	30.9	37.2	37.2	36.0
Hamlin ⁽²⁾	5.00	-	-	-	3.1	3.3
Total County	96.25	56.0	55.4	62.1	66.0	65.7

⁽¹⁾ Each value represents the average for the period from October 1 of the prior year to September 30 of the noted year. Data from OCU discharge monitoring reports.

⁽²⁾ Facility began operating in October 2022.

Source: Engineer's Report.

Wastewater Flow Projections. OCU provided the County's wastewater flow projections, which are being reviewed and updated as part of the Master Plan project. The projected flows through 2040 are summarized in the table below. Based on these projections, the existing WRF treatment capacities, and planned capacity expansion projects, 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. The Phase VI B improvements at EWRF will expand its treatment capacity to 31.0 mgd by 2029, giving EWRF sufficient wastewater treatment capacity to meet its projected service needs through 2040. Also, the Phase 2 expansion of HWRF is currently being designed, which will increase the facility's treatment capacity to 10 mgd.

Wastewater Flow Projections

Water Reclamation Facility	Permitted Capacity (mgd AADF)	Average Annual Daily Flow ⁽¹⁾ (mgd)			
		2025	2030	2035	2040
Eastern	24.0	21.6	22.9	24.2	25.6
Northwest	11.25	7.4	8.2	9.0	9.8
South	56.0	38.6	40.0	41.3	42.6
Hamlin	5.0	3.7	4.2	4.7	5.2
Total	96.25	71.3	75.3	79.2	83.2

Source: Engineer's Report.

Wastewater Collection. OCU's wastewater collection system consists of approximately 1,469 miles of gravity mains, 666 miles of force mains, and 866 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 gravity mains range in diameter from 4 inches to 54 inches and are mostly made of polyvinyl chloride (PVC) and vitrified clay. The force mains range in diameter from 1 inch to 48 inches and are mostly made of PVC and ductile iron.

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, 16 operational ground storage tanks, 16 rapid infiltration basins, and approximately 701 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). 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 16 active reclaimed water ground storage tanks in the reclaimed water system with a total storage capacity of 67.5 MG.

Additional ground storage tanks are planned at EWRF and the East Service Area Storage and Re-pump Facility to expand storage volume in the East Service Area. Also, the Avalon Road SRF project is being designed to include one 6-MG ground storage tank.

The South and Southwest service areas include two 5-MG and two 10-MG ground storage tanks at SWRF, one 1-MG ground storage tank at the Hidden Springs Reclaimed Water SRF, two 1-MG ground storage tanks at the Meadow Woods SRF, one 5-MG ground storage tank at HWRF, and four 5-MG ground storage tanks at the Water Conserv II Distribution Center (WCIIDC), a reclaimed water distribution center jointly owned by the County and Orlando.

The WCIIDC receives reclaimed water from both SWRF and Orlando via a 54 inch-diameter transmission main with a capacity of 90 mgd. In addition to the four 5-MG ground storage tanks, the WCIIDC has RIBs for aquifer recharge, a pump station, and a monitoring and control building. The WCIIDC pump station has a design capacity of over 130 mgd to deliver water to the Water Conserv II 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 four water reclamation facilities are properly permitted. The EWRF permit (FL 0038849) expires on March 23, 2025 (OCU has submitted a permit renewal application and is in the process of renewing this permit with FDEP); the NWRF permit (FLA010798) expires on May 22, 2033; the SWRF permit (FLA107972) expires on March 6, 2029, the HWRF permit (FLA B07049) expires on September 5, 2034, and the WCIIDC (FLA010795) 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 Fiscal Year 2024.

Eastern Service Area and Water Reclamation Facility

On August 12, 2020, FDEP issued EWRF a consent order (Office of General Counsel [OGC]) File No. 20-1194) in response to three sanitary sewer overflows (SSO) that occurred between August 2019 and May 2020. The 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 has completed several projects and is on track to complete all projects within the allotted time specified by the consent order. Also, OCU completed three pollution prevention projects in lieu of a fine: OCU has purchased two fully electric vehicles to replace internal combustion vehicles, installed a battery-charging station, and replaced 77 sodium vapor or florescent light units with high efficiency light-emitting diode (LED) motion activated lights at both EWRF and NWRF.

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 ($\mu\text{g/L}$) for silver. FDEP determined that “the discharge will not be destructive to the quality of the receiving waters.” Per the order, this discharge location was given an interim limit for silver of 0.15 $\mu\text{g/L}$ which must be achieved by March 22, 2025.

