AGENDA

Regular Meeting – December 27, 2017 – 6:00 PM
Courthouse Annex – Commission Meeting Room

ROLL CALL

ADOPTION OF THE AGENDA

PETITIONS FROM THE PUBLIC – FIVE (5) MINUTE LIMIT

APPROVAL OF THE MINUTES FROM THE REGULAR MEETING HELD December 13, 2017.

CONSTITUTIONAL OFFICER REPORTS

CONSENT AGENDA

1. Resolution 2017-12-27 Authorizing the Chair to Execute the Small County Road Assistance Program Agreement with the Florida Department of Transportation to Resurface SW CR 150 (SW Overstreet Avenue) from US 19/ US 27 to SW Seven Bridges Road.

2. Resolution 2017-12-27B to Lease One (1) MowerMax Boom Mower.

3. Re-appointment of Benjamin Grass, Dennis Pitts, Jayson Williams, DeWayne O'Quinn and Danny Plain to the Competency Board.

OLD BUSINESS

1. Discussion and Possible Conveyance of DOT Barrow Pit to Madison County.

PUBLIC WORKS DEPARTMENT

1. Discussion Regarding Bridge 350022 – CR 146 Over Little Aucilla River – Mr. Lonnie Thigpen.

NEW BUSINESS

1. Update on Parking Lot Improvements for Agricultural Center.

Planning & Zoning Board

Mack Primm, Chair – District 1 – Term Ends January 1, 2019
Mike Holton – District 2 – Term Ends December 1, 2020
Calvin Malone – District 3 – Term Ends February 1, 2019
Richard Cone – District 4 – Term Ends December 1, 2020
Christy Grass – District 5 – Term Ends February 1, 2018
Julia Shewchuck, Vice-Chair – At-Large – Term Ends June 1, 2018
Chad Thurner – At-Large – Term Ends June 1, 2019
Tim Ginn – School Board Representative
Dot Alexander – Alternate – Term Ends February 1, 2018

Madison County Development Council

BOCC APPOINTEES:
Ed Meggs – Term Ends – January 1, 2020
Rick Davis – Term Ends – January 1, 2020

Tourist Development Council

Chair of BOCC or His Designee, *Chair to be Re-Appointed Annually Prior to July 1st* – Term Ends June 1, 2019
Jim Catron – Elected Municipal Official from Most Populous Municipality – Term Ends June 1, 2018
Edwin McMullen – Elected Municipal Official from Any Municipality – Term Ends June 1, 2019
Latrelle Ragans – Involved in Tourist Industry and SUBJECT to the Tax – Term Ends June 1, 2018
Brenda Graham – Involved in Tourist Industry and SUBJECT to the Tax – Term Ends June 1, 2019
Trent Abbott – Involved in Tourist Industry and SUBJECT to the Tax – Term Ends June 1, 2018
Jackie Blount – Involved in Tourist Industry and NOT SUBJECT to the Tax* – Term Ends June 1, 2019
Roy Milliron – Involved in Tourist Industry and NOT SUBJECT to the Tax* – Term Ends June 1, 2019
Princess Roebuck – Involved in Tourist Industry and NOT SUBJECT to the Tax* – Term Ends June 1, 2018
*Not More Than One of the Positions Marked with an Asterisk May Also be Filled by a Person who is Subject To the Tax.

Competency Board

Benjamin Grass – Term Expires January 1, 2018
Travis Renfroe - Term Expires January 1, 2019
Dennis Pitts – Term Expires January 1, 2018
Jayson Williams – Term Expires January 1, 2018
Curtis Johnson - Term Expires January 1, 2019
Dewayne O'Quinn – Term Expires January 1, 2018
Danny Plain – Term Expires January 1, 2018

Code Enforcement Board

Brian Leonardson – Term Expires January 1, 2018
Anthony O'Quinn – Term Expires January 1, 2018
Eddie Taylor – Term Expires January 1, 2018
Curtis Johnson – Term Expires January 1, 2018
Lynette Sirmon – Term Expires January 1, 2018
Freddie Simmons – Term Expires January 1, 2018
Jimmy Anderson – Term Expires January 1, 2018

Commissioners

Wayne Vickers, Chairman – District 2
Alston Kelley, Vice-Chairman – District 1
Ronnie Moore – District 3
Rick Davis – District 5
Alfred Martin – District 4

PROCEDURAL RULES FOR THE MEETINGS OF THE BOARD OF COUNTY COMMISSIONERS

The following notices are hereby given to all persons concerning the meetings of the Board of County Commissioners of Madison County, Florida (hereinafter the "Board"):

1. The rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern the meetings of the Board in all cases to which they are applicable and in which they are not inconsistent with the law, these rules or are otherwise waived by the Board.
2. No comments from the floor will be allowed under any circumstances.
3. The Board shall hear as many comments from the public as practicable during any meeting.
4. No member of the public may address the Board who has not previously signed up to address the Board, unless he or she is requested to do so by the Chair.
5. Any member of the public who wishes to address the Board on any topic, which appears on the agenda or otherwise, must sign up before the scheduled time for public comments.
6. All speakers will be limited to five (5) minutes per topic, unless leave is given by the Chair.
7. Any identifiable group of three (3) persons or more shall be limited to a total of ten (10) minutes per topic.
8. All members of the public given the privilege of addressing the Board, shall do so at the beginning of its scheduled meeting, or immediately following the lunch time break, if the scheduled meeting continues past the lunch time break.
9. The Chair may rule any speaker out of order and require that speaker to cease addressing the Board and if necessary order the bailiff to remove that speaker from the Commission Chambers if:
    A. The speaker refuses to confine his remarks to the topic at hand.
    B. The speaker becomes belligerent, irrational, or in any way disruptive to the meeting of the Board, or,
    C. The speaker refuses to cease addressing the Board after his allotted time.
10. No agenda item will be designated for any specific time other than a time during the first three (3) hours of the meeting, unless leave is given by the Chair. All times shown on the agenda are approximate.
11. No item may be added to the agenda of the Board of County Commissioners except upon request of the Chair, a Board member, the County Manager, the Clerk of the Board or the County Attorney.
12. All decisions of the Chair concerning parliamentary procedures, decorum, or rules of order will be final, unless they are overcome by a majority of the members of the Board in attendance.
13. The Chair shall vote on all issues that come before the Board in the same manner as a member of the Board.

Notice: All items listed on the agenda are for discussion & possible action including vote by the Board. The Board reserves the right to amend the agenda of any meeting to the fullest extent allowed by law. Pursuant to the provisions of the Americans with Disabilities Act, if you are a person requiring special accommodations to participate in this meeting of the Board, you are entitled, at no cost to you, to the provision of certain assistance. Please contact Billy Washington, Clerk of Court, at P.O. Box 237, Madison, Florida 32341, telephone: (850)973-1500, at least 48 hours prior to the meeting. If you are hearing or speech impaired, please call 711. If a person decides to appeal any decision made by the Board with respect to any matter considered at this meeting he or she will need a record of the proceedings, and that, for such purpose, he or she will need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

BOARD OF COUNTY COMMISSIONERS

MADISON COUNTY, FLORIDA

COURTHOUSE ANNEX

MINUTES OF THE REGULAR MEETING

WEDNESDAY, DECEMBER 13, 2017

9:00 A.M.

The Board of County Commissioners of Madison County, Florida met this day in regular session with the following members present: Alston Kelley (District 1), Wayne Vickers (District 2), Ronnie Moore (District 3), Alfred Martin (District 4) and Rick Davis (District 5). Also present were County Attorney George T. Reeves, County Coordinator Brian Kauffman, Assistant County Coordinator Sherilyn Pickels, and Deputy Clerk Darlene Hagan.

The Chairman, Honorable Wayne Vickers, called the meeting to order at 9:00 a.m. and conducted roll call.

Commissioner Moore presented a motion to adopt the agenda as presented. Commissioner Kelley seconded the motion and the board voted unanimously (5-0) to adopt the agenda.

There were no petitions from the public.

Commissioner Martin presented a motion to approve the minutes of the regular meeting held November 29, 2017. Commissioner Kelley seconded the motion and the board voted unanimously (5-0) to approve the minutes.

Under Sheriff Epp Richardson provided the Constitutional Officer's Report for the Madison County Sheriff's Office. He reported on the recent increase in burglaries taking place in Madison County, primarily on the Eastside of the county. Most occurred due to unlocked cars. They are currently pulling extra details to get this issue resolved

The Consent Agenda contained six items 1) Appointment of Richard Cone as the District 4 Representative to the Planning and Zoning Board; 2) Madison County Emergency Medical Services Certificate of Public Convenience and Necessity; 3) Resolution 2017-12-13 and Support Letter for Re-designation of the North Central Florida Rural Area of Opportunity; 4) Approval of Letter of Support for the North Florida Economic Development Partnership Staffing Grant Application; 5) Resolution 2017-12-13B and Agreement for Revising the Language to the 2017-2020 SHIP Local Housing Assistance Plan; and 6) Resolution 2017-12-13C Recognizing and Commending the Members and Coaches of the 2017 Madison County High School Varsity Football Team

for Outstanding Performance. Commissioner Davis presented a motion to approve the consent agenda. Commissioner Kelley seconded the motion and the board voted unanimously (5-0) to approve the consent agenda.

Under Public Works Department, Item #1, Solid Waste/Recycling Coordinator Jerome Wyche presented a request for possible approval of expanded hours of operation for collection sites. The change in hours for some of the centers are based on the needs of the citizens. A draft schedule was presented, which reflected an increase in hours in the Southwest quadrant of the county, which includes the Eridu/150 South site, Sirmans/#1 Federal Highway East site, San Pedro/Hwy 14 South site, and the Live Oak Bottom site. The change in site operation hours would begin Thursday, February 1, 2018. This would allow time to advertise and post signs to publish the new schedule in order to advise citizens of the upcoming changes to the various site operations hours. Commissioner Martin presented a motion to approve Expanded Hours of Operation for Collection Sites as presented. Commissioner Kelley seconded the motion and the board voted unanimously (5-0) to approve the request.

Under Public Works Department, Item #2, County Road & Bridge Department Coordinator Lonnie Thigpen presented two (2) written quotes to purchase a Side-arm Boom Mower (Brush Cutter) for roadside mowing.

1. Quote from Ring Power Corporation for a new Challenger MT465 Ag Tractor equipped with a Diamond 23 foot, 60" Rotary Cutter Mower, Cable Control & Ag Tires. This Challenger Tractor with a Diamond Mower has the same specifications as current Challenger Tractors in the County's equipment fleet. $148,284 is the Total Purchase Price with an option to finance thru Ring Power Corporation at 3.4% with a Term of 5 Annual Payments of $25,348, with a $35,000 guaranteed buy-back from Ring Power that the County would have to pay to keep the machine past the 5-year term. However, Mr. Thigpen said that to truly compare the Diamond mower deck to the MowerMax swivel deck, you would have to add an additional $2,213 to the Ring Power's quote for a similar swivel deck. Therefore, this would put the Total Purchase Price at $150,497, which makes the machines virtually the same price.

2. Quote from Atmax Equipment Company for a new MowerMax Boom Mower 99.9 HP Turbo Diesel with a 24 foot Boom Arm Mower with 60" Rotary Mower Head and a 90 degree swivel/rotating deck and 22ply Alliance Flotation Tires. $149,526.94 is the Total Purchase Price with an option to finance thru Leasing 2, Inc. for either 5 Annual Payments of $32,619.76 at 3.58% or 6 Annual Payments of $27,724.02 at 3.67%.

Mr. Thigpen stated that they had a chance to operate a demo Mower/Max Tractor. They found this machine to be well built and operator friendly, with the same cutting ability as their current machines. They also found the MowerMax Tractor had very similar specifications, but built specifically for boom mowing unlike the Challenger, which has a boom mower mounted on a conventional farm tractor.

Mr. Thigpen stated that the Madison County Road Department recommends the lease/purchase of the MowerMax machine due to several advantages it has over the Challenger Tractor with a Diamond Mower. MowerMax appears to have a lower center of gravity, making it a more stable machine. The design of the cab affords the operator better visibility, especially when cutting overhang on the roadways. This machine also has a hydrostatic transmission, which should eliminate electronic issues with transmission shifting; there is one pedal for forward, one for reverse. The MowerMax machine is equipped with a four-wheel steering option providing better maneuverability, and hydraulic cylinders on the rear axle, which provide a more level cab position on slopes such as those on roadside ditches.

After much discussion Commissioner Moore presented a motion to approve the purchase of the MowerMax Boom Mower with the 5 Year Lease financing option with Leasing 2, Inc., as recommended by County Road & Bridge Department Coordinator Lonnie Thigpen. Commissioner Martin seconded the motion and the board voted unanimously (5-0) to approve the request as recommended by the Madison County Road Department.

Under New Business Item #1, Public Hearing for Consideration of Contract with Ralph Gray for Purchase of County Real Property. Attorney Reeves explained the Contract for Sale of Real Property between Ralph A. Gray as Trustee(s) of the Ralph A. Gray Revocable Trust and Linda A. Gray as Trustee(s) of the Linda A. Gray Revocable Living Trust as the Buyers and Madison County, FL as the Seller. The Grays are offering $1,100 Per Acre to purchase 68 Acres, more or less, of unimproved property owned by the County. Attorney Reeves went on to state that the Grays would not need an easement to the property, if the Board approved the Contract for Sale with them, since their property is adjacent to the property to be purchased. However, if someone else made an offer on the property that did not own property adjacent to the land being sold, then he advised the Board that they would need to give that purchaser an easement in order for them to have access to the property. Therefore, the Board would need to consider that additional expense in order to determine which sale would be in the best interest of the County. Pursuant to Board Ordinance and as stated in the packet Chairman Vickers opened the floor to the public for any comments. When No comments were made, Commissioner Martin made a motion to accept the Contract for Sale of Real Property presented by Ralph & Linda Gray. Commissioner Kelley seconded the motion and the board voted unanimously (5-0) to accept the Contract.

Commissioner Davis announced that the Madison County Cowboys Class 1A State Football Playoff State Championship Celebration that was originally scheduled for Friday December 15th had been rescheduled for Sunday December 17th beginning at 12:00 pm at the Madison County Courthouse with the reading of a Proclamation from the Madison County Board of County Commissioners congratulating the team & coaches. The parade has been scheduled for 3:00 pm. Mr. Kauffman encouraged all County Commissioners to attend.

There being no further business, the Chairman adjourned the meeting at 9:35 p.m.

Board of County Commissioners
Madison County, Florida

By: _____
Wayne Vickers, Chairman

ATTEST:

_____
William D. Washington,
Clerk to the Board of County Commissioners

RESOLUTION 2017-12-27

RESOLUTION AUTHORIZING THE CHAIRMAN OF THE MADISON COUNTY BOARD OF COUNTY COMMISSIONERS TO EXECUTE THE AGREEMENT OF THE SMALL COUNTY ROAD ASSISTANCE PROGRAM WITH THE FLORIDA DEPARTMENT OF TRANSPORTATION KNOWN AS FINANCIAL PROJECT #436445-1-54-01.

WHEREAS, Madison County has entered into a Small County Road Assistance Program Agreement with the Florida Department of Transportation for the resurfacing of SW CR 150 (SW Overstreet Avenue) in Madison County, Florida;

WHEREAS, the proposed Small County Road Assistance Program Agreement is for the resurfacing of SW CR 150 (SW Overstreet Avenue) from SR 20 (US 19/ US 27) to SW Seven Bridges Road in Madison County;

NOW, THERFORE, BE IT RESOLVED by the Madison County Board of County Commissioners that the Chairman of the Board is hereby authorized and directed to execute the Small County Road Assistance Program Agreement, more specifically identified at Financial Project ID: 436445-1-54-01. The Chairman is hereby authorized to execute any of the documents necessary to carry out the terms of the agreement.

PASSED AND ADOPTED by the members of the Board of County Commissioners of Madison County, Florida, this 27th day of December 2017.

_____
Roy W. Vickers, Chair

ATTEST:

_____
William Washington, Clerk of Court

STATE-FUNDED GRANT AGREEMENT

FPN: 436445-1-54-01	Fund: SCRAP	FLAIR Category: 085575
	Org Code: 55024010206	FLAIR Obj: 751000
FPN:	Fund:	FLAIR Category:
	Org Code:	FLAIR Obj:
FPN:	Fund:	FLAIR Category:
	Org Code:	FLAIR Obj:
County No:	Contract No:	Vendor No: F596000722033

THIS STATE-FUNDED GRANT AGREEMENT ("Agreement") is entered into on _____, (This date to be entered by DOT only) by and between the State of Florida Department of Transportation, ("Department"), and Madison County, ("Recipient"). The Department and the Recipient are sometimes referred to in this Agreement as a "Party" and collectively as the "Parties".

