

**RESOLUTION \_\_\_\_\_**

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF BROWARD COUNTY, FLORIDA, AUTHORIZING THE ISSUANCE OF THE COUNTY'S WATER AND SEWER UTILITY REVENUE BONDS, SERIES 2022A, TO BE ISSUED IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$200,000,000 TO BE APPLIED, TOGETHER WITH OTHER LEGALLY AVAILABLE FUNDS, IF ANY, FOR THE PURPOSES OF (1) PAYING ALL OR A PORTION OF THE COSTS OF ADDITIONAL IMPROVEMENTS TO THE COUNTY'S WATER AND SEWER UTILITY, (2) PROVIDING FOR FUNDING OF THE RESERVE ACCOUNT REQUIREMENT, AND (3) PROVIDING FOR THE COSTS OF ISSUANCE OF THE SERIES 2022A BONDS; DELEGATING TO THE COUNTY ADMINISTRATOR, WITHIN THE PARAMETERS SET FORTH HEREIN, THE AUTHORITY TO PROVIDE CERTAIN TERMS, PROVISIONS AND PROVIDERS OF SERVICES FOR THE SERIES 2022A BONDS; AUTHORIZING THE EXECUTION AND DIRECTING THE AUTHENTICATION AND DELIVERY OF THE SERIES 2022A BONDS; PROVIDING FOR A BOOK-ENTRY SYSTEM; FINDING THE NECESSITY FOR A NEGOTIATED SALE OF THE SERIES 2022A BONDS; APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE CONTRACT PROVIDING FOR THE SALE OF THE SERIES 2022A BONDS TO THE UNDERWRITERS NAMED THEREIN AND DELEGATING TO THE COUNTY ADMINISTRATOR THE AUTHORITY TO CONSUMMATE SUCH SALE AND TO AWARD THE SERIES 2022A BONDS PURSUANT TO THE PURCHASE CONTRACT; APPROVING THE FORM AND AUTHORIZING THE DISTRIBUTION AND USE OF A PRELIMINARY OFFICIAL STATEMENT AND AUTHORIZING THE EXECUTION; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A THIRD AMENDMENT AND SUPPLEMENT TO CONSTRUCTION ACCOUNT AND RESERVE ACCOUNT TRUST INDENTURE AND APPOINTING REGIONS BANK AS TRUSTEE TO ACT THEREUNDER; AUTHORIZING THE DISTRIBUTION AND USE OF A FINAL OFFICIAL STATEMENT RELATING TO THE SERIES 2022A BONDS; APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A DISCLOSURE DISSEMINATION AGENT AGREEMENT; AUTHORIZING A RESERVE ACCOUNT INSURANCE POLICY FOR DEPOSIT TO THE RESERVE ACCOUNT; AUTHORIZING PROPER OFFICIALS TO DO ALL THINGS DEEMED NECESSARY IN CONNECTION WITH THE ISSUANCE, SALE, EXECUTION AND DELIVERY OF THE SERIES 2022A BONDS;

AUTHORIZING ALL NECESSARY ADMINISTRATIVE AND BUDGETARY ACTIONS RELATED TO THE SERIES 2022A BONDS; PROVIDING FOR CONFLICTS, SEVERABILITY AND AN EFFECTIVE DATE.

**WHEREAS**, Broward County, Florida (the "County"), a political subdivision of the State of Florida (the "State") and a chartered, home rule county pursuant to the Constitution and the laws of the State, now owns and operates a water and sewer utility (the "Water and Sewer Utility"); and

**WHEREAS**, all capitalized terms used herein and not otherwise defined herein shall have the meaning ascribed thereto in Section 2(b) hereof; and

**WHEREAS**, under and pursuant to Resolution No. 88-4066, adopted on September 6, 1988 by the Board of County Commissioners (the "Board") of the County, as amended and supplemented, in particular by Resolution No. 88-4913, adopted by the Board on November 1, 1988, and by Resolution No. 2003-89, adopted by the Board on February 18, 2003 (collectively, the "Resolution"), the County now desires to authorize, pursuant to this Series Resolution (the "2022A Bonds Series Resolution"), a Series of Bonds; and

**WHEREAS**, the Resolution provides that Additional Bonds may be issued under the Resolution for the purpose of providing funds for acquiring and constructing capital improvements to the Water and Sewer Utility; and

**WHEREAS**, Section 212 of the Resolution provides that any Additional Bonds may be secured by Net Revenues on a parity with the Bonds then Outstanding that have a parity senior lien on the Net Revenues (the "Outstanding Parity Bonds") and, to the extent provided by law and in the Resolution, Impact Fees; and

**WHEREAS**, the County desires to issue its Water and Sewer Utility Revenue Bonds, Series 2022A (the "Series 2022A Bonds") in the aggregate principal amount of not exceeding \$200,000,000, to be applied, together with other legally available funds, if any, for the purpose of paying (a) all or a portion of the Costs of additional Improvements to the County's Water and Sewer Utility (the "2022A Project"), (b) providing for funding of the Reserve Account Requirement and (c) providing for the costs of issuance of the Series 2022A Bonds; and

**WHEREAS**, the County desires to provide herein for the acquisition and construction of the 2022A Project under the provisions and conditions hereof through the issuance of the Series 2022A Bonds as Additional Bonds; and