On September 19, 2024, FDEP issued EWRF a short form consent order (OGC File No. 23-1787) in response to multiple permit violations. The consent order requires the payment of a fine and/or the implementation of a pollution prevention project, which would require installing three electric vehicle charging stations at the Eastern Regional WSF, Southern Regional WSF, and Western Regional WSF. OCU is required to respond by November 30, 2024.

In addition, two SSOs occurred at EWRF between October 2023 and September 2024 resulting in spills of approximately 5,900 gallons of partially treated wastewater.

Northwest Water Reclamation Facility

On January 22, 2021, FDEP issued NWRF a consent order (OGC File No. 20-1495) in response to three SSOs that occurred between October 2019 and August 2020. The 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 has completed several projects and is on track to complete all projects within the allotted time. Also, OCU completed three pollution prevention projects.

SWRF and South Service Area

On January 22, 2021, FDEP issued SWRF a consent order (OGC File No. 20-1494) in response to eight SSOs that occurred between July 2019 and January 2020. The 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 continuing to work with the FDEP to complete projects by agreed upon deadlines. Also, OCU has elected to complete a pollution prevention project that includes installing four electric vehicle charging stations throughout the County.

The SWRF permit was renewed on March 7, 2024 and was accompanied by an administrative order (No. OB-24-001) requiring more stringent nutrient limits. This order was issued to confirm SWRF can comply with the nutrient limits established by the Lake Okeechobee Basin Management Action Plan. To comply with the nutrient limits, SWRF is required to meet advanced wastewater treatment standards by 2028.

Permit violations occurred between October 2023 and September 2024 at the R-001 (PAR/Old Winter Garden Road RIBs) and the R-003 (Water Conserv II PAR). In addition, three SSOs occurred at SWRF between October 2023 and September 2024 resulting in spills of over 10,600 gallons of untreated wastewater.

HWRF and Southwest Service Area

Permit violations occurred between October 2023 and September 2024 at the R-002 (PAR). In addition, two SSOs occurred at HWRF between October 2023 and September 2024 resulting in the spill of approximately 825 gallons of dried sludge.

Industrial Compliance Programs

In support of Chapter 37, Article XX, Orange County Code Public and Private Sewer System Use Requirements ("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 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 monitors 25 industrial users, including some groundwater remediation sites, under its EPA approved Industrial Pre-treatment Program. OCU expects to add eight industrial facilities to this program in the next year with good potential for additional facilities as surveying of industries continues. 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.

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, 200 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 make sure premises comply with the requirements. Currently, 3,009 premises are monitored through this program.

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 System 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 WSF capacities, planned expansions, and projected potable water demands included in the Engineer's Report, OCU has sufficient water facility capacity to meet its anticipated service needs through at least a 20-year period.
4. Based on available WRF capacities, planned expansions, and projected wastewater flows, NWRf, SWRF and HWRF have sufficient treatment capacity 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. Ongoing improvements at EWRF will expand its treatment capacity by 2029, giving EWRF sufficient treatment capacity to meet its projected service needs through 2040.
5. Based on aboveground inspections of OCU facilities, and discussions with County staff, the existing WSFs appear to be in overall very good condition and are comparable to WSFs of similar age and capacity. The WRFs likewise appear to be in very good condition and comparable to the industry norm for similar facilities. Various projects are underway to address ongoing needs for the WRFs.
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, the County appears to be capable of providing sufficient and reliable System service to its premises.
7. OCU's capital improvement program ("CIP") projects are necessary and adequate to meet the current regulatory requirements and to provide reliable System service to OCU's existing premises, 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 10-year planning horizon.

9. OCU's CIP project cost estimates seem reasonable for the projects identified in the five-year CIP budget; however, the Consulting Engineer did not evaluate cost estimates of the CIP projects for the Engineer's Report.

FINANCIAL FEASIBILITY REPORT

In connection with the proposed issuance of the Series 2025 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 2029, particularly, the forecast sufficiency of Revenues of the System to pay debt service on the Series 2025 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 2029 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 2029. 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 2025 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, 2024.