NOW, THEREFORE, in consideration of the mutual benefits to be derived from joint participation on the Project, the Parties agree to the following:

1. **Authority:** The Department is authorized to enter into this Agreement pursuant to Sections 334.044, 334.044(7), and (*select the applicable statutory authority for the program(s) below):*
   - ☐ Section 339.2817 Florida Statutes, County Incentive Grant Program (CIGP), (CSFA 55.008)
   - ☐ Section 339.2818 Florida Statutes, Small County Outreach Program (SCOP), (CSFA 55.009)
   - ☒ Section 339.2816 Florida Statutes, Small County Road Assistance Program (SCRAP), (CSFA 55.016)
   - ☐ Section 339.2819 Florida Statutes, Transportation Regional Incentive Program (TRIP), (CSFA 55.026)
   - ☐ Insert Legal Authority , Insert Funding Program Name , Insert CSFA Number

   The Recipient by Resolution or other form of official authorization, a copy of which is attached as **Exhibit "E"**, **Recipient Resolution**, and made a part of this Agreement, has authorized its officers to execute this Agreement on its behalf.

2. **Purpose of Agreement:** The purpose of this Agreement is to provide for the Department's participation in resurfacing of SW CR 150 (SW Overstreet Avenue) from SR 20 (US 19 / US 27) to SW Seven Bridge Road, as further described in **Exhibit "A", Project Description and Responsibilities**, attached to and incorporated into this Agreement ("Project"); to provide Department financial assistance to the Recipient; state the terms and conditions upon which Department funds will be provided; and to set forth the manner in which the Project will be undertaken and completed.

3. **Term of the Agreement, Commencement and Completion of the Project:** This Agreement shall commence upon full execution by both Parties and the Recipient shall complete the Project on or before December 31,2022. If the Recipient does not complete the Project within this time period, this Agreement will expire on the last day of the scheduled completion as provided in this paragraph unless an extension of the time period is requested by the Recipient and granted in writing by the Department prior to the expiration of this Agreement. Expiration of this Agreement will be considered termination of the Project. The Recipient acknowledges that no funding for the Project will be provided by the State under this Agreement for work on the Project that is not timely completed and invoiced in accordance with the terms of this Agreement. The cost of any work performed prior to full execution of the Agreement. Notwithstanding the expiration of the required completion date provided in this Agreement and the consequent potential unavailability of any unexpended portion of State funding to be provided under this Agreement, the Recipient shall remain obligated to complete all aspects of the Project identified in **Exhibit "A"** in accordance with the remaining terms of this Agreement, unless otherwise agreed by the Parties, in writing.

Execution of this Agreement by both Parties shall be deemed a Notice to Proceed to the Recipient for the design phase or other non-construction phases of the Project. If the Project involves a construction phase, the Recipient shall not begin the construction phase of the Project until the Department issues a written Notice to Proceed for the construction phase. Prior to commencing the construction work described in this Agreement, the Recipient shall request a Notice to Proceed from the Department.

4. **Amendments, Extensions and Assignment:** This Agreement may be amended or extended upon mutual written agreement of the Parties. This Agreement shall not be assigned, transferred or otherwise encumbered by the Recipient under any circumstances without the prior written consent of the Department.

5. **Termination or Suspension of Project:** The Department may, by written notice to the Recipient, suspend any or all of the Department's obligations under this Agreement for the Recipient's failure to comply with applicable law or the terms of this Agreement until such time as the event or condition resulting in such suspension has ceased or been corrected. The Department may also terminate this Agreement in whole or in part at any time the interest of the Department requires such termination.

    a. If the Department terminates the Agreement, the Department shall notify the Recipient of such termination in writing within thirty (30) days of the Department's determination to terminate the Agreement, with instructions as to the effective date of termination or to specify the stage of work at which the Agreement is to be terminated.

    b. The Parties to this Agreement may also terminate this Agreement when its continuation would not produce beneficial results commensurate with the further expenditure of funds. In this event, the Parties shall agree upon the termination conditions through mutual written agreement.

    c. If the Agreement is terminated before performance is completed, the Recipient shall be paid only for that work satisfactorily performed for which costs can be substantiated. Such payment, however, may not exceed an amount which is the same percentage of the contract price as the amount of work satisfactorily completed is a percentage of the total work called for by this Agreement. All work in progress on the Department right-of-way will become the property of the Department and will be turned over promptly by the Recipient.

    d. Upon termination of this Agreement, the Recipient shall, within thirty (30) days, refund to the Department any funds determined by the Department to have been expended in violation of this Agreement.

6. **Project Cost:**

    a. The estimated cost of the Project is $1,860,000. This amount is based upon the Schedule of Financial Assistance in **Exhibit "B"**, attached and incorporated in this Agreement. The Schedule of Financial Assistance may be modified by execution of an amendment of the Agreement by the Parties.

    b. The Department agrees to participate in the Project cost up to the maximum amount of $1,860,000 and, additionally the Department's participation in the Project shall not exceed 100% of the total cost of the Project, and as more fully described in **Exhibit "B", Schedule of Financial Assistance**. The Department's participation may be increased or reduced upon a determination of the actual bid amounts of the Project by the execution of an amendment. The Recipient agrees to bear all expenses in excess of the amount of the Department's participation and any cost overruns or deficits incurred in connection with completion of the Project.

    c. The Department's participation in eligible Project costs is subject to, but not limited to:

        i. Legislative approval of the Department's appropriation request in the work program year that the Project is scheduled to be committed;

        ii. Approval of all plans, specifications, contracts or other obligating documents and all other terms of this Agreement; and

iii. Department approval of the Project scope and budget at the time appropriation authority becomes available.

7. **Compensation and Payment:**

a. The Department shall reimburse the Recipient for costs incurred to perform services described in the Project Description and Responsibilities in **Exhibit "A**", and as set forth in the Schedule of Financial Assistance in **Exhibit "B"**.

b. The Recipient shall provide quantifiable, measurable, and verifiable units of deliverables. Each deliverable must specify the required minimum level of service to be performed and the criteria for evaluating successful completion. The Project and the quantifiable, measurable, and verifiable units of deliverables are described more fully in **Exhibit "A"**, Project Description and Responsibilities. Any changes to the deliverables shall require an amendment executed by both parties.

c. Invoices shall be submitted no more often than monthly and no less than quarterly by the Recipient in detail sufficient for a proper pre-audit and post-audit, based on the quantifiable, measurable and verifiable deliverables as established in **Exhibit "A"**. Deliverables and costs incurred must be received and approved by the Department prior to reimbursements. Requests for reimbursement by the Recipient shall include an invoice, progress report and supporting documentation for the period of services being billed that are acceptable to the Department. The Recipient shall use the format for the invoice and progress report that is approved by the Department.

d. Supporting documentation must establish that the deliverables were received and accepted in writing by the Recipient and must also establish that the required minimum standards or level of service to be performed based on the criteria for evaluating successful completion as specified in **Exhibit "A"** has been met. All costs invoiced shall be supported by properly executed payrolls, time records, invoices, contracts or vouchers evidencing in proper detail the nature and propriety of charges as described in **Attachment F – Contract Payment Requirements**.

e. Travel expenses are not compensable under this Agreement.

f. Payment shall be made only after receipt and approval of deliverables and costs incurred unless advance payments are authorized by the Chief Financial Officer of the State of Florida under Chapters 215 and 216, Florida Statutes or the Department's Comptroller under Section 334.044(29), Florida Statutes.

☐ If this box is selected, advance payment is authorized for this Agreement and Exhibit "G", Alternative Advance Payment Financial Provisions is attached and incorporated into this Agreement.

If the Department determines that the performance of the Recipient is unsatisfactory, the Department shall notify the Recipient of the deficiency to be corrected, which correction shall be made within a time-frame to be specified by the Department. The Recipient shall, within thirty (30) days after notice from the Department, provide the Department with a corrective action plan describing how the Recipient will address all issues of contract non-performance, unacceptable performance, failure to meet the minimum performance levels, deliverable deficiencies, or contract non-compliance. If the corrective action plan is unacceptable to the Department, the Recipient will not be reimbursed to the extent of the non-performance. The Recipient will not be reimbursed until the Recipient resolves the deficiency. If the deficiency is subsequently resolved, the Recipient may bill the Department for the unpaid reimbursement request(s) during the next billing period. If the Recipient is unable to resolve the deficiency, the funds shall be forfeited at the end of the Agreement's term.

Recipients receiving financial assistance from the Department should be aware of the following time frames. Inspection and approval of deliverables and costs incurred shall take no longer than 20 days from the Department's receipt of the invoice. The Department has 20 days to deliver a request for payment (voucher) to the Department of Financial Services. The 20 days are measured from the latter of the date the invoice is received or the deliverables and costs incurred are received, inspected, and approved.

If a payment is not available within 40 days, a separate interest penalty at a rate as established pursuant to Section 55.03(1), Florida Statutes, will be due and payable, in addition to the invoice amount, to the Recipient. Interest penalties of less than one (1) dollar will not be enforced unless the Recipient requests payment. Invoices that have to be returned to a Recipient because of Recipient preparation errors will result in a delay in the payment. The invoice payment requirements do not start until a properly completed invoice is provided to the Department.

A Vendor Ombudsman has been established within the Department of Financial Services. The duties of this individual include acting as an advocate for Recipient who may be experiencing problems in obtaining timely payment(s) from a state agency. The Vendor Ombudsman may be contacted at (850) 413-5516.

g. The Recipient shall maintain an accounting system or separate accounts to ensure funds and projects are tracked separately. Records of costs incurred under the terms of this Agreement shall be maintained and made available upon request to the Department at all times during the period of this Agreement and for five years after final payment is made. Copies of these documents and records shall be furnished to the Department upon request. Records of costs incurred include the Recipient's general accounting records and the project records, together with supporting documents and records, of the contractor and all subcontractors performing work on the project, and all other records of the contractor and subcontractors considered necessary by the Department for a proper audit of costs.

h. **Progress Reports.** Upon request, the Recipient agrees to provide progress reports to the Department in the standard format used by the Department and at intervals established by the Department. The Department will be entitled at all times to be advised, at its request, as to the status of the Project and of details thereof.

i. If, after Project completion, any claim is made by the Department resulting from an audit or for work or services performed pursuant to this Agreement, the Department may offset such amount from payments due for work or services done under any agreement which it has with the Recipient owing such amount if, upon demand, payment of the amount is not made within 60 days to the Department. Offsetting any amount pursuant to this paragraph shall not be considered a breach of contract by the Department.

j. The Recipient must submit the final invoice on the Project to the Department within 120 days after the completion of the Project. Invoices submitted after the 120-day time period may not be paid.

k. The Department's performance and obligation to pay under this Agreement is contingent upon an annual appropriation by the Legislature. If the Department's financial assistance for this Project is in multiple fiscal years, a notice of availability of funds from the Department's project manager must be received prior to costs being incurred by the Recipient. See **Exhibit "B"** for funding levels by fiscal year. Project costs utilizing any fiscal year funds are not eligible for reimbursement if incurred prior to funds approval being received. The Department will notify the Recipient, in writing, when funds are available.

l. In the event this Agreement is in excess of $25,000 and has a term for a period of more than one year, the provisions of Section 339.135(6)(a), Florida Statutes, are hereby incorporated:

> "The Department, during any fiscal year, shall not expend money, incur any liability, or enter into any contract which, by its terms, involves the expenditure of money in excess of the amounts budgeted as available for expenditure during such fiscal year. Any contract, verbal or written, made in violation of this subsection is null and void, and no money may be paid on such contract. The Department shall require a statement from the comptroller of the Department that funds are available prior to entering into any such contract or other binding commitment of funds. Nothing herein contained shall prevent the making of contracts for periods exceeding 1 year, but any contract so made shall be executory only for the value of the services to be rendered or agreed to be paid for in succeeding fiscal years, and this paragraph shall be incorporated verbatim in all contracts of the Department which are for an amount in excess of $25,000 and which have a term for a period of more than 1 year."

m. Any Project funds made available by the Department pursuant to this Agreement which are determined by the Department to have been expended by the Recipient in violation of this Agreement or any other applicable law or regulation, shall be promptly refunded in full to the Department. Acceptance by the Department of any documentation or certifications, mandatory or otherwise permitted, that the Recipient files shall not constitute a waiver of the Department's rights as the funding agency to verify all information at a later date by audit or investigation.

n. In determining the amount of the payment, the Department will exclude all Project costs incurred by the Recipient prior to the execution of this Agreement, costs incurred prior to issuance of a Notice to Proceed, costs incurred after the expiration of the Agreement, costs which are not provided for in the latest approved Schedule of Financial Assistance in **Exhibit "B"** for the Project, costs agreed to be borne by the Recipient or its contractors and subcontractors for not meeting the Project commencement and final invoice time lines, and costs attributable to goods or services received under a contract or other arrangements which have not been approved in writing by the Department.

8. General Requirements:

The Recipient shall complete the Project with all practical dispatch in a sound, economical, and efficient manner, and in accordance with the provisions in this Agreement and all applicable laws.

a. The Recipient must obtain written approval from the Department prior to performing itself (through the efforts of its own employees) any aspect of the Project that will be funded under this Agreement.

☐ If this box is checked, then the Agency is permitted to utilize its own forces and the following provision applies: **Use of Agency Workforce.** In the event the Agency proceeds with any phase of the Project utilizing its own forces, the Agency will only be reimbursed for direct costs (this excludes general overhead).

b. The Recipient shall provide to the Department certification and a copy of appropriate documentation substantiating that all required right-of-way necessary for the Project has been obtained. Certification is required prior to authorization for advertisement for or solicitation of bids for construction of the Project, including if no right-of-way is required.

c. The Recipient shall comply and require its contractors and subcontractors to comply with all terms and conditions of this Agreement and all federal, state, and local laws and regulations applicable to this Project.

d. The Recipient shall have the sole responsibility for resolving claims and requests for additional work for the Project by the Recipient's contractors and consultants. No funds will be provided for payment of claims or additional work on the Project under this Agreement without the prior written approval of the claim or request for additional work by Department.

9. Contracts of the Recipient

a. The Department has the right to review and approve any and all third party contracts with respect to the Project before the Recipient executes any contract or obligates itself in any manner requiring the disbursement of Department funds under this Agreement, including consultant or construction contracts or amendments thereto. If the Department exercises this right and the Recipient fails to obtain such approval, the Department may deny payment to the Recipient. The Department may review the qualifications of any consultant or contractor and to approve or disapprove the employment of such consultant or contractor.

b. It is understood and agreed by the parties hereto that participation by the Department in a project that involves the purchase of commodities or contractual services or the purchasing of capital equipment or the equipping of facilities, where purchases or costs exceed the Threshold Amount for CATEGORY TWO per Chapter 287.017 Florida Statutes, is contingent on the Recipient complying in full with the provisions of Chapter 287.057 Florida Statutes The Recipient shall certify to the Department that the purchase of commodities or contractual services has been accomplished in compliance with Chapter 287.057 Florida Statutes It shall be the sole responsibility of the Recipient to ensure that any obligations made in accordance with this Section comply with the current threshold limits. Contracts, purchase orders, task orders,

construction change orders, or any other agreement that would result in exceeding the current budget contained in **Exhibit "B"**, or that are not consistent with the Project description and scope of services contained in **Exhibit "A"** must be approved by the Department prior to Recipient execution. Failure to obtain such approval, and subsequent execution of an amendment to the Agreement if required, shall be sufficient cause for nonpayment by the Department.

c. Participation by the Department in a project that involves a consultant contract for engineering, architecture or surveying services, is contingent on the Recipient's complying in full with provisions of Section 287.055, Florida Statutes, Consultants' Competitive Negotiation Act. In all cases, the Recipient shall certify to the Department that selection has been accomplished in compliance with the Consultants' Competitive Negotiation Act.

d. If the Project is procured pursuant to Chapter 255 for construction services and at the time of the competitive solicitation for the Project 50 percent or more of the cost of the Project is to be paid from state-appropriated funds, then the Recipient must comply with the requirements of Section 255.0991, Florida Statutes.