Water and Wastewater Rate Schedule Fiscal Year 2025

Fixed Monthly Charges By Meter Size:	Water	Wastewater
5/8" by 3/4"	\$ 8.77	\$ 19.33
1"	15.60	43.00
1-1/2"	26.94	82.43
2"	40.56	129.77
3"	76.92	255.98
4"	117.78	397.99
6"	231.31	792.44
8"	367.53	1,265.77
10"	571.88	1,975.74

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Volume Charges Per 1,000 Gallons:	Water	Wastewater
Residential Water Accounts:		
0-3,000	\$ 1.39	
4,000-10,000	\$ 1.92	
11,000-20,000 (Conservation Rate)	\$ 3.83	
21,000-30,000 (Conservation Charge)	\$ 7.64	
31,000+ (Conservation Surcharge)	\$15.24	
Residential Wastewater Accounts:		
All Consumption		\$ 4.39
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	\$ 1.92	
11,000-20,000 gallons	\$ 3.83	
21,000-30,000 gallons	\$ 7.64	
31,000 and above gallons	\$15.24	
Commercial Water Accounts - 1" Meter & Larger:		
All Consumption	\$ 2.00	
Volume Charges Per 1,000 Gallons:	Water	Wastewater
Commercial Wastewater Accounts		
All Consumption		\$ 5.31
Monthly Flat Rate - Sewer Only Accounts:		
	Water	Wastewater
Single Family Home		\$ 63.28
Duplex (1 or 2 bedrooms)		\$ 52.64
Duplex (3 or more bedrooms)		\$ 63.28
Multi-Family (1 or 2 bedrooms)		\$ 52.64
Multi-Family (3 or more bedrooms)		\$ 63.28
Mobile Homes (1 or 2 bedrooms)		\$ 42.16
Mobile Homes (3 or more bedrooms)		\$ 52.64
<u>Other Charges</u>		
Lockheed-Martin Treatment Charge per 1,000 gallons		\$ 5.46
High Strength Surcharges per 1,000 gallons		\$ 5.31
BOD (biochemical oxygen demand) per 100 pounds		\$ 64.92
SS (suspended solids) per 100 pounds		\$ 69.23
Total Nitrogen per 100 pounds		\$ 71.82
Phosphorous per 100 pounds		\$268.25
Septage Disposal Charge per 100 gallons		\$ 7.78
<u>Oil and Grease Program</u>		
Application Fee		\$ 31.42
Monthly Maintenance Fee		\$ 34.61

Source: Financial Feasibility Report dated March 17, 2025.

**Reclaimed Water Rate Schedules
Fiscal Year 2025**

RETAIL RATE SCHEDULE:

Meter Size	Fixed Monthly Charges	Monthly Usage Allowance
5/8" by 3/4"	\$ 4.61	4,000 gallons
3/4"	\$ 4.61	4,000 gallons
1"	\$11.56	10,000 gallons
1-1/2"	\$23.09	19,000 gallons
2"	\$36.90	31,000 gallons
3"	\$69.25	57,000 gallons
Volume Charge For Use Above Monthly Usage Allowance:		
	\$ 1.25	<i>Per 1,000 gallons</i>

Source: Financial Feasibility Report dated March 17, 2025.

WHOLESALE RATE SCHEDULE:

Fixed Monthly Charges By Meter Size:

Meter Size	Priority User	Interruptible User: No Onsite Storage	Interruptible User: w/ Onsite Storage	Monthly Usage Allowance
4"	\$ 223.81	\$ 134.30	\$ 89.53	218,000 gallons
6"	\$ 512.00	\$ 307.20	\$ 204.81	499,000 gallons
8"	\$ 800.18	\$ 480.09	\$ 320.06	780,000 gallons
10"	\$1,217.06	\$ 730.24	\$ 486.83	1,185,000 gallons
12"	\$1,856.78	\$ 1,114.08	\$ 742.72	1,808,000 gallons
16"	\$3,681.89	\$2,209.11	\$1,472.76	3,584,000 gallons

Volume Charge For Use Above Monthly Usage Allowance:

Priority User	\$1.02	<i>per 1,000 gallons</i>
Interruptible User: No Onsite Storage	\$0.60	<i>per 1,000 gallons</i>
Interruptible User: w/ Onsite Storage	\$0.41	<i>per 1,000 gallons</i>

Source: Financial Feasibility Report dated March 17, 2025.

The tables below present the history of annual water, wastewater, and reclaimed water fixed and volumetric rate adjustments implemented and in effect on October 1 of each respective fiscal year, beginning in FY 2016.

**Historical Fixed Rate Adjustments:
Fiscal Years 2016 - 2025**

Fiscal Year⁽¹⁾	Water		Wastewater		Reclaimed
	Residential	Commercial	Residential	Commercial	
2016	3.00%	3.00%	3.00%	3.00%	3.00%
2017	3.00%	3.00%	3.00%	3.00%	3.00%
2018	3.00%	3.00%	3.00%	3.00%	3.00%
2019	3.00%	3.00%	3.00%	3.00%	3.00%
2020	3.00%	3.00%	3.00%	3.00%	3.00%
2021	3.00%	3.00%	3.00%	3.00%	3.00%
2022	3.00%	3.00%	3.00%	3.00%	3.00%
2023	3.00%	3.00%	3.00%	3.00%	3.00%
2024	3.00%	0.00%	0.00%	0.00%	3.00%
2025	3.00%	0.00%	0.00%	0.00%	3.00%

⁽¹⁾ All rate adjustments effective October 1.

Source: Financial Feasibility Report dated March 17, 2025

**Historical Volumetric Rate Adjustments:
Fiscal Years 2016 - 2025**

Fiscal Year⁽¹⁾	Water		Wastewater		Reclaimed
	Residential	Commercial	Residential	Commercial	
2016	3.00%	3.00%	3.00%	3.00%	3.00%
2017	3.00%	3.00%	3.00%	3.00%	3.00%
2018	3.00%	3.00%	3.00%	3.00%	3.00%
2019	3.00%	3.00%	3.00%	3.00%	3.00%
2020	3.00%	3.00%	3.00%	3.00%	3.00%
2021	3.00%	3.00%	3.00%	3.00%	3.00%
2022	3.00%	3.00%	3.00%	3.00%	3.00%
2023	3.00%	3.00%	3.00%	3.00%	3.00%
2024	3.00%	5.00%	0.00%	10.00%	3.00%
2025	3.00%	5.00%	0.00%	10.00%	3.00%

⁽¹⁾ All rate adjustments effective October 1.

Source: Financial Feasibility Report dated March 17, 2025

It is important to note that in 2022, the County completed the evaluation of its commercial water and wastewater volumetric rates and fixed monthly charges in an effort to achieve greater interclass equity gradually over time, by addressing the interclass differentials in effective rates. Per results of this analysis, the County adopted a rate plan which increased the percentage of revenue to be recovered from commercial customers beginning in FY 2024 and ending in FY 2028. This resulted in 5% volumetric increases for commercial water customers, 10% volumetric increases for commercial wastewater customers.

Furthermore, the County recently updated its reclaimed water rate structure with the goal to achieve full cost recovery (compared to prior recovery level of 73%), while promoting responsible use of the resource, and with minimal impact to the County's residential reclaimed water customer who uses reclaimed water responsibly. The updated structure will consolidate monthly fixed charges to one schedule by meter size for all customer classes, remove monthly volume allowances, and create volumetric tiers for the small retail customers. The new rates are set for implementation on October 1, 2025.

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 2025 water and wastewater rates.

Monthly Water & Wastewater Bill Comparison - Municipal Survey Single-Family Residential Service, Assuming 7,000 Gallons per Month

Entity	Water	Wastewater	Total
Local Municipalities Surveyed:			
Mt. Dora	\$29.92	\$102.70	\$132.62
Cocoa	48.29	78.12	126.41
Melbourne	49.26	73.58	122.84
Oviedo	34.97	85.21	120.18
Maitland	29.68	80.99	110.67
Sanford	31.84	66.12	97.96
Seminole County	27.20	70.46	97.66
Casselberry	30.31	66.64	96.95
Winter Park	28.61	59.62	88.23
Orlando Utilities Commission/Orlando	18.10	65.61	83.71
Ocoee	27.71	55.95	83.66
Apopka	26.21	51.69	77.90
Orange County	20.62	50.06	70.68
Altamonte Springs	21.73	41.40	63.13
Winter Garden	17.37	42.79	60.16
Lake Mary	13.57	46.12	59.69
Local Municipalities Surveyed - Average:	\$28.46	\$64.82	\$93.28

Source: Financial Feasibility Report dated March 17, 2025.

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	\$65.50	\$97.94	\$163.44
Brevard County	53.27	75.65	128.92
Pinellas County	51.84	74.94	126.78
Volusia County (East)	56.57	69.43	126.00
Columbia County	49.27	76.35	125.62
Polk County	28.55	86.40	114.95
Lee County	42.31	71.59	113.90
Volusia County (West)	38.63	69.43	108.06
Manatee County	32.30	71.98	104.28
Broward County	41.20	61.11	102.31
Okaloosa County	39.95	62.15	102.10
Pasco County	27.78	71.15	98.93
Hillsborough County	23.37	65.88	89.25
Miami-Dade County	30.07	58.48	88.55
Toho Water Authority (Osceola County)	23.83	58.32	82.15
Marion County	21.49	56.97	78.46
Palm Beach County	32.37	39.24	71.61
Orange County	20.62	50.06	70.68
Florida Counties Surveyed - Average:	\$37.72	\$67.62	\$105.33

Source: Financial Feasibility Report dated March 17, 2025

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

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 2025 water and wastewater connection fees.