10. Design and Construction Standards and Required Approvals: In the event the Project includes construction the following provisions are incorporated into this Agreement:

a. The Recipient is responsible for obtaining all permits necessary for the Project.

b. In the event the Project involves construction on the Department's right-of-way, the Recipient shall provide the Department with written notification of either its intent to:

i. Award the construction of the Project to a Department prequalified contractor which is the lowest and best bidder in accordance with applicable state and federal statutes, rules, and regulations. The Recipient shall then submit a copy of the bid tally sheet(s) and awarded bid contract, or

ii. Construct the Project utilizing existing Recipient employees, if the Recipient can complete said Project within the time frame set forth in this Agreement. The Recipient's use of this option is subject to approval by the Department.

c. The Recipient shall hire a qualified contractor using the Recipient's normal bid procedures to perform the construction work for the Project. For projects that are not located on the Department's right-of-way, the Recipient is not required to hire a contractor prequalified by the Department unless the Department notifies the Recipient prior to letting that they are required to hire a contractor prequalified by the Department.

d. The Recipient is responsible for provision of Construction Engineering Inspection (CEI) services. The Department reserves the right to require the Recipient to hire a Department pre-qualified consultant firm that includes one individual that has completed the Advanced Maintenance of Traffic Level Training. Administration of the CEI staff shall be under the responsible charge of a State of Florida Licensed Professional Engineer who shall provide the certification that all design and construction for the Project meets the minimum construction standards established by Department. The Department shall have the right to approve the CEI firm. The Department shall have the right, but not the obligation, to perform independent assurance testing during the course of construction of the Project. Subject to the approval of the Department, the Recipient may choose to satisfy the requirements set forth in this paragraph by either hiring a Department prequalified consultant firm or utilizing Recipient staff that meet the requirements of this paragraph, or a combination thereof.

e. The Recipient is responsible for the preparation of all design plans for the Project. The Department reserves the right to require the Recipient to hire a Department pre-qualified consultant for the design phase of the Project using the Recipient's normal procurement procedures to perform the design services for the Project. All design work on the Project shall be performed in accordance with the requirements of all applicable laws and governmental rules and regulations and federal and state accepted design standards for the type of construction contemplated by the Project, including, as applicable, but not limited to, the applicable provisions of the Manual of Uniform Traffic Control Devices (MUTCD) and the AASHTO Policy on Geometric Design of Streets and Highways. All design work for any portion of the Project to be located on

Department right-of-way shall conform to all applicable standards of the Department, as provided in **Exhibit "F", Terms and Conditions of Construction**, which is attached to and incorporated into this Agreement if a portion of the Project will be located on FDOT's right of way.

f. The Recipient shall adhere to the Department Conflict of Interest Procedure (FDOT Topic No. 375-030-006) or Conflict of Interest Procedure for State Funded Grant Programs (FDOT Topic No. 750-000-002).

g. The Recipient will provide copies of the final design plans and specifications and final bid documents to the Department's Construction Project Manager prior to commencing construction of the Project. The Department will specify the number of copies required and the required format.

h. The Recipient shall require the Recipient's contractor to post a payment and performance bond in accordance with applicable law.

i. The Recipient shall be responsible to ensure that the construction work under this Agreement is performed in accordance with the approved construction documents, and that it will meet all applicable Recipient and Department standards.

j. Upon completion of the work authorized by this Agreement, the Recipient shall notify the Department in writing of the completion of construction of the Project; and for all design work that originally required certification by a Professional Engineer, this notification shall contain an Engineers Certification of Compliance, signed and sealed by a Professional Engineer, the form of which is attached hereto and incorporated herein as **Exhibit "C", Engineers Certification of Completion**. The certification shall state that work has been completed in compliance with the Project construction plans and specifications. If any deviations are found from the approved plans, the certification shall include a list of all deviations along with an explanation that justifies the reason to accept each deviation.

k. The Recipient shall provide the Department with as-built plans of any portions of the Project funded through the Agreement prior to final inspection.

11. Maintenance Obligations: In the event the Project includes construction then the following provisions are incorporated into this Agreement:

a. The Recipient agrees to maintain any portion of the Project not located on the State Highway System constructed under this Agreement for its useful life. If the Recipient constructs any improvement on Department right-of-way, the Recipient

☐ shall

☒ shall not

maintain the improvements located on the Department right-of-way made for their useful life. If the Recipient is required to maintain Project improvements located on the Department right-of-way beyond final acceptance, then Recipient shall, prior to any disbursement of the State funding provided under this Agreement, also execute a Maintenance Memorandum of Agreement in a form that is acceptable to the Department. The Recipient has agreed to the foregoing by resolution, and such resolution is attached and incorporated into this Agreement as **Exhibit "E"**. This provision will survive termination of this Agreement.

12. State Single Audit: The administration of resources awarded through the Department to the Recipient by this Agreement may be subject to audits and/or monitoring by the Department. The following requirements do not limit the authority of the Department to conduct or arrange for the conduct of additional audits or evaluations of state financial assistance or limit the authority of any state agency inspector general, the Auditor General, or any other state official. The Recipient shall comply with all audit and audit reporting requirements as specified below.

a. In addition to reviews of audits conducted in accordance with Section 215.97, Florida Statutes, monitoring procedures to monitor the Recipient's use of state financial assistance may include but not be limited to on-site visits by Department staff and/or other procedures including, reviewing any required performance and financial reports, following up, ensuring corrective action, and issuing management decisions on weaknesses found through audits when those findings pertain to state financial assistance awarded through

the Department by this Agreement. By entering into this Agreement, the Recipient agrees to comply and cooperate fully with any monitoring procedures/processes deemed appropriate by the Department. The Recipient further agrees to comply and cooperate with any inspections, reviews, investigations, or audits deemed necessary by the Department, the Department of Financial Services (DFS) or the Auditor General.

b. The Recipient, a nonstate entity as defined by Section 215.97(2)(n), Florida Statutes, as a recipient of state financial assistance awarded by the Department through this Agreement is subject to the following requirements:

i. In the event the Recipient meets the audit threshold requirements established by Section 215.97, Florida Statutes, the Recipient must have a State single or project-specific audit conducted for such fiscal year in accordance with Section 215.97, Florida Statutes; applicable rules of the Department of Financial Services; and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General. **Exhibit "D"** to this Agreement indicates state financial assistance awarded through the Department by this Agreement needed by the Recipient to further comply with the requirements of Section 215.97, Florida Statutes. In determining the state financial assistance expended in a fiscal year, the Recipient shall consider all sources of state financial assistance, including state financial assistance received from the Department by this Agreement, other state agencies and other nonstate entities. State financial assistance does not include Federal direct or pass-through awards and resources received by a nonstate entity for Federal program matching requirements.

ii. In connection with the audit requirements, the Recipient shall ensure that the audit complies with the requirements of Section 215.97(8), Florida Statutes. This includes submission of a financial reporting package as defined by Section 215.97(2)(e), Florida Statutes, and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General.

iii. In the event the Recipient does not meet the audit threshold requirements established by Section 215.97, Florida Statutes, the Recipient is exempt for such fiscal year from the state single audit requirements of Section 215.97, Florida Statutes. However, the Recipient must provide a single audit exemption statement to the Department at FDOTSingleAudit@dot.state.fl.us no later than nine months after the end of the Recipient's audit period for each applicable audit year. In the event the Recipient does not meet the audit threshold requirements established by Section 215.97, Florida Statutes, in a fiscal year and elects to have an audit conducted in accordance with the provisions of Section 215.97, Florida Statutes, the cost of the audit must be paid from the Recipient's resources (i.e., the cost of such an audit must be paid from the Recipient's resources obtained from other than State entities).

iv. In accordance with Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, copies of financial reporting packages required by this Agreement shall be submitted to:

Florida Department of Transportation
Office of Comptroller, MS 24
605 Suwannee Street
Tallahassee, FL 32399-0405
Email: FDOTSingleAudit@dot.state.fl.us

And

State of Florida Auditor General
Local Government Audits/342
111 West Madison Street, Room 401
Tallahassee, FL 32399-1450
Email: flaudgen_localgovt@aud.state.fl.us

v. Any copies of financial reporting packages, reports or other information required to be submitted to the Department shall be submitted timely in accordance with Section 215.97, Florida Statutes, and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, as applicable.

vi. The Recipient, when submitting financial reporting packages to the Department for audits done in accordance with Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, should indicate the date the reporting package was delivered to the Recipient in correspondence accompanying the reporting package.

vii. Upon receipt, and within six months, the Department will review the Recipient's financial reporting package, including corrective action plans and management letters, to the extent necessary to determine whether timely and appropriate corrective action on all deficiencies has been taken pertaining to the state financial assistance provided through the Department by this Agreement. If the Recipient fails to have an audit conducted consistent with Section 215.97, Florida Statutes, the Department may take appropriate corrective action to enforce compliance.

viii. As a condition of receiving state financial assistance, the Recipient shall permit the Department, or its designee, DFS or the Auditor General access to the Recipient's records including financial statements, the independent auditor's working papers and project records as necessary. Records related to unresolved audit findings, appeals or litigation shall be retained until the action is complete or the dispute is resolved.

c. The Recipient shall retain sufficient records demonstrating its compliance with the terms of this Agreement for a period of five years from the date the audit report is issued and shall allow the Department, or its designee, DFS or the Auditor General access to such records upon request. The Recipient shall ensure that the audit working papers are made available to the Department, or its designee, DFS or the Auditor General upon request for a period of five years from the date the audit report is issued unless extended in writing by the Department.

13. Restrictions, Prohibitions, Controls and Labor Provisions:

a. A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity; may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, Florida Statutes, for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list.

b. In accordance with Section 287.134, Florida Statutes, an entity or affiliate who has been placed on the Discriminatory Vendor List, kept by the Florida Department of Management Services, may not submit a bid on a contract to provide goods or services to a public entity; may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor or consultant under a contract with any public entity; and may not transact business with any public entity.

c. An entity or affiliate who has had its Certificate of Qualification suspended, revoked, denied or have further been determined by the Department to be a non-responsible contractor may not submit a bid or perform work for the construction or repair of a public building or public work on a contract with the Recipient.

d. No funds received pursuant to this Agreement may be expended for lobbying the Florida Legislature, judicial branch, or any state agency, in accordance with Section 216.347, Florida Statutes.

e. The Department shall consider the employment by any contractor of unauthorized aliens a violation of Section 274A(e) of the Immigration and Nationality Act. If the contractor knowingly employs unauthorized aliens, such violation will be cause for unilateral cancellation of this Agreement.

f. The Recipient shall:

i. Utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired by the Recipient during the term of the contract; and

ii. Expressly require any subcontractors performing work or providing services pursuant to the state contract to likewise utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired by the subcontractor during the contract term.

g. The Recipient shall comply and require its contractors and subcontractors to comply with all terms and conditions of this Agreement and all federal, state, and local laws and regulations applicable to this Project.

14. Indemnification and Insurance:

a. It is not intended by any of the provisions of any part of this Agreement to create in the public or any member thereof, a third party beneficiary under this Agreement, or to authorize anyone not a party to this Agreement to maintain a suit for personal injuries or property damage pursuant to the terms or provisions of this Agreement. The Recipient guaranties the payment of all just claims for materials, supplies, tools, or labor and other just claims against the Recipient or any subcontractor, in connection with this Agreement. Additionally, to the extent permitted by law and as limited by and pursuant to the provisions of Section 768.28, Florida Statutes, the Recipient agrees to indemnify and hold harmless the Department , including the Department's officers and employees, from liabilities, damages, losses and costs, including, but not limited to, reasonable attorney's fees, to the extent caused by the negligence, recklessness or intentional wrongful misconduct of the Recipient and persons employed or utilized by the Recipient in the performance of this Agreement. This indemnification shall survive the termination of this Agreement. Nothing contained in this paragraph is intended to nor shall it constitute a waiver of the State of Florida and the Recipient's sovereign immunity. Additionally, the Recipient agrees to include the following indemnification in all contracts with contractors/subcontractors and consultants/subconsultants who perform work in connection with this Agreement:

"To the fullest extent permitted by law, the Recipient's contractor/consultant shall indemnify and hold harmless the Recipient and the State of Florida, Department of Transportation, including the Department's officers and employees, from liabilities, damages, losses and costs, including, but not limited to, reasonable attorney's fees, to the extent caused by the negligence, recklessness or intentional wrongful misconduct of the contractor or consultant and persons employed or utilized by the contractor or consultant in the performance of this Agreement.

This indemnification shall survive the termination of this Agreement. Nothing contained in this paragraph is intended to nor shall it constitute a waiver of the State of Florida or the Recipient's sovereign immunity."

b. The Recipient shall provide Workers' Compensation Insurance in accordance with Florida's Workers' Compensation law for all employees. If subletting any of the work, ensure that the subcontractor(s) and subconsultants have Workers' Compensation Insurance for their employees in accordance with Florida's Workers' Compensation law. If using "leased employees" or employees obtained through professional employer organizations ("PEO's"), ensure that such employees are covered by Workers' Compensation insurance through the PEO's or other leasing entities. Ensure that any equipment rental agreements that include operators or other personnel who are employees of independent contractors, sole proprietorships or partners are covered by insurance required under Florida's Workers' Compensation law.

c. If the Recipient elects to self-perform the Project, and such self-performance is approved by the Department in accordance with the terms of this Agreement, the Recipient may self-insure and proof of self-insurance shall be provided to the Department. If the Recipient elects to hire a contractor or consultant to perform the Project, then the Recipient shall, or cause its contractor or consultant to carry Commercial General Liability insurance providing continuous coverage for all work or operations performed under the Agreement. Such insurance shall be no more restrictive than that provided by the latest occurrence form edition of the

standard Commercial General Liability Coverage Form (ISO Form CG 00 01) as filed for use in the State of Florida. Recipient shall, or cause its contractor to cause the Department to be made an Additional Insured as to such insurance. Such coverage shall be on an "occurrence" basis and shall include Products/Completed Operations coverage. The coverage afforded to the Department as an Additional Insured shall be primary as to any other available insurance and shall not be more restrictive than the coverage afforded to the Named Insured. The limits of coverage shall not be less than $1,000,000 for each occurrence and not less than a $5,000,000 annual general aggregate, inclusive of amounts provided by an umbrella or excess policy. The limits of coverage described herein shall apply fully to the work or operations performed under the Agreement, and may not be shared with or diminished by claims unrelated to the Agreement. The policy/ies and coverage described herein may be subject to a deductible and such deductibles shall be paid by the Named Insured. No policy/ies or coverage described herein may contain or be subject to a Retention or a Self-Insured Retention unless the Recipient is a state agency or subdivision of the State of Florida that elects to self-perform the Project. Prior to the execution of the Agreement, and at all renewal periods which occur prior to final acceptance of the work, the Department shall be provided with an ACORD Certificate of Liability Insurance reflecting the coverage described herein. The Department shall be notified in writing within ten days of any cancellation, notice of cancellation, lapse, renewal, or proposed change to any policy or coverage described herein. The Department's approval or failure to disapprove any policy/ies, coverage, or ACORD Certificates shall not relieve or excuse any obligation to procure and maintain the insurance required herein, nor serve as a waiver of any rights or defenses the Department may have.

d. When the Agreement includes the construction of a railroad grade crossing, railroad overpass or underpass structure, or any other work or operations within the limits of the railroad right-of-way, including any encroachments thereon from work or operations in the vicinity of the railroad right-of-way, the Recipient shall, or cause its contractor to, in addition to the insurance coverage required above, procure and maintain Railroad Protective Liability Coverage (ISO Form CG 00 35) where the railroad is the Named Insured and where the limits are not less than $2,000,000 combined single limit for bodily injury and/or property damage per occurrence, and with an annual aggregate limit of not less than $6,000,000. The railroad shall also be added along with the Department as an Additional Insured on the policy/ies procured pursuant to the paragraph above. Prior to the execution of the Agreement, and at all renewal periods which occur prior to final acceptance of the work, both the Department and the railroad shall be provided with an ACORD Certificate of Liability Insurance reflecting the coverage described herein. The insurance described herein shall be maintained through final acceptance of the work. Both the Department and the railroad shall be notified in writing within ten days of any cancellation, notice of cancellation, renewal, or proposed change to any policy or coverage described herein. The Department's approval or failure to disapprove any policy/ies, coverage, or ACORD Certificates shall not relieve or excuse any obligation to procure and maintain the insurance required herein, nor serve as a waiver of any rights the Department may have.

e. When the Agreement involves work on or in the vicinity of utility-owned property or facilities, the utility shall be added along with the Department as an Additional Insured on the Commercial General Liability policy/ies procured above.

15. Miscellaneous:

a. In no event shall any payment to the Recipient constitute or be construed as a waiver by the Department of any breach of covenant or any default which may then exist on the part of the Recipient and the making of such payment by the Department, while any such breach or default shall exist, shall in no way impair or prejudice any right or remedy available to the Department with respect to such breach or default.

b. If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected. In such an instance, the remainder would then continue to conform to the terms and requirements of applicable law.

c. The Recipient and the Department agree that the Recipient, its employees, contractors, subcontractors, consultants, and subconsultants are not agents of the Department as a result of this Agreement.

d. By execution of the Agreement, the Recipient represents that it has not paid and, also agrees not to pay, any bonus or commission for the purpose of obtaining an approval of its application for the financing hereunder.

e. Nothing in the Agreement shall require the Recipient to observe or enforce compliance with any provision or perform any act or do any other thing in contravention of any applicable state law. If any of the provisions of the Agreement violate any applicable state law, the Recipient will at once notify the Department in writing in order that appropriate changes and modifications may be made by the Department and the Recipient to the end that the Recipient may proceed as soon as possible with the Project.

f. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute the same Agreement. A facsimile or electronic transmission of this Agreement with a signature on behalf of a party will be legal and binding on such party.

g. The Department reserves the right to unilaterally terminate this Agreement for failure by the Recipient to comply with the provisions of Chapter 119, Florida Statutes.

h. The Recipient agrees to comply with Section 20.055(5), Florida Statutes, and to incorporate in all subcontracts the obligation to comply with Section 20.055(5), Florida Statutes

i. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida. In the event of a conflict between any portion of the contract and Florida law, the laws of Florida shall prevail. The Recipient agrees to waive forum and venue and that the Department shall determine the forum and venue in which any dispute under this Agreement is decided.

j. This Agreement does not involve the purchase of Tangible Personal Property, as defined in Chapter 273, Florida Statutes.