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

Entity	Water	Wastewater	Total
Local Municipalities Surveyed:			
Ocoee	\$2,633	\$7,811	\$10,444
Mt. Dora	1,340	7,975	9,315
Apopka	3,305	4,924	8,229
Orange County⁽¹⁾	2,790	5,270	8,060
Maitland	1,895	4,320	6,215
Seminole County	2,574	3,175	5,749
Lake Mary	1,010	3,610	4,620
Orlando Utilities Commission/Orlando	2,070	2,538	4,608
Sanford	1,193	2,688	3,881
Winter Park	1,100	2,700	3,800
Melbourne	1,540	2,210	3,750
Cocoa	1,750	1,875	3,625
Oviedo	2,325	1,140	3,465
Altamonte Springs	600	2,255	2,855
Winter Garden	1,086	1,767	2,853
Casselberry	810	1,823	2,633
Local Municipalities Surveyed - Average:	\$1,751	\$3,505	\$5,256

⁽¹⁾ Effective April 1, 2025, the Orange County Utilities water capital charge will increase from \$1,970 to \$2,790 per ERC, and the Orange County Utilities wastewater capital charge will increase from \$3,570 to \$5,270 per ERU.

Source: Financial Feasibility Report dated March 17, 2025

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

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:			
Palm Beach County	\$4,351	\$6,121	\$10,472
Toho Water Authority (Osceola County)	6,650	3,293	9,943
Collier County	4,411	4,081	8,492
Orange County⁽¹⁾	2,790	5,270	8,060
Polk County	2,844	4,195	7,039
Marion County	1,887	4,602	6,489
Hillsborough County	2,214	3,651	5,865
Lee County	2,745	2,993	5,738
Columbia County	1,900	3,800	5,700
Volusia County (East)	1,880	3,573	5,453
Volusia County (West)	1,622	3,573	5,195
Manatee County	1,738	3,175	4,913
Pasco County	1,657	3,133	4,790
Okaloosa County	900	3,500	4,400
Brevard County	1,903	2,257	4,160
Broward County	1,590	2,010	3,600
Pinellas County	352	2,293	2,645
Miami-Dade County	487	1,960	2,447
Florida Counties Surveyed - Average:	\$2,329	\$3,527	\$5,856

⁽¹⁾ Effective April 1, 2025, the Orange County Utilities water capital charge will increase from \$1,970 to \$2,790 per ERC, and the Orange County Utilities wastewater capital charge will increase from \$3,570 to \$5,270 per ERU.

Source: Financial Feasibility Report dated March 17, 2025

HISTORICAL AND PROJECTED OPERATING RESULTS

The historical revenues and expenses of the System for Fiscal Years 2020 through 2024 are summarized in the table below. The historical results are based upon audited information from the County's Annual Comprehensive Financial Reports ("ACFR") for Fiscal Years 2020 through 2024 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 2020	FY 2021	FY 2022	FY 2023	FY 2024
Gross Revenue					
Charges for Services - Water ⁽²⁾	\$ 57,315,877	\$ 57,872,208	\$ 60,058,342	\$ 64,955,643	\$ 68,866,381
Charges for Services - Wastewater ⁽³⁾	137,430,911	137,826,667	146,744,243	155,594,332	165,244,345
Charges for Services - Reclaimed	11,297,107	12,063,336	12,830,574	13,886,910	14,845,233
Other Miscellaneous Revenue ⁽⁴⁾	8,316,334	8,797,268	12,000,355	8,905,830	11,710,903
Total Gross Revenues	\$ 214,360,229	\$ 216,559,479	\$ 231,633,514	\$ 243,342,715	\$ 260,666,862
Interest Income ⁽⁵⁾	\$ 1,996,430	\$ 378,221	\$ (4,643,183)	\$ 7,353,576	\$ 7,937,697
Less Operating Expenses					
Personal Services	\$ (57,977,899)	\$ (60,275,191)	\$ (62,069,268)	\$ (72,459,588)	\$ (79,617,803)
Operating and Maintenance ⁽⁶⁾	(93,267,210)	(88,988,637)	(105,052,184)	(131,949,359)	(127,735,213)
Total Operating Expenses	\$(151,245,109)	\$(149,263,828)	\$(167,121,452)	\$(204,408,947)	\$(207,353,016)
Less Required Deposits to Specified Accounts	(1,881,327)	(1,238,691)	(1,973,317)	(3,918,182)	(2,114,112)
Net Revenues Available for Debt Service	\$ 63,230,223	\$ 66,435,181	\$ 57,895,562	\$ 42,369,162	\$ 59,137,431
Senior Lien Debt Service Requirement⁽⁷⁾	\$ (6,171,144)	\$ (11,859,385)	\$ (17,814,144)	\$ (17,820,394)	\$ (17,814,894)
Senior Lien Debt Service Coverage (1.10 Required)	10.25	5.60	3.25	2.38	3.32
Less Senior Lien Debt Service	\$ (6,171,144)	\$ (11,859,385)	\$ (17,814,144)	\$ (17,820,394)	\$ (17,814,894)
Net Revenues Available for Subordinate Debt	\$ 57,059,079	\$ 54,575,796	\$ 40,081,418	\$ 24,548,768	<u>\$ 41,322,537</u>
Subordinate Debt Service Requirement	\$ (5,994,429)	\$ (7,201,160)	\$ (7,201,166)	\$ (7,201,158)	\$ (7,201,168)
Subordinate Debt Service Coverage (1.15 Required)	9.52	7.58	5.57	3.41	5.74
Less All Debt Service	\$(12,165,573)	\$ (19,060,545)	\$ (25,015,310)	\$ (25,021,552)	\$ (25,016,062)
Net Revenues Available for Capital Improvements and Other System Requirements	\$ 51,064,650	\$ 47,374,636	\$ 32,880,252	\$ 17,347,610	<u>\$ 34,121,369</u>

(1) Historical operating results through September 30, 2024 are as reported in each of the County's Annual Comprehensive 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, 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 March 17, 2025

Projected Operating Results Debt Service Coverage

The projected annual revenues and expenses of the System for the five Fiscal Years beginning on October 1, 2024 and ending September 30, 2029 are based upon the Fiscal Year 2025 Budget, adjusted annually thereafter for projected growth, rate adjustments, and cost inflation assumptions developed in consultation with County staff.

Projected Operating Results⁽¹⁾

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Gross Revenue					
Charges for Services - Water ⁽²⁾	\$ 70,508,782	\$ 73,897,743	\$ 77,415,653	\$ 81,101,580	\$ 84,696,118
Charges for Services - Wastewater ⁽³⁾	164,256,996	172,765,731	182,247,933	192,641,359	201,039,718
Charges for Services - Reclaimed	15,097,251	21,393,514	22,687,455	24,117,027	25,722,127
Other Miscellaneous Revenue ⁽⁴⁾	13,582,939	14,304,117	14,586,237	14,879,776	15,188,721
Total Gross Revenues	\$ 263,445,968	\$ 282,361,106	\$ 296,937,278	\$ 312,739,742	\$ 326,646,684
Interest Income ⁽⁵⁾	\$ 7,418,799	\$ 6,954,135	\$ 5,481,551	\$ 5,039,380	\$ 4,356,683
Less Operating Expenses					
Personal Services	\$ (81,196,559)	\$ (85,056,848)	\$ (89,104,013)	\$ (93,347,254)	\$ (97,796,231)
Operating and Maintenance ⁽⁶⁾	(124,550,889)	(129,850,128)	(135,382,186)	(141,157,536)	(147,187,132)
Total Operating Expenses	\$(205,747,448)	\$(214,906,976)	\$(224,486,199)	\$(234,504,790)	\$(244,983,364)
Net Revenues Available for Debt Service	\$ 65,117,318	\$ 74,408,265	\$ 77,932,630	\$ 83,274,331	\$ 86,020,003
Senior Lien Debt Service Requirement	\$ (20,259,454)	\$ (24,629,244)	\$ (26,833,044)	\$ (36,083,444)	\$ (37,250,611)
Senior Lien Debt Service Coverage (1.20 Required)	3.21	3.02	2.90	2.31	2.31
Less Senior Lien Debt Service	\$ (20,259,454)	\$ (24,629,244)	\$ (26,833,044)	\$ (36,083,444)	\$ (37,250,611)
Net Revenues Available for Subordinate Debt	\$ 44,857,864	\$ 49,777,021	\$ 51,099,586	\$ 47,190,887	\$ 48,769,392
Subordinate Debt Service Requirement	\$ (7,201,163)	\$ (7,007,389)	\$ (6,813,615)	\$ (6,813,615)	\$ (6,813,615)
Subordinate Debt Service Coverage (1.15 Required)	6.23	7.10	7.50	6.93	7.16
Less All Debt Service	\$ (27,459,617)	\$ (31,638,383)	\$ (33,646,659)	\$ (42,896,059)	\$ (44,062,976)
Net Revenues Available for CIP & Other	\$ 37,656,701	\$ 42,769,632	\$ 44,285,971	\$ 40,377,272	\$ 41,955,777