16. Exhibits.

a. **Exhibits A, B, D, and E, and Attachment F** are attached to and incorporated into this Agreement.

b. ☒ The Project will involve construction, therefore, **Exhibit "C"**, Engineer's Certification of Compliance is attached and incorporated into this Agreement.

c. ☐ A portion or all of the Project will utilize the Department's right-of-way and, therefore, **Exhibit F**, **Terms and Conditions of Construction in Department Right-of-Way**, is attached and incorporated into this Agreement.

d. ☐ The following Exhibit(s), in addition to those listed in 16.a. and 16.b., are attached and incorporated into this Agreement: _____

e. **Exhibit and Attachment List**

Exhibit A: Project Description and Responsibilities
Exhibit B: Schedule of Financial Assistance
*Exhibit C: Engineer's Certification of Compliance
Exhibit D: State Financial Assistance (Florida Single Audit Act)
Exhibit E: Recipient Resolution
*Exhibit F: Terms and Conditions of Construction in Department Right-of-Way
*Exhibit G: Alternative Pay Method

Attachment F – Contract Payment Requirements

*Additional Exhibit(s): _____
*Indicates that the Exhibit is only attached and incorporated if applicable box is selected.

The remainder of this page intentionally left blank.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year written above.

RECIPIENT Madison County

By: _____

Name: _____

Title: Chair

STATE OF FLORIDA,
DEPARTMENT OF TRANSPORTATION

By: _____

Name: Greg Evans

Title: District Secretary

Legal Review:

By: _____

Name: _____

EXHIBIT "A"

PROJECT DESCRIPTION AND RESPONSIBILITIES

FPN: 436445-1-54-01

This exhibit forms an integral part of the State-Funded Grant Agreement between the State of Florida, Department of Transportation and

Madison County (the Recipient)

PROJECT LOCATION:

☐ The project is on the National Highway System.

☐ The project is on the State Highway System.

PROJECT LENGTH AND MILE POST LIMITS: Approximately 9 miles

PROJECT DESCRIPTION: resurfacing of SW CR 150 (SW Overstreet Ave) from SR 20 (US 19 / US 27) to SW Seven Bridges Road

SPECIAL CONSIDERATIONS BY RECIPIENT:

The Agency is required to provide a copy of the design plans for the Department's review and approval to coordinate permitting with the Department, and notify the Department prior to commencement of any right-of-way activities.
The Recipient shall commence the project's activities subsequent to the execution of this Agreement and shall perform in accordance with the following schedule:

a) Design to be completed by March 30, 2019.
d) Construction contract to be let by October 20, 2019
c) Construction to be completed by December 31, 2022.

If this schedule cannot be met, the Recipient will notify the Department in writing with a revised schedule or the project is subject to the withdrawal of funding.

SPECIAL CONSIDERATIONS BY DEPARTMENT: Prior to advertisement: 1) signed and sealed plans (electronic, if possible) 2) Engineer's Estimate 3) email verifying CCNA is followed 4) Right of Way, Railroad and Utility Certification

Prior to concurrence: 1) Agency to submit name of lowest responsible / responsive bidder for Department verification
2) final bid documents 3) Agency's CEI selection

Deliverables: Development of design plans and design related activities, Construction related activities and Construction Engineering and Inspection (CEI) related activities. Progress Report submitted with invoice.

STATE-FUNDED GRANT AGREEMENT
EXHIBIT "B"
SCHEDULE OF FINANCIAL ASSISTANCE

RECIPIENT NAME & BILLING ADDRESS:	FINANCIAL PROJECT NUMBER:
Madison County BOCC 229 SW Pinckney Street PO Box 539 Madison, FL 32341	436445-1-54-01

I. PHASE OF WORK by Fiscal Year:	FY 2018	FY	FY	TOTAL
Design- Phase 34	$ 0.00	$ 0.00	$ 0.00	$0.00
Maximum Department Participation - (Insert Program Name)	% or $	% or $	% or $	% or $ 0.00
Maximum Department Participation - (Insert Program Name)	% or $	% or $	% or $	% or $ 0.00
Maximum Department Participation - (Insert Program Name)	% or $	% or $	% or $	% or $ 0.00
Local Participation (Any applicable waiver noted in Exhibit "A")	% or $ 0.00	% or $ 0.00	% or $ 0.00	% or $0.00
In-Kind Contribution	$	$	$	$ 0.00
Cash	$	$	$	$ 0.00
Combination In-Kind/Cash	$	$	$	$ 0.00
Right of Way- Phase 44	$ 0.00	$ 0.00	$ 0.00	$0.00
Maximum Department Participation - (Insert Program Name)	% or $	% or $	% or $	% or $ 0.00
Maximum Department Participation - (Insert Program Name)	% or $	% or $	% or $	% or $ 0.00
Maximum Department Participation - (Insert Program Name)	% or $	% or $	% or $	% or $ 0.00
Local Participation (Any applicable waiver noted in Exhibit "A")	% or $ 0.00	% or $ 0.00	% or $ 0.00	% or $0.00
In-Kind Contribution	$	$	$	$ 0.00
Cash	$	$ 0.00	$	$ 0.00
Combination In-Kind/Cash	$	$	$	$ 0.00
Construction/CEI - Phase 54	$ 1,860,000.00	$ 0.00	$ 0.00	$1,860,000.00
Maximum Department Participation - (Small County Road Assistance Program)	100% or $ 1,860,000.00	% or $	% or $	% or $ 1,860,000.00
Maximum Department Participation - (Insert Program Name)	% or $	% or $	% or $	% or $ 0.00
Maximum Department Participation - (Insert Program Name)	% or $	% or $	% or $	% or $ 0.00
Local Participation (Any applicable waiver noted in Exhibit "A")	% or $ 0.00	% or $ 0.00	% or $ 0.00	% or $0.00
In-Kind Contribution	$	$	$	$ 0.00
Cash	$	$	$	$ 0.00
Combination In-Kind/Cash	$	$	$	$ 0.00

STATE-FUNDED GRANT AGREEMENT
EXHIBIT "B"
SCHEDULE OF FINANCIAL ASSISTANCE

Insert Phase and Number (if applicable)	$ 0.00	$ 0.00	$ 0.00	$0.00
Maximum Department Participation - (Insert Program Name)	% or $	% or $	% or $	% or $ 0.00
Maximum Department Participation - (Insert Program Name)	% or $	% or $	% or $	% or $ 0.00
Maximum Department Participation - (Insert Program Name)	% or $	% or $	% or $	% or $ 0.00
Local Participation (Any applicable waiver noted in Exhibit "A")	% or $ 0.00	% or $ 0.00	% or $ 0.00	% or $0.00
In-Kind Contribution	$	$	$	$ 0.00
Cash	$	$	$	$ 0.00
Combination In-Kind/Cash	$	$	$	$ 0.00
II. **TOTAL PROJECT COST:**	$1,860,000.00	$0.00	$0.00	$1,860,000.00

COST ANALYSIS CERTIFICATION AS REQUIRED BY SECTION 216.3475, FLORIDA STATUTES:
I certify that the cost for each line item budget category has been evaluated and determined to be allowable, reasonable, and necessary as required by Section 216.3475, F.S. Documentation is on file evidencing the methodology used and the conclusions reached.

Kim Evans
District Grant Manager Name

Signature Date

EXHIBIT "C"

ENGINEER'S CERTIFICATION OF COMPLIANCE

Engineer's Certification of Compliance. The Recipient shall complete and submit the following Notice of Completion and, if applicable, Engineer's Certification of Compliance to the Department upon completion of the construction phase of the Project.

NOTICE OF COMPLETION

STATE-FUNDED GRANT AGREEMENT
Between
THE STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION
and Madison County

PROJECT DESCRIPTION:Resurfacing of SW CR 150 (SW Overstreet Avenue) from SR 20 (US 19 / US 27) to SW Seven Bridges Road

FPID#: 436445-1-54-01

In accordance with the Terms and Conditions of the State-Funded Grant Agreement, the undersigned provides notification that the work authorized by this Agreement is complete as of _____, 20__.

By: _____

Name: _____

Title: _____

ENGINEER'S CERTIFICATION OF COMPLIANCE

In accordance with the Terms and Conditions of the State-Funded Grant Agreement, the undersigned certifies that all work which originally required certification by a Professional Engineer has been completed in compliance with the Project construction plans and specifications. If any deviations have been made from the approved plans, a list of all deviations, along with an explanation that justifies the reason to accept each deviation, will be attached to this Certification. Also, with submittal of this certification the Recipient shall furnish the Department a set of "as-built" plans certified by the Engineer of Record/CEI.

By: _____, _____ P.E.

SEAL:

Name: _____

Date: _____

EXHIBIT D

STATE FINANCIAL ASSISTANCE (FLORIDA SINGLE AUDIT ACT)

THE STATE RESOURCES AWARDED PURSUANT TO THIS AGREEMENT CONSIST OF THE FOLLOWING:

Awarding Agency: Florida Department of Transportation

State Project Title and CSFA Number:

- ☐ County Incentive Grant Program (CIGP), (CSFA 55.008)
- ☐ Small County Outreach Program (SCOP), (CSFA 55.009)
- ☒ Small County Road Assistance Program (SCRAP), (CSFA 55.016)
- ☐ Transportation Regional Incentive Program (TRIP), (CSFA 55.026)
- ☐ Insert Program Name, Insert CSFA Number

***Award Amount:** $1,860,000.00

*The state award amount may change with supplemental agreements

Specific project information for CSFA Number is provided at: https://apps.fldfs.com/fsaa/searchCatalog.aspx

COMPLIANCE REQUIREMENTS APPLICABLE TO STATE RESOURCES AWARDED PURSUANT TO THIS AGREEMENT:

State Project Compliance Requirements for CSFA Number are provided at: https://apps.fldfs.com/fsaa/searchCompliance.aspx

The State Projects Compliance Supplement is provided at: https://apps.fldfs.com/fsaa/compliance.aspx

EXHIBIT "E"

RECIPIENT RESOLUTION

The Recipient Resolution, or other official authorization, authorizing entry into this Agreement is attached and incorporated into this Agreement.

ATTACHMENT F

CONTRACT PAYMENT REQUIREMENTS
Florida Department of Financial Services, Reference Guide for State Expenditures
Cost Reimbursement Contracts

Invoices for cost reimbursement contracts must be supported by an itemized listing of expenditures by category (salary, travel, expenses, etc.). Supporting documentation shall be submitted for each amount for which reimbursement is being claimed indicating that the item has been paid. Documentation for each amount for which reimbursement is being claimed must indicate that the item has been paid. Check numbers may be provided in lieu of copies of actual checks. Each piece of documentation should clearly reflect the dates of service. Only expenditures for categories in the approved agreement budget may be reimbursed. These expenditures must be allowable (pursuant to law) and directly related to the services being provided.

Listed below are types and examples of supporting documentation for cost reimbursement agreements:

(1) Salaries: A payroll register or similar documentation should be submitted. The payroll register should show gross salary charges, fringe benefits, other deductions and net pay. If an individual for whom reimbursement is being claimed is paid by the hour, a document reflecting the hours worked times the rate of pay will be acceptable.

(2) Fringe Benefits: Fringe Benefits should be supported by invoices showing the amount paid on behalf of the employee (e.g., insurance premiums paid). If the contract specifically states that fringe benefits will be based on a specified percentage rather than the actual cost of fringe benefits, then the calculation for the fringe benefits amount must be shown.

Exception: Governmental entities are not required to provide check numbers or copies of checks for fringe benefits.

(3) Travel: Reimbursement for travel must be in accordance with Section 112.061, Florida Statutes, which includes submission of the claim on the approved State travel voucher or electronic means.

(4) Other direct costs: Reimbursement will be made based on paid invoices/receipts. If nonexpendable property is purchased using State funds, the contract should include a provision for the transfer of the property to the State when services are terminated. Documentation must be provided to show compliance with Department of Management Services Rule 60A-1.017, Florida Administrative Code, regarding the requirements for contracts which include services and that provide for the contractor to purchase tangible personal property as defined in Section 273.02, Florida Statutes, for subsequent transfer to the State.

(5) In-house charges:Charges which may be of an internal nature (e.g., postage, copies, etc.) may be reimbursed on a usage log which shows the units times the rate being charged. The rates must be reasonable.

(6) Indirect costs:If the contract specifies that indirect costs will be paid based on a specified rate, then the calculation should be shown.

Contracts between state agencies, and or contracts between universities may submit alternative documentation to substantiate the reimbursement request that may be in the form of FLAIR reports or other detailed reports.

The Florida Department of Financial Services, online Reference Guide for State Expenditures can be found at this web address http://www.myfloridacfo.com/aadir/reference_guide/.

RESOLUTION NO. 2017-12-27B

RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF MADISON COUNTY, FLORIDA TO LEASE 1 – MOWERMAX BOOM MOWER

LESSEE: Board of County Commissioners, Madison County, Florida

At a duly called meeting of the governing body of Lessee held on the 27th day of December, 2017 the following resolution was introduced and adopted.

RESOLVED, whereas the governing body of Lessee has determined that a true and very real need exists for the acquisition of the Equipment described in the Lease-Purchase Agreement by and between Lessee and Leasing 2, Inc. dated as of December 27, 2017 and presented to this meeting; and has further determined that the Equipment will be used solely for essential governmental functions and not for private business use.

WHEREAS, Lessee has taken the necessary steps, including without limitation to compliance with legal bidding requirements, under applicable law to arrange for the acquisition of such equipment.

BE IT RESOLVED by the governing body of Lessee that the terms of said Lease-Purchase Agreement and Escrow Agreement are in the best interest of Lessee for the acquisition of such equipment, and the governing body of Lessee designates and confirms the following person to execute and deliver, the Lease-Purchase Agreement and Escrow Agreement and any related documents necessary to the consummation of the transactions contemplated by the Lease-Purchase Agreement and Escrow Agreement.

_____ Roy W. Vickers, Chair

(Signature of Party to Execute Lease-Purchase Agreement and Escrow Agreement)

(Print Name and Title)

The undersigned further certifies that the above resolution has not been repealed or amended and remains in full force and effect and further certifies that the above and foregoing Lease-Purchase Agreement and Escrow Agreement is the same as presented at said meeting of the governing body of Lessee.

_____

Clerk

_____

Date

leasing 2

December 14, 2017 Sent via Email: mcrdlonnie@madisoncountyfl.com

Lonnie Thigpen
Road Department Coordinator
Board of County Commissioners of Madison County, FL

Re: Financing for a MowerMax Boom Mower

Thank you for trusting Leasing 2 with your financing needs. Attached to this email are the required documents for execution, and their instructions are below.

PLEASE READ: Carefully follow the instructions below, checking off each item as completed. Documentation completed improperly will have to be redone and possibly delay funding. If you have any questions, please call us at (800) 287-5155.

ALSO:

- ✓ Please execute documents in **BLUE** ink.
- ✓ As these are legal documents, we cannot accept double-sided printouts.

☐ ***Lease Purchase Agreement***

- Signed and dated by Lessee's authorized signatory.

☐ ***Addendum to Lease Purchase Agreement***

- Signed and dated by Lessee's authorized signatory.

☐ ***Exhibit A – Resolution of Governing Body Extract of Minutes***

- Enter the date your resolution was adopted.
- Signed by Lessee's authorized signatory.
- Signed and dated by Secretary/Clerk or other authorized board member of Lessee at bottom of page.

☐ ***Exhibit B – Opinion of Lessee's Counsel***

- Printed on attorney's letterhead and signed by attorney. Original signature required.

☐ ***Exhibit C – Certificate as to Arbitrage***

- Enter the date by which the equipment is expected to be fully acquired in Item 4.
- Signed and dated by Lessee's authorized signatory.

☐ ***Exhibit D – Description of Equipment***

- Signed and dated by Lessee's authorized signatory.

☐ ***Exhibit E – Payment Schedule***

- Signed and dated by Lessee's authorized signatory.

☐ ***Exhibit F – Acceptance Certificate***

- Please **DO NOT CHECK ANY BOXES** – this will be completed at closing and you will receive a fully executed Agreement post-closing.
- Signed by Lessee's authorized signatory.

☐ ***Exhibit G – Essential Use/Source of Funds Letter***

- Enter a description of how the equipment will be used and the services it will provide.
- Signed and dated by Lessee's authorized signatory.

☐ ***Exhibit H – Designation of Bank Qualification***

- Signed and dated by Lessee's authorized signatory.

☐ ***Exhibit I – Notice and Acknowledgement of Assignment***

- Signed and dated by Lessee's authorized signatory.

☐ ***Insurance Coverage Requirement***

- Enter the name, address & phone number of your insurance agent.
- If self-insured, check Item 2 and provide information regarding the nature of your self-insurance program along with the amounts of liability and physical damage coverage listed on a certificate.

☐ ***Billing Information***

- Enter all of the requested information.

☐ ***Customer Identification Program Organized Entity***

- Enter all of the requested information.
- Signed by Lessee's authorized signatory.