⁽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, 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 March 17, 2025

THE CAPITAL IMPROVEMENT PROGRAM

The County identified \$374,111,535 in capital improvement expenditures for the water system, \$740,017,211 for the wastewater system, \$82,074,998 for the reclaimed water system, and \$26,296,033 in other CIP projects related to utility operations for Fiscal Year 2025 through Fiscal Year 2029 (five-year period ending September 30, 2029). Over the next five years, the total planned CIP expenditures amount to \$1,222,499,777, not including funds carried over from previous years. The table below summarizes capital improvement plan funding amounts on an annual basis from 2024 through 2029.

Five Year CIP Summary

Fiscal Year⁽¹⁾	Water	Wastewater	Reclaimed Water	Other⁽²⁾	Total
2025	\$ 46,653,834	\$ 182,606,571	\$14,014,337	\$ 7,019,887	\$ 250,294,629
2026	70,725,221	189,216,273	21,274,793	7,254,358	288,470,645
2027	84,276,979	166,931,907	24,766,929	3,804,567	279,780,382
2028	87,703,590	125,017,730	11,744,591	3,740,106	228,206,017
2029	84,751,911	76,244,730	10,274,348	4,477,115	175,748,104
Total	\$374,111,535	\$740,017,211	\$82,074,998	\$26,296,033	\$1,222,499,777

(1) FY is the five-year period ending on September 30th each year.

(2) 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 Utilities Network Enhancements, Maximo Upgrades, and Meter Data Management and Advanced Metering Infrastructure

Source: Engineer's Report

The capital improvement plan includes water, wastewater, and reclaimed water facilities projects; collection system, distribution, and force main repair and replacement projects; new transmission projects; alternative water supply projects; meter replacement projects; and more. Major water projects include the design and construction of the new Cypress Lake Wellfield and WSF and improvements at the County’s other WSF as listed in this report. Upgrading SWRF to meet advanced wastewater treatment standards and expansion projects at EWRf and HWRf make up much of the wastewater facilities improvements budget. Meanwhile, the new SRFs in the East and Southwest service areas make up much of the reclaimed water 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 2020 through 2024.
3. Gross Revenue for Fiscal Years 2025 through 2029 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 through Fiscal Year 2029, 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. Nothing has come to the Feasibility Consultant's attention that would adversely affect the continued operating and financial condition of the System..
8. The System will evaluate the capital budget on an annual basis to allow for the incorporation of updated information and changes in economic conditions and demands so that any necessary adjustments can be made to allow the Utility to meet its requirements during the projection period and minimize impacts from future events which occur differently than currently projected.

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 \$6,206,164 for the fiscal year ended September 30, 2024 and the System reported a liability of \$41,805,669 for its proportionate share of the Board's Pension Plan's net pension liability as of September 30, 2024. The System's contribution to the HIS Plan totaled \$1,149,897 as of September 30, 2024 and the System reported a liability of \$19,999,452 for its proportionate share of the Board's HIS Plan's net pension liability as of September 30, 2024. The System's Investment Plan pension expense totaled \$1,576,431 for the fiscal year ended September 30, 2024. 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, 2024 AND 2023" 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 \$31,436,973 as of September 30, 2024, 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 Annual Comprehensive Financial Report which may be found at <https://www.occompt.com/221/Annual-Comprehensive-Financial-Reports/>. Separate stand-alone financial statements for the Trust are not prepared.

For Fiscal Year 2024, the System's ADC payment was \$ 937,316, representing 1.61% of the System's covered payroll amount of \$ 58,217,528. The System recognized OPEB benefit of \$ 644,029 for Fiscal Year 2024. 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, 2024 AND 2023" 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.