☐ ***Escrow Agreement***

- Signed by Lessee's authorized signatory.

✓ **POST FUNDING REQUIREMENT**

☐ ***IRS Form 8038-G (Form 8038-GC if the issue price is under $100,000)***

- We will email you this form for signature after the lease is funded.

☐ ***Escrow Disbursements***

- Disbursement documents authorizing release of vendor payments upon equipment acceptance will need to be signed.

ALL DOCUMENTATION SHOULD BE EMAILED OR FAXED FOR REVIEW PRIOR TO OVERNIGHTING.

PLEASE RETURN ALL DOCUMENTS BY: ***DECEMBER 20, 2017***

Email/fax to:
Donna Womack
dwomack@leasing2.com
Fax: (813) 258-9333
Phone: (800) 287-5155, Ext. 14

Overnight to:
Leasing 2, Inc.
1720 W. Cass St.
Tampa, FL 33606
(800) 287-5155

Alternate contact:
Rick Carney
rcarney@leasing2.com
Fax: (813) 258-9333
Phone: (800) 287-5155, Ext. 16

Thank you for your business.

LEASE-PURCHASE AGREEMENT

LESSEE:
Board of County Commissioners of Madison County, FL
125 SW Range Ave
Madison, FL 32340

LESSOR:
Leasing 2, Inc.
1720 West Cass Street
Tampa, FL 33606-1230

Dated as of December 22, 2017

This Lease-Purchase Agreement (the "Agreement") dated as of **December 22, 2017** by and between **Leasing 2, Inc.** ("Lessor"), and **Board of County Commissioners of Madison County, FL** ("Lessee"), a body corporate and politic duly organized and existing under the laws of the State of **Florida** ("State").

WITNESSETH:
WHEREAS, Lessor desires to lease the Equipment, as hereinafter defined, to Lessee, and Lessee desires to lease the Equipment from Lessor, subject to the terms and conditions of and for the purposes set forth in this Agreement; and

WHEREAS, Lessee is authorized under the Constitution and laws of the State to enter into this Agreement for the purposes set forth herein;

NOW, THEREFORE, for and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

ARTICLE I DEFINITIONS
Section 1.01. The following terms will have the meanings indicated below unless the context clearly requires otherwise:
"Agreement" means this Lease-Purchase Agreement, including the Exhibits attached hereto, as the same may be supplemented or amended from time to time in accordance with the terms hereof.
"Commencement Date" is the date when the term of this Agreement begins and Lessee's obligation to pay rent accrues, which shall be the commencement date shown on the Exhibit E Payment Schedule.
"Equipment" means the property described in Exhibit D and which is the subject of this Agreement.
"Lease Term" means the Original Term and all Renewal Terms provided for in this Agreement under Section 4.01.
"Lessee" means the entity which is described in the first paragraph of this Agreement and which is leasing the Equipment from Lessor under the provisions of this Agreement.
"Lessor" means (i) **Leasing 2, Inc.**, acting as Lessor hereunder; (ii) any surviving resulting or transferee corporation; and (iii) except where the context requires otherwise, any assignee(s) of Lessor.
"Original Term" means the period from the Commencement Date until the end of the fiscal year of Lessee in effect at the Commencement Date.
"Purchase Price" means the amount indicated with respect to any date after payment of all Rental Payments (defined below) due through such date, all as set forth in Exhibit E hereto, or Supplemental Exhibit E hereto, as the case may be.
"Renewal Terms" means the renewal terms of this Agreement as provided for in Article IV of this Agreement, each having a duration of one year and a term co-extensive with the Lessee's fiscal year, except the last of such automatic renewal terms which shall end on the due date of the last Rental Payment set forth in Exhibit E to this Agreement.
"Rental Payments" means the basic rental payments payable by Lessee pursuant to the provisions of this Agreement during the Lease Term, payable in consideration of the right of Lessee to use the Equipment during the then current portion of the Lease Term. Rental Payments shall be payable by Lessee to the Lessor or its assignee in the amounts and at the times during the Lease Term, as set forth in Exhibit E of this Agreement.
"Vendor" means the manufacturer of the Equipment as well as the agents or dealers of the manufacturer from whom Lessee has purchased or is purchasing the Equipment.

ARTICLE I I COVENANTS OF LESSEE
Section 2.01 Lessee represents, covenants and warrants, for the benefit of Lessor and its assignees, as follows:
(a) Lessee is a public body, corporate and politic, duly organized and existing under the Constitution and laws of the State.
(b) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body, corporate and politic.
(c) Lessee is authorized under the Constitution and laws of the State to enter into this Agreement and the transaction contemplated hereby, and to perform all of its obligations hereunder.
(d) Lessee has been duly authorized to execute and deliver this Agreement under the terms and provisions of the resolution of its governing body, attached hereto as Exhibit A, or by other appropriate official approval, and further represents, covenants and warrants that all requirements have been met, and procedures have occurred in order to ensure the enforceability of this Agreement, and Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the Equipment hereunder. Lessee shall cause to be executed and delivered to Lessor an opinion of its counsel substantially in the form attached hereto as Exhibit B.
(e) During the term of this Agreement, the Equipment will be used by Lessee only for the purpose of performing one or more essential governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority and will not be used in a trade or business of any person or entity other than the Lessee.
(f) During the period this Agreement is in force, Lessee will annually provide Lessor with such current financial statements, budgets, proof of appropriation for ensuing fiscal year or such other financial information relating to the decision of Lessee to continue this Agreement as may be reasonably requested by Lessor or its assignee.
(g) The Equipment will have a useful life in the hands of the Lessee that is substantially in excess of the Original Term and all Renewal Terms.
(h) The Equipment is, and during the period this Agreement is in force will remain, personal property and when subjected to use by the Lessee under this Agreement, will not be or become fixtures.]
(i) Lessee shall not voluntarily or involuntarily create, incur, assume or suffer to exist any lien, security interest or other encumbrance or attachment of any kind whatsoever on, affecting or with respect to the Equipment.
(j) Lessee shall not give up possession or control of the Equipment.
(k) Lessee shall not change the location of the Equipment without giving prior written notice of the proposed new location to the Lessor and provided that Lessee shall obtain and deliver to Lessor any landlord waivers reasonably requested by Lessor so as to protect Lessor's right, title and interest in and to the Equipment and Lessor's ability to exercise its remedies with regard to the Equipment.
(l) Lessee shall not alter or modify the Equipment in any manner which would reduce the value or the marketability thereof.
(m) Lessee will take no action that will cause the interest portion of any Rental Payment to become includable in gross income of the recipient for purposes of federal income taxation under the Code, and Lessee will take, and will cause its officers, employees and agents to take, all affirmative action legally within its power to prevent such interest from being includable in gross income for purposes of federal income taxation under Section 103(a) of the United States Internal Revenue Code of 1986 as amended (the "Code"). Lessee represents and warrants that the Lease is to be treated as an obligation of a political subdivision of a state within the meaning of Section 103(c)(1) of the Code.

ARTICLE III LEASE OF EQUIPMENT
Section 3.01 Lessor hereby demises, leases and lets to Lessee, and Lessee rents, leases and hires from Lessor, the Equipment, in accordance with the provisions of this Agreement, to have and to hold for the Lease Term.

ARTICLE IV LEASE TERM
Section 4.01. Commencement of Lease Term. The Original Term of this Agreement shall commence on the Commencement Date and shall terminate on the last day of Lessee's fiscal year then in effect. Lessee may renew this Agreement beyond the expiration of the Original Term, or beyond the expiration of any Renewal Term then in effect, up to the number of additional fiscal years provided in Exhibit E of this Agreement by appropriating sufficient funds to make scheduled Rental Payments for the ensuing fiscal year (each a "Renewal Term"). Terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Rental Payments shall be as provided in Exhibit E of this Agreement.
Section 4.02. Termination of Lease Term. The Lease Term will terminate upon the earliest of any of the following events:
(a) The expiration of the Original Term or any Renewal Term of this Agreement and the non-renewal of this Agreement in the event of non-appropriation of funds pursuant to Section 6.07;
(b) The exercise by Lessee of the option to purchase the Equipment before expiration of this Agreement granted under the provisions of Articles IX or XI of this Agreement;
(c) A default by Lessee and Lessor's election to terminate this Agreement under Article XIII; or
(d) Payment by Lessee of all Rental Payments authorized or required to be paid by Lessee hereunder through the full lease term.
Section 4.03. Return of Equipment on Termination. Upon expiration or earlier termination of the Original Term or any Renewal Term under any provision of this Agreement at a time when Lessee does not exercise its option to purchase the Equipment granted under the provisions of Articles IX or XI of this Agreement, Lessee hereby agrees to deliver the Equipment

to Lessor packaged or otherwise prepared in a manner suitable for shipment by truck or rail common carrier to a location specified by Lessor. All expenses resulting from the return of Equipment on termination will be borne by Lessee.

ARTICLE V ENJOYMENT OF EQUIPMENT

Section 5.01. Provided that no default or event of default shall have occurred hereunder, Lessor hereby covenants that during the Lease Term Lessor will not interfere with Lessee's quiet use and enjoyment of the Equipment.

Lessor shall have the right at all reasonable times during business hours to enter into and upon the property of Lessee for the purpose of inspecting the Equipment.

ARTICLE VI RENTAL PAYMENTS

Section 6.01. Rental Payments to Constitute a Current Expense of Lessee. Lessor and Lessee understand and intend that the obligation of Lessee to pay Rental Payments hereunder shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by Lessee.

Section 6.02. Payment of Rental Payments. During the Original Term and during each Renewal Term elected by Lessee, Lessee shall pay Rental Payments, exclusively from any and all legally available funds, in lawful money of the United States of America, exclusively to Lessor or, in the event of assignment by Lessor, to its assignee, in the amounts and on the dates set forth in Exhibit E hereto. Rental Payments shall be in consideration for Lessee's use of the Equipment during the applicable year in which such payments are due. The Rental Payment amounts set forth in Exhibit E are based on the Equipment Cost to be paid by Lessor being the amount set forth in Exhibit E. Lessor shall have no obligation to pay or disburse any amount greater than the amount set forth as the Equipment Cost. Lessee shall not amend any purchase contract, purchase order, or any other agreement that would have the effect of increasing the cost of the Equipment above set forth in Exhibit E as the Equipment Cost without the prior written consent of Lessor. In the event that the actual cost of the Equipment is greater than the amount set forth in Exhibit E, Lessee shall be solely responsible for and hereby agrees to promptly pay such excess to the vendor (s), provided that Lessee may request that Lessor finance such excess, which Lessor may, in its sole discretion elect to do or decline to do. Lessee shall indemnify and hold Lessor harmless from and against any loss, damages, costs and expenses resulting from or relating to any increase in the Equipment Cost. If Lessor, in its sole discretion, elects to finance such excess the amount of each installment of rent will be increased to provide the same yield to Lessor as would have been obtained if the actual cost had been the same as the stated Equipment Cost. In such event, Lessee shall at the request of Lessor execute and deliver an amendment reflecting the increase in the Equipment Cost and the Rental Payments.

Section 6.03. Interest and Principal Components. A portion of each Rental Payment is paid as, and represents payment of, interest, and the balance of each Rental Payment is paid as, and represents payment of principal. Exhibit E hereto sets forth the interest component and the principal component of each Rental Payment during the Lease Term.

Section 6.04. Additional Interest in the Event the Interest is Taxable. Lessee acknowledges that Lessor's yield with respect to this Agreement is dependent upon the full amount of each Rental Payment being excluded from Lessor's income pursuant to the Code. Accordingly, if at any time, as a result of a determination that Lessee has breached a representation or covenant contained herein, or as a result of any change in the Code, any payment of either the interest component or the principal component of any Rental Payment is, in the opinion of counsel for the Lessor, subject to or affected by any income, preference, excess profits, minimum or other federal tax, Lessee shall pay, as additional interest, an amount which is necessary to provide to Lessor the same net income as Lessor would have received but for such event. Lessor's calculations of such additional interest shall be binding upon Lessee in the absence of manifest error.

Section 6.05. Rental Payments to be Unconditional. During the Original Term and during each Renewal Term elected by Lessee, the obligations of Lessee to make payment of the Rental Payments required under this Article VI and other sections hereof and to perform and observe the covenants and agreements contained herein shall be absolute and unconditional in all events, except as expressly provided under this Agreement. Notwithstanding any dispute between Lessee and Lessor, any Vendor or any other person, Lessee agrees to pay all Rental Payments when due and shall not withhold any Rental Payments pending final resolution of such dispute, nor shall Lessee assert any right of set-off or counterclaim against its obligation to make such payments when required under this Agreement. Lessee's obligation to make Rental Payments during the Original Term or the then current Renewal Term elected by Lessee shall not be abated through accident or unforeseen circumstances.

Section 6.06. Continuation of Lease Term by Lessee. Lessee intends, subject to the provisions of Section 6.07, to continue the Lease Term through the Original Term and all the Renewal Terms hereunder. Lessee reasonably believes that legally available funds in an amount sufficient to make all Rental Payments during the Original Term and each of the Renewal Terms can be obtained. The officer of Lessee responsible for budget preparation shall do all things lawfully within his/her power to obtain and maintain funds from which the Rental Payments may be made, including making provision for such payments to the extent necessary in each annual budget submitted and adopted in accordance with applicable provisions of State law, to have such portion of the budget approved, and to exhaust all available reviews and appeals in the event such portion of the budget is not approved. Notwithstanding the foregoing, the decision whether or not to budget and appropriate funds is within the discretion of Lessee's governing body.

Section 6.07. Termination by Nonappropriation. In the event Lessee does not appropriate sufficient funds for the payment of the Rental Payments scheduled to be paid in the next occurring Renewal Term, then Lessee may terminate this Agreement at the end of the then current Original Term or Renewal Term, and Lessee shall not be obligated to make payment of the Rental Payments provided for in this Agreement beyond the end of the then current Original or Renewal Term. Lessee agrees to deliver notice to Lessor of such termination at least 90 days prior to the end of the then current Original or Renewal Term.

Section 6.08. Late Charges. If any Rental Payment is not paid in full to Lessor within fifteen (15) days after the payment first became due and payable, Lessee shall immediately pay to Lessor an additional one time late charge equal to five (5%) percent or, if less the maximum rate permitted by law, of each such amount past due along with the Rental Payment. If any Rental Payment remains unpaid beyond 45 days after it first became due and payable, or if Lessor has elected to exercise any remedies following an event or default, interest shall accrue on past due amounts at the rate of 1% per month or the highest rate allowed by law, whichever is less. Partial payments by Lessee shall be applied first to the accrued interest component of past due Rental Payments and the balance to the remaining principal component of past due Rental Payments.

Section 6.09. Prepayment. Lessee shall have the right to prepay principal components of Rental Payments in whole on any date set forth in Exhibit E by paying the then applicable Purchase Price set forth in Exhibit E on such date.

ARTICLE VII TITLE TO EQUIPMENT

Section 7.01. Title to the Equipment. During the term of this Agreement, title to the Equipment and any and all additions, repairs, replacements or modifications shall vest in Lessee, subject to the rights of Lessor under this Agreement. In the event of default as set forth in Section 13.01 or nonappropriation as set forth in Section 6.07, Lessee agrees to surrender possession of the Equipment to Lessor. Lessee and Lessor intend for federal income tax purposes under the Internal Revenue Code of 1986, as amended, that this Agreement constitutes a financing lease or an installment sale contract rather than a true lease.

ARTICLE VIII MAINTENANCE; MODIFICATION; TAXES; INSURANCE AND OTHER CHARGES

Section 8.01. Maintenance of Equipment by Lessee. Lessee agrees that at all times during the Lease Term Lessee will, at Lessee's own cost and expense, maintain, preserve and keep the Equipment in good repair, working order and condition, and that Lessee will from time to time make or cause to be made all necessary and proper repairs, replacements and renewals. Lessor shall have no responsibility in any of these matters, or for the making of improvements or additions to the Equipment.

Section 8.02. Taxes, Other Governmental Charges and Utility Charges. In the event that the use, possession or acquisition of the Equipment is found to be subject to taxation in any form (except for income taxes of Lessor), Lessee will pay during the Lease Term, as the same respectively come due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Equipment and any equipment or other property acquired by Lessee in substitution for, as a renewal or replacement of, or a modification, improvement or addition to the Equipment, as well as all gas, water, steam, electricity, heat, power, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Equipment; provided that, with respect to any governmental charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as have accrued during the time this Agreement is in effect.

Section 8.03. Provisions Regarding Insurance. At its own expense, Lessee shall cause casualty, public liability and property damage insurance to be carried and maintained, or shall demonstrate to the satisfaction of Lessor that adequate self-insurance is provided with respect to the Equipment, sufficient to protect the Full Insurable Value (as that term is hereinafter defined) of the Equipment, and to protect Lessor from liability in all events. All insurance proceeds from casualty losses shall be payable as hereinafter provided in this Agreement. Lessee shall furnish to Lessor certificates evidencing such coverage throughout the Lease Term. Alternatively, Lessee may insure the Equipment under a blanket insurance policy or policies which cover not only the Equipment but other properties. If Lessee insures similar properties by self-insurance and upon approval by Lessor, Lessee may insure the Equipment by means of an adequate insurance fund.

The term "Full Insurable Value" as used herein shall mean the full replacement value of the Equipment.

Any insurance policy pursuant to this Section 8.03 shall be so written or endorsed as to make losses, if any, payable to Lessee and Lessor as their respective interests may appear. The Net Proceeds (as defined in Section 9.01) of the insurance required in this Section 8.03 shall be applied as provided in Article IX hereof. Each insurance policy provided for in this Section 8.03 shall contain a provision to the effect that the insurance company shall not cancel the policy or modify it materially and adversely to the interest of Lessor without first giving written notice thereof to Lessor at least 30 days in advance of such cancellation.

Section 8.04. Advances. In the event Lessee shall fail to perform any of its obligations hereunder Lessor may (but shall be under no obligation to) take such action as may be necessary to cure such failure, including, without limitation, the advancement of money; and all amounts so advanced by Lessor shall become additional rent for the then current Original Term or Renewal Term, which amounts, together with interest thereon at the rate of 12% per annum, or if less the maximum rate permitted by law, Lessee agrees to pay.

ARTICLE IX DAMAGE, DESTRUCTION AND CONDEMNATION: USE OF NET PROCEEDS

Section 9.01. Damage, Destruction and Condemnation. If prior to the termination of the Lease Term (a) the Equipment or any portion thereof is destroyed (in whole or in part) or is damaged by fire or other casualty or (b) title to, or the temporary use of the Equipment or any part thereof or the estate of Lessee or Lessor in the Equipment or any part thereof shall be

taken under the exercise of the power eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, Lessee and Lessor will cause the Net Proceeds of any insurance claim or condemnation award to be applied to the prompt replacement, repair, restoration, modification or improvement of the Equipment. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to Lessee.

For purposes of Section 8.03 and this Article IX, the term "Net Proceeds" shall mean the amount remaining from the gross proceeds of any insurance claim or condemnation award after deducting all expenses (including attorney's fees) incurred in the collection of such claims or award.

Section 9.02. Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in Section 9.01 hereof, Lessee shall either (a) complete the work and pay any cost in excess of the amount of Net Proceeds, and Lessee agrees that if by reason of any such insufficiency of the Net Proceeds, Lessee shall make any payments pursuant to the provisions of this Section 9.02, Lessee shall not be entitled to any reimbursement therefore from Lessor nor shall Lessee be entitled to any diminution of the amounts payable under Article VI hereof or (b) if Lessee is not in default hereunder, Lessee shall pay to Lessor the amount of the then applicable Purchase Price, and, upon such payment, the Lease Term shall terminate and Lessor's interest in the Equipment shall terminate as provided in Article XI of this Agreement. The amount of the Net Proceeds in excess of the then applicable Purchase Price, if any, may be retained by Lessee.

ARTICLE X DISCLAIMER OF WARRANTIES; VENDOR'S WARRANTIES; USE OF EQUIPMENT

Section 10.01. Disclaimer of Warranties. LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF THE EQUIPMENT, OR WARRANTY WITH RESPECT THERETO. In no event shall Lessor be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Agreement or the existence, furnishing, functioning or Lessee's use of any item of Equipment.

Section 10.02. Vendor's Warranties. Lessor hereby irrevocably appoints Lessee its agent and attorney-in-fact during the Lease Term, so long as Lessee shall not be in default hereunder, to assert from time to time whatever claims and rights, including warranties of the Equipment, if any which Lessor may have against the Vendor of the Equipment. Lessee's sole remedy for the breach of such warranty, indemnification or representation shall be against the Vendor of the Equipment, and not against the Lessor, nor shall such matter have any effect whatsoever on the rights of Lessor with respect to this Agreement, including the right to receive full and timely payments hereunder. Lessee expressly acknowledges that Lessor makes, and has made, no representation or warranties whatsoever as to the existence or availability of such warranties of the Vendor of the Equipment.

Section 10.03. Use of the Equipment. Lessee will not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Agreement. Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each item of the Equipment) with all laws of the jurisdictions in which its operations involving any item of Equipment may extend and any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the items of the Equipment; provided, however, that Lessee may contest in good faith the validity or application of any such law or rule in any reasonable manner which does not, in the reasonable opinion of the Lessor, adversely affect the estate of Lessor in and to any of the items of the Equipment or its interest or rights under this Agreement.

ARTICLE XI OPTION TO PURCHASE

Section 11.01 At the request of Lessee, Lessor's interest in the Equipment and additional Rental Payments will be terminated and this Agreement shall terminate:

(a) At the end of the final Renewal Term, upon payment by Lessee of all Rental Payments scheduled as set forth in Exhibit E to this Agreement; or

(b) if the Lease Term is terminated pursuant to Article IX of this Agreement, in the event of total damage, destruction or condemnation of the Equipment; or

(c) any time when Lessee is not on such date in default under this Agreement, upon payment by Lessee of the then applicable Purchase Price to Lessor.

Upon the occurrence of any of such events, Lessor shall , if requested by Lessee, deliver a Bill of Sale of its remaining interest in the Equipment to Lessee "AS IS - WHERE IS" without additional cost or payment by Lessee.

ARTICLE XII ASSIGNMENT, SUBLEASING, INDEMNIFICATION MORTGAGING AND SELLING

Section 12.01. Assignment by Lessor. This Agreement, and the rights of Lessor hereunder, may be assigned and reassigned in whole or in part to one or more assignees and subassignees by Lessor at any time subsequent to its execution, without the necessity of obtaining the consent of Lessee; provided, however, that no such assignment or reassignment shall be effective unless and until (i) Lessee shall have received notice of the assignment or reassignment disclosing the name and address of the assignee or subassignee, and (ii) in the event that such assignment is made to a bank or trust company as trustee for holders of certificates representing interests in this Agreement, such bank or trust company agrees to maintain, or cause to be maintained, a book-entry system by which a record of names and addresses of such holders as of any particular time is kept and agrees, upon request of the Lessee, to furnish such information to Lessee. Upon receipt of notice of assignment, Lessee agrees to keep a written record thereof, and to make all payments to the assignee designated in the notice of assignment, notwithstanding any claim, defense, setoff or counterclaim whatsoever (whether arising from a breach of this Agreement or otherwise) that Lessee may from time to time have against Lessor, or the assignee. Lessee agrees to execute all documents which may be reasonably requested by Lessor or its assignee to protect their interests in this Agreement.

Section 12.02. No Sale, Assignment or Subleasing by Lessee. This Agreement and the interest of Lessee in the Equipment may not be sold, assigned or encumbered by Lessee without the prior written consent of Lessor.

Section 12.03. Lessee Negligence. To the extent permitted by the laws and Constitution of the State, Lessee shall protect and hold harmless Lessor from and against any and all liability, obligations, losses, claims and damages whatsoever, regardless of cause thereof, and expenses in connection therewith, including, without limitation, counsel fees and expenses, penalties and interest arising out of or as the result of the entering into this Agreement, the ownership of any item of the Equipment, the ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any item of the Equipment or any accident in connection with the operation, use, condition, possession, storage or return of any item of the Equipment resulting in damage to property or injury to or death of any person, to the extent that such liability, obligation, loss, claim or damage arises out of or is proximately caused by the negligent conduct of Lessee, its officers, employees or agents. The obligation of Lessee arising under this paragraph shall continue in full force and effect notwithstanding the full payment of all other obligations under this Agreement or the termination of the Lease Term for any reason.

ARTICLE XIII EVENTS OF DEFAULT AND REMEDIES

Section 13.01. Events of Default Defined. The following shall be "events of default" under this Agreement and the terms "event of default" and "default" shall mean, whenever they are used in this Agreement, any one or more of the following events:

(a) Failure by Lessee to pay any Rental Payment or other payment required to be paid hereunder at the time specified herein; and

(b) Failure by Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in Section 13.01 (a), for a period of 30 days after written notice, specifying such failure and requesting that it be remedied as given to Lessee by Lessor, unless Lessor shall agree in writing to an extension of such time prior to the expiration, provided, however, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected.

(c) The filing by Lessee of a voluntary petition in bankruptcy, or failure by Lessee promptly to lift any execution, garnishment, or attachment of such consequence as would impair the ability of Lessee to carry on its governmental function or adjudication of Lessee as a bankrupt or assignment by Lessee for the benefit of creditors, or the entry by Lessee into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to Lessee in any proceedings instituted under the provisions of the Federal Bankruptcy Statute, as amended, or under any similar acts which may hereafter be enacted.

The foregoing provisions of this Section 13.01 are subject to (i) the provisions of Section 6.07 hereof with respect to nonappropriation; and (ii) if by reason of force majeure Lessee is unable in whole or in part to carry out its agreement on its part herein contained, other than the obligations on the part of Lessee contained in Article VI hereof, Lessee shall not be deemed in default during the continuance of such inability. The term "force majeure" as used herein shall mean, without limitation, the following: acts of God; strikes, lockouts or other employee relations disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States of America or the state wherein Lessee is located or any of their departments, agencies or officials, or any civil or military authority, insurrections; riots; landslides; earthquakes; fires; storms; droughts; floods; or explosions.

Section 13.02. Remedies on Default. Whenever any event of default referred to in Section 13.01 hereof shall have happened and be continuing, Lessee agrees to return the equipment to Lessor and Lessor shall have the right at its sole option without any further demand or notice, to take either one or both of the following remedial steps:

(a) Accept surrender from Lessee of the equipment for sale or release by Lessor in a commercially reasonable manner. All proceeds of such sale or re-letting shall inure to Lessor, provided, however, if such proceeds after deduction of Lessor's reasonable costs and expenses, including attorneys' fees, incurred to recover possession, restore or clean-up and sell or release the equipment, exceed an amount equal to the sum of the past due but unpaid Rental Payments and an amount equal to the then applicable purchase price, Lessor shall remit the amount of such excess to Lessee; or

(b) Institute an action in a court of competent jurisdiction to recover Lessor's compensatory damages resulting from Lessee's default.

Lessor agrees that it shall not have a right to seek any remedy of specific performance nor shall Lessor have any "self-help" right to take possession of the equipment absent Lessee's voluntary surrender thereof.

Section 13.03. No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy give under this Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver hereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

ARTICLE XIV MISCELLANEOUS

Section 14.01. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at their respective places of business.

Section 14.02. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

Section 14.03. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 14.04. Amendments. The terms of the Agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever except by written instrument signed by the Lessor and the Lessee.

Section 14.05. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 14.06. Delayed Closing. In the event of a delayed closing, Lessor shall receive as additional compensation any amount that accrues between the Commencement Date and the Closing Date.

Section 14.07. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

Section 14.08. Captions. The captions or headings in this Agreement are for convenience only and do not define, limit or describe the scope or intent of any provisions of sections of this Agreement.

Section 14.09. Entire Agreement. This Agreement and the executed Exhibits attached hereto constitute the entire agreement between Lessor and Lessee. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing signed by both parties, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, representations or warranties, express or implied, not specified herein, regarding this Agreement or the equipment leased hereunder.

Section 14.10. Execution of Facsimile. In the interest of time, each party agrees that execution of signature pages of this Agreement by such party followed by transmission of such pages by facsimile/Telecopier will be legally binding upon such party. After each party has executed and transmitted such signature pages, each party agrees to execute hard copies of this Agreement and to promptly forward originals to the other party hereto.

Section 14.11. Correction of Documents. Lessee agrees to execute and deliver, or provide, as required by Lessor, any documents and information, from time to time, that may be necessary for the purpose of correcting any errors or omissions in this Lease or to reflect the true intent of Lessor in this transaction. All such documents and information must be satisfactory to Lessor.

Section 14.12 WAIVER OF JURY TRIAL. Lessee and Lessor hereby irrevocably waive any right to a jury trial with respect to any matter arising under or in connection with this Lease and agree that any dispute shall be determined by a court sitting without a jury.

Section 14.13. Performance Bonds. If requested by Lessor to facilitate payments to vendors in advance of delivery and acceptance, Lessee agrees to require the Equipment manufacturer, and all other contractors and/or subcontractors (collectively, "Contractors") with whom Lessee has contracted for the acquisition of the Equipment, to provide performance bond satisfactory to Lessor conditioned upon the construction of the Equipment as expeditiously as reasonably possible from the date of execution of such Lease and also conditioned upon delivery of possession of the Equipment to the Lessee free and clear of all liens and encumbrances, except the security interest granted to Lessor under the Lease-Purchase Agreement. Each such bond shall be in a form and with a surety acceptable to Lessor and shall name Lessor as a dual obligee. The Lessee shall proceed promptly to pursue diligently any remedies available against a Contractor that is in default under any agreement relating to the acquisition and construction of the Equipment and/or against each surety on any bond securing the performance of such Contractor's obligations with respect to the acquisition and construction of the Equipment. The Lessee and Lessor shall cause the net proceeds recovered by way of the foregoing to be applied, at Lessor's option, to (i) the completion of the Equipment, or (ii) the payment of all rent payments then due plus the then applicable Termination Balance. Any balance of net proceeds remaining after completion of Equipment construction or payment of the outstanding balance owed under the applicable Lease shall be paid promptly to Lessee.

Section 14.14. Time is of the Essence. Lessor and Lessee agree that time is of the essence of all provisions of each Lease entered into under this Agreement.

Any terms and conditions of any purchase order or other document submitted by Lessee in connection with this Agreement which are in addition to or inconsistent with the terms and conditions of this Agreement will not be binding on Lessor and will not apply to this Agreement. Lessee by the signature below of its authorized representative acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms and conditions.

IN WITNESS WHEREOF, Lessor has executed this Agreement in its corporate name and by its duly authorized officer, and Lessee has caused this Agreement to be executed in its corporate name and by its duly authorized officer. All of the above occurred as of the date first written below; this Agreement shall be binding on Lessee beginning on the date it is accepted and executed by Lessor.

LESSOR: Leasing 2, Inc.

Execute:

By: _____

Title: _____

Date: _____

LESSEE: Board of County Commissioners of Madison County, FL

Execute:

By: _____
Wayne Vickers

Title: Chairman

Date: _____

ADDENDUM TO LEASE PURCHASE AGREEMENT

Madison County, a political subdivision of the State of Florida (the "County") and

Leasing 2, Inc., a Florida corporation
1720 W. Cass Street, Unit B
Tampa, Florida 33606 (the "Lessor")

are entering into certain contract document(s) designated as

Lease Purchase Agreement, dated December 22, 2017
and all addenda and attachments thereto (collectively the "Agreement")

for the lease or lease-purchase of certain equipment, vehicles and/or other personal property (the "Equipment") by the County from the Lessor, and for good and valuable consideration, the receipt and sufficiency of which is acknowledged, the County and the Lessor agree as follows:

1. Any provision of the Agreement to the contrary notwithstanding, Florida law shall apply herein and in the interpretation and enforcement of the Agreement without regard to Florida's choice of law rules.

2. Under Florida law, the County can only be bound to the express written terms of a contract. *State, Agency for Health Care Admin. V. MIED, Inc.* 869 SO.2d 13 (Fla. 1st DCA 2004)*; County of Brevard v. Miorelli Eng'g, Inc.,* 703 So.2d 1049 (Fla. 1997)

3. Under Florida law, private parties who contract with the County do so at their peril and are bound to ascertain the legal limits of the County's authority to enter into such contracts. Regardless of the provisions of such contracts, the County will not be bound to contractual provisions which are contrary to Florida law. *See, Ramsey v. Kissimmee,* 139 Fla. 107, 190 So. 474 (Fla. 1939); *City of Hollywood vs. Witt,* 789 So.2d 1130 (Fla. 4th DCA 2001); *Palm Beach County Health Care Dist. V. Everglades Mem'l Hosp., Inc.* 658 So.2d 577 (Fla. 4th DCA 1995); *City of Panama City v. T & A Utilities Contractors,* 606 So.2d 744 (Fla. 1st DCA 1992); *Club on the Bay, Inc. v. City of Miami Beach,* 439 So.2d 325 (Fla. 3d DCA 1983), *rev. den.,* 439 So.2d 325 (Fla. 1984); *Town of Indian River Shores v. Coll,* 378 So.2d 53 (Fla. 4th DCA 1979)

4. Under Florida law, the County cannot grant a security interest in real or personal property. See, Florida Attorney General Opinion 98-71 (1998) Should the Agreement provide that title to the Equipment is transferred to the County, a provision in the Agreement which requires the Equipment be delivered back to the Lessor and/or reconveyed upon default or other contingency could be construed as an attempt to grant or a security interest in the Equipment and disallowed under Florida law. See generally, Florida Attorney General Opinion 80-9 (1980)

5. Under Florida law, except in very limited circumstances, the County cannot indemnify a private entity. See, Florida Attorney General Opinions 2000-22 (2000); 93-34 (1993) Should the Agreement provide for the County to indemnify the Lessor, notwithstanding such provision, the County shall only be bound to such provision to extent allowable under Florida law and all risk that such indemnity provision is unenforceable is on the Lessor.