Cybersecurity

Computer networks and systems used for data transmission and collection are vital to the efficient operations of the County and the System. There have been numerous attempts to gain unauthorized access to electronic systems of local governments for the purposes of misappropriating assets or personal, operational, financial or other sensitive information, or causing disruption. These attempts include highly sophisticated efforts to electronically circumvent security measures or freeze assets as well as more traditional intelligence gathering aimed at obtaining information necessary to gain access. The County has established various procedures and systems to mitigate the risk and vulnerability of cyberattacks and threats. However, no assurances can be given that the County's security measures will prevent cyberattacks, and no assurances can be given that any cyberattacks, if successful, will not have a material adverse effect on the operations or financial condition of the County.

Natural Disasters

The State of Florida is naturally susceptible to the effects of extreme weather events and natural disasters, including floods, droughts, and hurricanes, which could result in negative economic impacts on communities, including the County. Such effects can be exacerbated by a longer-term shift in the climate over several decades (commonly referred to as climate change), including increasing global temperatures and rising sea levels. The County's Office of Emergency Management has experience with and has taken steps to mitigate and protect against these natural disasters; however, the occurrence of such extreme weather events could damage local infrastructure that provides essential services to the County. The economic impacts resulting from extreme weather events could include a loss of revenue, interruption of service, and escalated recovery costs.

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 2025 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 2025 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 2025 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 [____], 2020 and ending [____], 2025, 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 2025 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 2025 Bonds and with regard to the tax-exempt status of the interest on the Series 2025 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 2025 Bonds, will be delivered at the time of original delivery of the Series 2025 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 2025 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; provided, however, with respect to certain corporations, interest on the Series 2025 Bonds is taken into account in determining the annual adjusted financial statement income for the purpose of computing the alternative minimum tax imposed on such corporations. Failure by the County to comply subsequently to the issuance of the Series 2025 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 2025 Bond proceeds and the timely payment of certain investment earnings to the Treasury of the United States, may cause interest on the Series 2025 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 2025 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 2025 Bonds including, among other things, restrictions relating to the use or investment of the proceeds of the Series 2025

Bonds and the payment of certain arbitrage earnings in excess of the "yield" on the Series 2025 Bonds to the Treasury of the United States. Noncompliance with such provisions may result in interest on the Series 2025 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 2025 Bonds. Prospective purchasers of the Series 2025 Bonds should be aware that the ownership of the Series 2025 Bonds may result in other collateral federal tax consequences. For example, ownership of the Series 2025 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 2025 Bonds, (2) the branch profits tax, and (3) the inclusion of interest on the Series 2025 Bonds in passive income for certain Subchapter S corporations. In addition, the interest on the Series 2025 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 2025 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 2025 Bonds may be subject to state or local income taxation under applicable state or local laws in other jurisdictions. Purchasers of the Series 2025 Bonds should consult their tax advisors as to the income tax status of interest on the Series 2025 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 2025 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 2025 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 2025 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 2025 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 2025 Bonds. The further introduction or enactment of one or more of such proposals could affect the market price or marketability of the Series 2025 Bonds.

Original Issue Bond Premium

The Series 2025 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.

Original Issue Bond Discount

Certain of the Series 2025 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 initial offering 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 Discount Bonds. Original issue discount will accrue over the term of a Discount Bond at a constant interest rate compounded semi-annually. An initial 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 such purchaser holds such Discount Bonds and will increase the 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.

RATINGS

The Series 2025 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 2025 Bonds.

ENFORCEABILITY OF REMEDIES

The remedies available to the owners of the Series 2025 Bonds upon an Event of Default under the Resolution 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 may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2025 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 2025 Bonds are being purchased by [_____] (the "Underwriter"), subject to certain terms and conditions.

The Underwriter shall purchase the Series 2025 Bonds at an aggregate price of \$_____ (equal to the principal amount of the Series 2025 Bonds in the amount of \$_____, less Underwriter's discount of \$_____, plus/minus bond premium/discount of \$_____). The Series 2025 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 2025 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, 2024 and 2023 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, 2024 AND 2023", 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 2025 Bonds are payable solely from the Pledged Funds as described in the Resolution and the Series 2025 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 2025 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 2025 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 2025 Bonds, the security for the payment of the Series 2025 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, 200 South Orange Avenue, Suite 760, 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 2025 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.

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: _____
Jerry L. Demings, County Mayor

APPENDIX A

GENERAL INFORMATION CONCERNING ORANGE COUNTY, FLORIDA

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, 2024 AND 2023

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