6. Under Florida law, the County cannot be required to pay interest or penalties for late payments except as set out in the Local Government Prompt Payment Act in Part VII, Ch. 218, Florida Statutes.

7. Any provision of the Agreement to the contrary notwithstanding, the County shall have no obligation to make payments under the Agreement in any fiscal year in which the County's Board of County Commissioners has failed to appropriate fund for the Agreement in the County's budget in accordance with the County's statutory budget process. In the event that funds are not

appropriated for the Agreement, then the Agreement shall terminate as of September 30 of the last fiscal year for which funds were appropriated. The County shall notify the Lessor in writing of any such non-appropriation of funds at the earliest practical date.

8. Any provision of the Agreement to the contrary notwithstanding, the County does not pledge the full faith and credit of the County, nor does the County pledge any ad valorem taxes or other moneys other than moneys lawfully appropriated by the County's Board of County Commissioners from time to time. Lessor shall not have the right to require or compel the County's Board of County Commissioners to exercise the County's ad valorem taxing power or appropriate any funds to obtain the payment or performance of any of the County's obligations created by the Agreement.

9. Any provision of the Agreement to the contrary notwithstanding, the County shall not become liable under the Agreement until and unless the County acknowledges (in writing and after reasonable inspection) that the Equipment has been delivered timely, is the particular Equipment ordered and is in good working order.

10. Any provision of the Agreement to the contrary notwithstanding, all manufacturer warranties and guarantees, concerning the Equipment, shall be assigned to the County on the effective date of the Agreement and may thereafter be enforced by the County in its own name. The Lessor will execute and deliver to the County all writings reasonably required by the County to accomplish the same.

11. The existence of this addendum shall be referenced in the documents making up the Agreement as well as the legal opinion letter and resolution of the Board approving and authorizing execution of the Agreement. However, the failure to make any such reference(s) shall not affect the enforceability of this addendum.

_____

As the County's authorized representative Date

_____

As the Lessor's authorized representative Date

EXHIBIT A

RESOLUTION OF GOVERNING BODY
EXTRACT OF MINUTES

LESSEE: Board of County Commissioners of Madison County, FL

At a duly called meeting of the governing body of Lessee held on the _____ day of _____, 20_____, the following resolution was introduced and adopted.

RESOLVED, whereas the governing body of Lessee has determined that a true and very real need exists for the acquisition of the Equipment described in the Lease-Purchase Agreement by and between Lessee and **Leasing 2, Inc.**; and has further determined that the Equipment will be used solely for essential governmental functions and not for private business use.

WHEREAS, Lessee has taken the necessary steps, including, without limitation to compliance with legal bidding requirements, under applicable law to arrange for the acquisition of such Equipment.

BE IT RESOLVED, by the governing body of Lessee that the terms of said Lease-Purchase Agreement and Escrow Agreement are in the best interest of Lessee for the acquisition of such Equipment, and the governing body of Lessee designates and confirms the following person to execute and deliver**,** the Lease-Purchase Agreement and Escrow Agreement and any related documents necessary to the consummation of the transactions contemplated by the Lease-Purchase Agreement and Escrow Agreement.

_____	Wayne Vickers, Chairman
(Signature of Party to Execute Lease-Purchase Agreement and Escrow Agreement)	(Print Name and Title)

The undersigned further certifies that the above resolution has not been repealed or amended and remains in full force and effect and further certifies that the above and foregoing Lease-Purchase Agreement and Escrow Agreement is the same as presented at said meeting of the governing body of Lessee.

_____
Secretary/Clerk

_____
Date

{LETTERHEAD OF LESSEE'S COUNSEL}

EXHIBIT B

OPINION OF LESSEE'S COUNSEL

LESSEE: **Board of County Commissioners of Madison County, FL**

DATE OF AGREEMENT: **December 22, 2017**

Leasing 2, Inc.
1720 West Cass Street
Tampa, FL 33606-1230

[Ladies and]Gentlemen:

As counsel for **Board of County Commissioners of Madison County, FL** ("Lessee"), I have examined duly executed originals of the Lease-Purchase Agreement and Escrow Agreement, if applicable (the "Agreement"), between Lessee and Leasing 2, Inc. ("Lessor"), dated as of **December 22, 2017** and the proceedings taken by Lessee to authorize and execute the Agreement. Based upon such examination and upon such other examination as I have deemed necessary or appropriate, I am of the opinion that:

1. Lessee is a public body corporate and politic, legally existing under the laws of the State of **Florida.**

2. The Agreement has been duly authorized, executed and delivered by Lessee, pursuant to Constitutional, statutory and/or home rule provisions which authorize this transaction and Resolution No. _____, attached as Exhibit A to the Agreement.

3. The Agreement is a legal, valid and binding obligation of Lessee, enforceable in accordance with its terms. In the event the Lessor obtains a judgment against Lessee in money damages, as a result of an event of default under the Agreement, Lessee will be obligated to pay such judgment.

4. Applicable public bidding requirements have been complied with.

5. To the best of my knowledge, no litigation is pending or threatened in any court or other tribunal, state or federal, which questions or affects the validity of the Agreement.

6. The signature of the officer of Lessee which appears on the Agreement is true and genuine; I know said officer and know him/her to hold the office set forth below his/her names.

7. The Equipment leased pursuant to the Agreement constitutes personal property and when subjected to use by Lessee will not be or become fixtures under applicable law.

8. The leasing of the Equipment pursuant to the Agreement is exempt from all sales and use taxes against either the Lessor or the Lessee during the term of the Lease and the Equipment will be exempt from any state and local personal property or other ad valorem taxes during the term of the Lease.

This opinion may be relied upon by the addressee hereof and its successors and assignees of interests in the Lease, but only with regard to matters specifically set forth herein.

Sincerely,

_____

EXHIBIT C

CERTIFICATE AS TO ARBITRAGE

I, **Wayne Vickers**, hereby certify that I am duly qualified and acting **Chairman**, of **Board of County Commissioners of Madison County, FL** (the "Lessee"), and that in my official capacity as such officer, I am responsible for executing and delivering, on behalf of the Lessee, the Lease-Purchase Agreement dated **December 22, 2017** (the "Agreement"), by and between Leasing 2, Inc. ("Lessor") and the Lessee. This Certificate is being issued pursuant to Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations promulgated thereunder (the "Regulations"). The following facts, estimates and circumstances are in existence on the date of this Certificate or are reasonably expected to occur hereafter.

1. The Lease provides for the acquisition and financing of certain equipment described therein (the "Equipment") Pursuant to the Agreement, the Lessor is required to lease the Equipment to the Lessee and the Lessee is required to make rental payments with respect thereto, comprising principal and interest, on the dates and in the amounts set forth therein (the "Rental Payments").

2. On the date hereof, Lessor will deposit into escrow to be held for the benefit of Lessee the amount of **$149,526.94**, which, together with interest earned thereon until disbursed if necessary, will be used to pay the costs of the Equipment in the amount of **$149,526.94**. In the event any interest income remains in escrow after payment of such Equipment cost, such amount shall be retained by Lessor as additional fee income.

3. The Lessee has entered into or will within six (6) months of the date hereof enter into contracts for the acquisition of the Equipment, which contracts will obligate the payment of all amounts held in escrow.

4. The Equipment will be acquired with due diligence and will be fully acquired on or before _____.

5. In any event, all of the spendable proceeds of the Agreement will be expended on the Equipment within three (3) years from the date of execution of the Agreement. No proceeds of the Agreement will be used to reimburse the Lessee for expenditures made prior to the date of the issuance of the Agreement, unless Lessee shall have complied with the requirements of Section 1.150-2 of the Regulations. If applicable, a copy of Lessee's official intent with respect to such reimbursement is attached hereto as attachment 1.

6. The original proceeds of the Agreement, and the interest to be earned thereon, do not exceed the amount necessary for the governmental purpose for which the Agreement is issued.

7. The interest of the Lessee in the Equipment has not been, and is not expected during the term of the Agreement, to be sold or otherwise disposed of by the Lessee.

8. No sinking fund will be maintained by the Lessee with respect to the Rental Payments.

9. The Agreement is not a "hedge bond" within the meaning of Section 149(g) of the Code. The Lessee expects to spend not less than 85% of the spendable proceeds of the Agreement within three years after the date hereof and less than 50% of the proceeds of the Agreement is invested in Nonpurpose investments having a substantially guaranteed yield for four years or more.

10. In the Agreement the Lessee has covenanted to take all actions necessary to ensure that the interest paid under the Agreement remains excludable from gross income under the Code. Such covenant includes, without limitation, the requirement to comply with the requirements of the Code relating to the rebate of arbitrage profit to the United States Government.

11. To the best of the knowledge and belief of the undersigned, the expectations of the Lessee as set forth above, are reasonable; and there are no present facts, estimates and circumstances which would damage the foregoing expectations.

LESSEE: **Board of County Commissioners of Madison County, FL**

By: _____
Wayne Vickers

Title: Chairman

Date: _____

EXHIBIT D

DESCRIPTION OF EQUIPMENT

The Equipment which is the subject of the attached Lease-Purchase Agreement is as follows:

MowerMax Boom Mower, S/N: _____

together with all additions, accessions and replacements thereto.

Lessee hereby certifies that the description of the personal property set forth above constitutes an accurate description of the "Equipment", as defined in the attached Lease-Purchase Agreement.

LOCATION OF THE EQUIPMENT:

2060 NE Rocky Ford Rd

Madison, FL 32340

After Lessee signs this Agreement, Lessee authorizes Lessor to insert any missing information or change any inaccurate information (such as the model year of the Equipment or its serial number or VIN) into the Description of Equipment.

LESSEE: **Board of County Commissioners of Madison County, FL**

By: _____
Wayne Vickers

Title: Chairman

Date: _____

EXHIBIT E

PAYMENT SCHEDULE

LESSEE: Board of County Commissioners of Madison County, FL
LEASE AMOUNT: $149,526.94
COMMENCEMENT DATE: 01/15/2018
INTEREST RATE: 4.15%

PAYMENT NO.	DATE	PAYMENT	INTEREST	PRINCIPAL	PURCHASE PRICE*
1	7/15/2018	33,064.23	3,122.87	29,941.36	123,187.96
2	7/15/2019	33,064.23	4,967.49	28,096.74	93,882.93
3	7/15/2020	33,064.23	3,800.38	29,263.85	63,604.97
4	7/15/2021	33,064.23	2,584.78	30,479.45	32,321.79
5	7/15/2022	33,064.23	1,318.69	31,745.54	0.00
Grand Totals		**165,321.15**	**15,794.21**	**149,526.94**	

LESSEE: **Board of County Commissioners of Madison County, FL**

By: _____
Wayne Vickers

Title: Chairman

Date: _____

* After payment of Rental Payment due on such date.

EXHIBIT F

ACCEPTANCE CERTIFICATE

The undersigned, as Lessee under the Lease-Purchase Agreement (the "Agreement") dated **December 22, 2017**, with **Leasing 2, Inc.** ("Lessor"), hereby acknowledges:

1. _____ **Equipment delivered and accepted**: Lessee has received in good condition all of the Equipment described in the Agreement and in Exhibit D thereto and accepts the Equipment for all purposes this _____ day of _____, 20_____,

2. _____ **Equipment delivery has not yet taken place**: The Equipment described in the Agreement and in Exhibit D thereto, has not been delivered, but is scheduled to be delivered within 18 months. Lessor has agreed to deposit into an escrow account an amount sufficient to pay the total cost of the Equipment identified in Exhibit D of the Agreement. Exhibit E accurately reflects the Lease Amount. Lessee agrees to execute an Acceptance Certificate and Payment Request Form authorizing payment of the cost of the Equipment, or a portion thereof, for each withdrawal of funds from the Escrow Account. Lessee's obligation to commence Rental Payments as set forth in Exhibit E-Payment Schedule is absolute and unconditional as of the Commencement Date, subject to the terms and conditions of the Agreement. Lessee further acknowledges that the Agreement is not subject to the successful delivery of the Equipment, and that in the event of non-performance by the Vendor, Lessee will retain all responsibility for performance under the Agreement.

3._____ **Vendor will be paid in full prior to delivery of equipment**: A 100% pre-funding will be made by Lessor to Vendor of the lease amount identified as "Equipment Cost" on the Exhibit E – Payment Schedule of the Agreement. Lessee agrees to indemnify and hold Lessor harmless from and against any and all claims, costs and expenses incurred (including Lessor's attorneys' fees). Lessee further acknowledges that the Agreement is not subject to the successful delivery of the Equipment, and that in the event of non-performance by the Vendor, Lessee will retain all responsibility for performance under the Agreement.

Lessee certifies that Lessor has fully and satisfactorily performed all of its covenants and obligations required under the Agreement, and confirms that the Agreement will commence as defined by "Commencement Date" in the attached Agreement, and it will commence payments in accordance with Article VI of the Agreement.

The undersigned officer of the Lessee hereby reaffirms on behalf of the Lessee in all respects the covenants of the Lessee set forth in Article II of the Agreement and represents that, to the best of his or her knowledge, information and belief, the expectations therein expressed were reasonable as of the Commencement Date, and that there were, and are as of the date on which they were made, and are reasonable as of the Commencement Date, no facts, estimates or circumstances other than those expressed therein that would materially affect the expectations expressed therein.

LESSEE: **Board of County Commissioners of Madison County, FL**

By: _____
Wayne Vickers

Title: Chairman

EXHIBIT G

ESSENTIAL USE/SOURCE OF FUNDS LETTER

TO: **Leasing 2, Inc.**

RE: Lease-Purchase Agreement Dated **December 22, 2017.**

Gentlemen:

Reference is made to certain Lease-Purchase Agreement dated **December 22, 2017,** between **Leasing 2, Inc.** and **Board of County Commissioners of Madison County, FL,** leasing the personal property described in Exhibit D to such Agreement. This confirms and affirms that such Equipment is essential to the functions of the undersigned or to the service we provide to our citizens.

Further, we have an immediate need for, and expect to make immediate use of, substantially all the Equipment, which need is not temporary or expected to diminish in the foreseeable future. The Equipment will be used by us only for the purpose of performing one or more of our governmental or proprietary functions consistent with the permissible scope of our authority. **Specifically, the Equipment was selected by us to be used as follows:**

Please describe USE of equipment: _____

_____

_____

_____

Sincerely,

_____ _____

Wayne Vickers, Chairman Date

EXHIBIT H

DESIGNATION OF BANK QUALIFICATION

In consideration of the mutual covenants of the Lessor and Lessee pursuant to the Lease-Purchase Agreement dated **December 22, 2017**, (the "Agreement") between **Leasing 2, Inc.** ("Lessor") and **Board of County Commissioners of Madison County, FL** ("Lessee"), such Agreement is modified as follows:

Lessee certifies that it reasonably anticipates that it and all of its subordinate entities will not issue more than $10,000,000 of "qualified tax-exempt obligations" (as that term is defined in Section 265(b)(3)(B) of the Internal Revenue Code of 1986 ("the Code") during the current calendar year .

Further, lessee hereby designates the Agreement as a "qualified tax-exempt obligation" in accordance with Section 265 (b)(3)(B) of the Code so that it is eligible for the exception contained in Section 265 (b)(3) of the Code and further certifies for the purpose of the overall limitation of Section 265 (b)(3)(D) of the Code that it and its subordinate entities have not as of this calendar year issued more than $10,000,000 of obligations which it has designated for these purposes.

All terms contained herein not otherwise defined shall have the same meaning as such terms are used and defined in the Lease.

LESSEE: **Board of County Commissioners of Madison County, FL**

By: _____
Wayne Vickers

Title: Chairman

Date: _____

EXHIBIT I

NOTICE AND ACKNOWLEDGMENT OF ASSIGNMENT

Leasing 2, Inc. ("Lessor") hereby gives notice to the **Board of County Commissioners of Madison County, FL** ("Lessee") that Lessor has assigned all rights to payments under the Lease-Purchase Agreement and Escrow Agreement dated as of **December 22, 2017**, between **Leasing 2, Inc.** ("Lessor") and **Board of County Commissioners of Madison County, FL** ("Lessee"). **Leasing 2, Inc.** ("Lessor") hereby requests, gives notice and instructs **Board of County Commissioners of Madison County, FL** ("Lessee") that payments that hereafter come due pursuant to the Lease-Purchase Agreement be paid to **Santander Leasing, LLC** or its Assignee.

Santander Leasing, LLC
3 Huntington Quadrangle, Ste 101N
Melville, NY 11747

LESSEE: **Board of County Commissioners of Madison County, FL**

By: _____
Wayne Vickers

Title: Chairman

Date: _____

INSURANCE COVERAGE REQUIREMENT

TO: **Leasing 2, Inc. and/or its Assigns**
1720 West Cass Street
Tampa, FL 33606-1230

FROM: **Board of County Commissioners of Madison County, FL**
125 SW Range Ave
Madison, FL 32340

RE: INSURANCE COVERAGE REQUIREMENTS **(Check one):**

_____ 1. In accordance with Section 8.03 of the Agreement, we have instructed the insurance agent named below (please fill in name, address and telephone number)

NAME: _____

ADDRESS: _____

CITY/ ST/ ZIP: _____

TELEPHONE: _____ to issue:

a. All Risk Physical Damage Insurance on the leased equipment evidenced by a Certificate of Insurance and Long Form Loss Payable Clause naming **Leasing 2, Inc. and/or its Assigns** as Loss Payee.

Coverage Required: Full Replacement Value

b. Public Liability Insurance evidenced by a Certificate of Insurance naming **Leasing 2, Inc. and/or its Assigns** as an Additional Insured.

Minimum Coverage Required:
$500,000.00 per person
$1,000,000.00 aggregate bodily injury liability
$1,000,000.00 property damage liability

_____ 2. Pursuant to Section 8.03 of the Agreement, we are self-insured for all risk, physical damage, and public liability and will provide proof of such self-insurance in letterform together with a copy of the statute authorizing this form of insurance.

By: _____
Wayne Vickers

Title: Chairman

Date: _____

BILLING INFORMATION

Please indicate below how you would like us to bill you for the lease payments due under this Agreement, including a contact name, if applicable:

Contact Name:_____

Company:_____

Street Address or Box #:_____

City, State, Zip: _____

County: _____

Telephone:_____(_____)_____

Fax:_____(_____)_____

Email Address:_____

Invoice Reference: _____MowerMax Boom Mower_____

CUSTOMER IDENTIFICATION PROGRAM
ORGANIZED ENTITY

Notice: To help the government fight the funding of terrorism and money laundering activities, U.S. Federal law requires financial institutions to obtain, verify and record information that identifies each person (individuals or businesses) who opens an account.
What this means for you: When you open an account or add any additional service, we will ask you for your name, address, federal employer identification number and other information that will allow us to identify you. We may also ask to see other identifying documents.

CUSTOMER NAME: **Board of County Commissioners of Madison County, FL**

CUSTOMER IDENTIFICATION

Taxpayer ID Number: 59-6000722

Business Structure (check one): City Government:_____ County Government:_____ Tax District:_____ Corporation:_____
Other, description:_____

We may request certified copies of your organizational documents as part of the identification procedure.

PRIMARY ADDRESS AND REGISTRATION

Address: _____
Address: _____
City: _____
State: _____
Zip Code: _____
State of Registration/Organization: _____

MAILING ADDRESS (if different from above)

Address: _____
Address: _____
City: _____
State: _____
Zip Code: _____

Acknowledgment: The information contained herein is true and correct.

Board of County Commissioners of Madison County, FL

By: _____
Wayne Vickers

Its: Chairman

Internal Escrow Letter

December 22, 2017

Santander Leasing, LLC
3 Huntington Quadrangle, Suite 101N
Melville, NY 11747

Re: Lease Purchase Agreement dated **December 22, 2017** (the "Lease") by and between: **Board of County Commissioners of Madison County, FL** ("Lessee") and Leasing 2, Inc. ("Lessor"), concurrently assigned to Santander Leasing, LLC ("Assignee").

Ladies and Gentlemen:

We have entered into the above referenced Lease for the purpose of financing a **MowerMax Boom Mower** (the "Equipment") in the amount of **$149,526.94** (the "Financed Amount"). Lessee hereby requests that Assignee retain **$149,526.94** (the "Retained Amount"). Lessee further requests that Assignee hold the Retained Amount in an internal escrow pending Assignee's receipt of confirmation from Lessee that the Equipment has been delivered, inspected and accepted for all purposes by the Lessee and that payment can be remitted to the vendor of such Equipment. There will be no separate escrow fee charged Lessee for internally escrowing the Retained Amount.

Lessee understands and agrees that interest shall accrue on the entire Financed Amount as of the date hereof, and further understands and agrees that any interest earned on the Retained Amount shall be paid to Assignee in consideration of managing the internal escrow account.

Lessee acknowledges that Assignee may commingle the Retained Amount held by Assignee for the benefit of Lessee with other funds held by Assignee for its own account, so long as Assignee maintains segregation of such amounts on the books and records of Assignee.

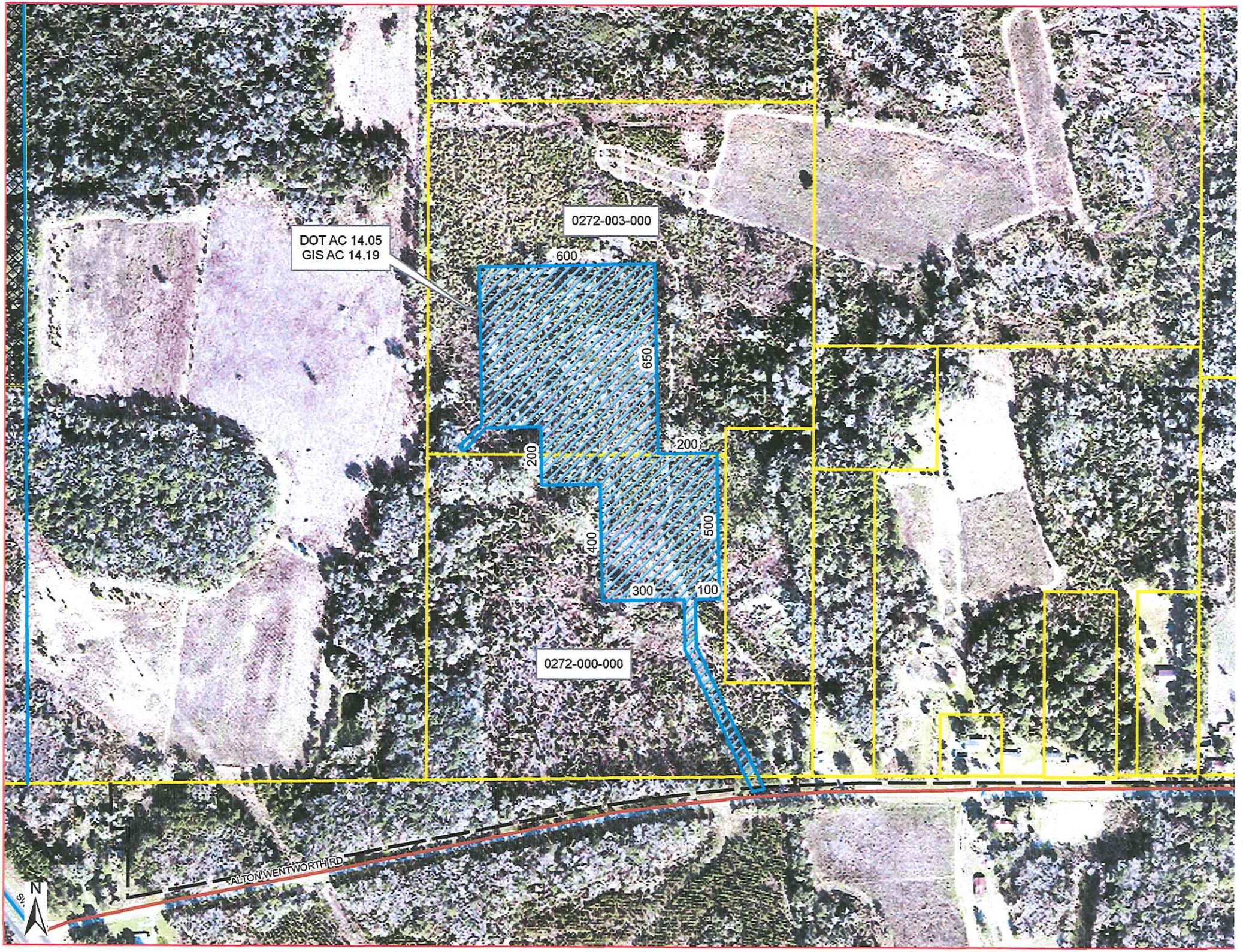
Sincerely,

LESSEE: **Board of County Commissioners of Madison County, FL**

By:_____
Wayne Vickers

Title: Chairman

Date:_____


0272-003-000
DOT AC 14.05
GIS AC 14.19
600
650
200
200
500
400
300
100
0272-000-000
ALTON WENTWORTH RD
N

04-QCD.12-Date: January 20, 2017

This instrument prepared by
or under the direction of:
David M. Robertson
Chief Counsel District Two
Florida Department of Transportation
1109 South Marion Avenue
Lake City, Florida 32025-5874

PARCEL NO.	9 (Borrow Pit No. 1) – Excess #296
SECTION NO.	3503-105
F.P. NO.	n/a
STATE ROAD NO.	20
COUNTY OF	Madison

COUNTY QUITCLAIM DEED

THIS QUITCLAIM DEED, Made this _____ day of _____, 2017, by MADISON COUNTY, FLORIDA, a political subdivision of the State of Florida, PO Box 539, Madison, Florida 32341, grantor, to the STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION, 1109 South Marion Avenue, Lake City, Florida 32025-5874, grantee: (Wherever used herein the terms "grantor" and "grantee" include all the parties to this instrument and the heirs, legal representatives and assigns of individuals, and the successors, and assigns of organizations).

WITNESSETH: That the said grantor, for and in consideration of the sum of One Dollar ($1.00) and other valuable considerations, receipt and sufficiency being hereby acknowledged, does hereby remise, release and quitclaim unto the said grantee forever, all right, title, interest, claim and demand, which said grantor has in and to the hereinafter described parcel of land situate in the County of Madison County, Florida, to wit:

SEE **Exhibit "A"**, attached hereto and by reference made a part hereof.

TO HAVE AND TO HOLD, the same together with the appurtenances thereunto belonging or in anywise appertaining, and all the estate, right, title, interest, lien, equity and claim whatsoever of the said grantor, either in law or equity, to the said grantee forever.

IN WITNESS WHEREOF, the said grantor has caused these presents to be executed in its name by its Board of County Commissioners acting by the Chairperson or Vice-Chairperson of said Board, the day and year aforesaid.

ATTEST:_____

Print Name:_____
Clerk (or Deputy Clerk)

Madison County, Florida
by its Board of County Commissioners

BY:_____

Print Name:_____
Its Chairperson (or Vice-Chairperson)

Exhibit "A"

SECTION NO. 3503-105 STATE ROAD NO. 20 MADISON COUNTY
F.P. NO. N/A

PARCEL NUMBER 9 (BORROW PIT NO. 1, HAUL ROAD AND DRAIN) – EXCESS PARCEL #296

That Part Of:

E½ Of SE¼ Of Section 17, Township 2 South, Range 6 East, Described As:

Commence On The South Line Of Section 17, Township 2 South, Range 6 East At A Point 2315.34 Feet East From The Southwest Corner Of Said Section 17, Run Thence South 38°08'28" East 630.53 Feet, Run Thence North 78°51'02" East 2520.05 Feet, Run Thence North 25°29'58" West 539.59 Feet, Run Thence North 1°11'02" West 166.32 Feet To The Point Of Beginning Of Borrow Pit No. 1, Run Thence North 88°48'58" East 100 Feet, Run Thence North 1°11'02" West 500 Feet, Run Thence South 88°48'58" West 200 Feet, Run Thence North 1°11'02" West 650 Feet, Run Thence South 88°48'58" West 600 Feet, Run Thence South 1°11'02" East 550 Feet, Run Thence North 88°48'58" East 200 Feet, Run Thence South 1°11'02" East 200 Feet, Run Thence North 88°48'58" East 200 Feet, Run Thence South 1°11'02" East 400 Feet, Run Thence North 88°48'58" East 300 Feet To The Point Of Beginning Of Said Borrow Pit No. 1,

ALSO:

A Parcel Of Land For Borrow Pit No. 1 Haul Road,

Lying Each Side Of And Within 20 Feet Of A Haul Road Centerline, Said Centerline Being Described As Follows:

Begin On The South Line Of Borrow Pit No. 1 As Described Above, At A Point 100 Feet South 88°48"58" West From The Southeast Corner Of Said Borrow Pit No. 1, Run Thence South 1°11'02" East 166.32 Feet, Run Thence South 25°29'58" East 539.59 Feet To The End Of Haul Road Centerline,

ALSO:

A Parcel Of Land For Borrow Pit No. 1 Drain,

Lying Each Side Of And Within 10 Feet Of A Line Described As Follows:

Commence At The Northwest Corner Of Borrow Pit No. 1 As Described Above, Run Thence South 1°11'02" East 550 Feet To The Point Of Beginning Of Said Line, Run Thence South 43°48'58" West 100 Feet To The End Of Said Line,

Containing 14.059 Acres More Or Less.

QCD.13-Date: January 20, 2017

This instrument prepared by
or under the direction of:
David M. Robertson
Chief Counsel District Two
Florida Department of Transportation
1109 South Marion Avenue
Lake City, Florida 32025-5874

PARCEL NO.	9 (Borrow Pit No. 1) – Excess #296
SECTION NO.	3503-105
F.P. NO.	n/a
STATE ROAD NO.	20
COUNTY OF	Madison

RESOLUTION

ON MOTION of Commissioner_____, seconded by Commissioner_____, the following Resolution was adopted; and

WHEREAS, the State of Florida Department of Transportation purposes to construct or improve State Road No. 20, Section No. 35030-2105, F. P. No. n/a in Madison County, Florida; and

WHEREAS, it is necessary that certain interest now owned by Madison County be acquired by the State of Florida Department of Transportation; and

WHEREAS, said property is not needed for County purposes; and

WHEREAS, the State of Florida Department of Transportation has made application to said County to execute and deliver to the State of Florida Department of Transportation a deed, or deeds, in favor of the State of Florida Department of Transportation, conveying all rights, title and interest that said County has in and to said lands required for transportation purposes, and said request having been duly considered.

NOW THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Madison County, Florida, that the application of the State of Florida Department of Transportation for a deed, or deeds, is for transportation purposes which are in the public or community interest and for public welfare and the land needed for transportation purposes is not needed for county purposes; that a deed, or deeds, in favor of the State of Florida Department of Transportation conveying all right, title and interest of Madison County in and to said lands should be drawn and executed by this Board of County Commissioners. Consideration shall be $_____.

BE IT FURTHER RESOLVED that a certified copy of this Resolution be forwarded forthwith to the State of Florida Department of Transportation at Lake City, Florida.

STATE OF FLORIDA

COUNTY OF MADISON

I HEREBY CERTIFY that the foregoing is a true copy of a Resolution adopted by the Board of County Commissioners of Madison County, Florida at a meeting held on the _____ day of _____, 2017.

_____

Print Name: _____
Clerk
Board of County Commissioners
Madison County, Florida

December 14, 2017

TO: Lonnie Thigpen
Road Department Coordinator
Madison County
2060 NE Rocky Ford Road
Madison, FL 32340

FROM: Michael E. Scherer, P.E.
Structural Engineer
8875 Hidden River Parkway, Suite 200
Tampa, FL 33637

PROJECT: District 2 Local Government Bridge Inspection
Contract No. C9V94
Financial Nos. 214838-3-72-18 & 214839-3-72-18

SUBJECT: **SIGNIFICANT DEFICIENCY ADVISORY**
Routine Inspection – December 13, 2017
North Approach Slab Undermining
Bridge No. 350022 – CR-146 Over Little Aucilla River
Madison County

COPY TO: Bryan Kauffman, County Coordinator
Jo Williams
Melissa Morgan, FDOT Project Manager
Lydia Capps, FDOT Maintenance Project Manager
David Crissey, Ayres Project Manager

CONTENT: An Ayres inspection team has recently inspected the above referenced bridge and observed significant undermining of the north approach slab

The report identifies deficiencies (noted herein) which require attention.

Background:

During the December 13, 2017 Routine Inspection, an Ayres inspection team observed significant undermining of the north approach slab.

The following element inspection notes will be addressed in the BrM inspection report;

Element 321 R/Conc Approach Slab:

CS3: The north approach slab has a 15ft. long x 2ft. high area of undermining along the west face with up to 12ft. of penetration. The east face has a 6ft. long x 1ft. high area of undermining with up to 4ft. of penetration. The full extent of the undermining could not be determined due to broken and fractured areas of concrete pour at the guardrail posts. Refer to the photos attached. - INCREASE

There is no evidence of erosion along the south face of Abutment 6 or the radius of the slopes at either corner. The south approach slab concrete pour around the guardrail posts is beginning to crack and fracture but any undermining could not be determined.

RECOMMENDATIONS: Determine full extent of undermining of the north approach slab and implement repairs as soon as possible. Suggest further investigating south approach slab to determine if hidden undermining is present at this location.

Once sufficient repairs have been completed, please submit the pertinent information regarding said action to Ms. Melissa Morgan, FDOT District 2 (Email - Melissa.Morgan@dot.state.fl.us), and forward a copy to Ayres Associates. A follow-up letter, including photos, of completed work will be necessary for our files. If you have any questions, please contact me at 813-978-8688.

Thank you.

Sincerely,

Michael E. Scherer, P.E.
Structural Engineer
Ayres Associates

Photo 1: Undermining of west side of north approach slab looking toward abutment. Note the white paint marks outline the approximate amount of undermining under the travel lanes and shoulders.

Photo 2: Undermining of north approach slab at west face

Photo 3: Undermining of north approach slab looking toward abutment at west side of slab