**WHEREAS**, the County deems it appropriate to: (a) delegate to the County Administrator authorization to finalize the terms of the Series 2022A Bonds, all subject to

the limitations established in this 2022A Bonds Series Resolution; and (b) designate Regions Bank as Paying Agent and Bond Registrar for the Series 2022A Bonds; and

**WHEREAS**, the County deems it in the best financial interests of the County and the users of the Water and Sewer Utility that the Series 2022A Bonds be sold at a public offering by negotiated sale to the Underwriters named herein on the date and at the time provided in the Purchase Contract as provided in this 2022A Bonds Series Resolution, and to authorize the distribution and use of a Preliminary Official Statement and to authorize the distribution, use, execution and delivery of a final Official Statement (the "Official Statement"), all relating to the negotiated sale of the Series 2022A Bonds; and

**WHEREAS**, there have been prepared with respect to the issuance and sale of the Series 2022A Bonds and submitted to the County forms of:

(a) a Purchase Contract with respect to the Series 2022A Bonds between the County and Siebert Williams Shank & Co., LLC, as the authorized representative of the underwriting group named therein (collectively, the "Underwriters"), attached hereto as Exhibit "A" (the "Purchase Contract");

(b) a Preliminary Official Statement relating to the Series 2022A Bonds, attached hereto as Exhibit "B" (the "Preliminary Official Statement");

(c) a Disclosure Dissemination Agent Agreement, attached hereto as Exhibit "C" (the "Disclosure Dissemination Agent Agreement");

(d) a Third Amendment and Supplement to Construction Account and Reserve Account Trust Indenture attached hereto as Exhibit "D" (the "Third Supplemental Indenture");

(e) an Assured Guaranty Debt Service Reserve Account Policy Agreement, attached hereto as Exhibit "E" (the "Assured Guaranty Agreement"); and

(f) a BAM Debt Service Reserve Account Policy Agreement, attached hereto as Exhibit "F" (the "BAM Agreement").

**WHEREAS**, it is now desirable to provide for the sale and issuance of the Series 2022A Bonds and the execution and delivery of certain documents in connection therewith.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF BROWARD COUNTY, FLORIDA:**

**SECTION 1. FINDINGS.** The Board of County Commissioners of the County hereby finds, determines and declares that:

(a) Pursuant to Section 218.385, Florida Statutes, the County hereby approves a negotiated sale of the Series 2022A Bonds, based upon the following findings as to the reasons requiring such negotiated sale:

(i) In order to attain the desired interest rate, it is necessary to be able to sell the Series 2022A Bonds when market conditions are most favorable. The uncertainty of the current and near future municipal bond market demand that the Underwriters have the maximum time and flexibility to price and market the Series 2022A Bonds, in order to obtain the most favorable interest rates available. The utilization of a competitive sale by public bidding is not in the best interest of the County and the users of the Water and Sewer Utility due to the volatility of the municipal bond market and the need to sell the Series 2022A Bonds quickly when market conditions are favorable;

(ii) The County has entered into negotiations for the sale of the Series 2022A Bonds to the Underwriters which negotiations have resulted in the preparation by the Underwriters of the proposed form of Purchase Contract between the County and the Underwriters, which has been presented to this meeting by the Underwriters;

(iii) The terms and conditions for the sale and purchase of the Series 2022A Bonds within the parameters set forth herein and as otherwise set forth in the form of Purchase Contract are fair and reasonable; and

(iv) For the foregoing reasons, it is found and determined that it is necessary and desirable and in the best financial interests of the County to sell the Series 2022A Bonds in a negotiated sale and to authorize the Mayor and the County Administrator (or in her absence, her designee) to execute a Purchase Contract for the sale of the Series 2022A Bonds as provided in Section 6 hereof.

(b) The County will apply the proceeds from the sale of the Series 2022A Bonds, together with other legally available funds, if any, to (i) pay all or a portion of the Costs of the 2022A Project for the County's Water and Sewer Utility; (ii) fund the increase in the Reserve Account Requirement relating to the issuance of the Series 2022A Bonds; and (iii) pay the costs of issuance of the Series 2022A Bonds; and

(c) It is in the best interests of the County and the Bondholders for the Series 2022A Construction Account and the Reserve Account be held by and administered by the Trustee pursuant to the Third Supplemental Indenture (all as hereinafter defined and described); and

(d) The Series 2022A Bonds shall not be deemed to constitute an indebtedness of the County within the meaning of any constitutional or statutory provision or limitation and the County is not obligated to pay the principal of, the premium, if any, or the interest

on the Series 2022A Bonds except from Net Revenues and, to the extent allowed by law, Impact Fees; and the full faith and credit of the County are not pledged to the payment of the principal of, the premium, if any, or the interest on the Series 2022A Bonds. The issuance of the Series 2022A Bonds shall not directly, indirectly or contingently obligate the County to levy or to pledge any taxes whatsoever therefor or to make any appropriation for the payment of the principal of, the premium, if any, or the interest on the Series 2022A Bonds except as provided in this 2022A Bonds Series Resolution; and

(e) The sale and issuance of the Series 2022A Bonds and the use of the proceeds thereof, as herein provided, serve a proper public purpose; and

(f) For the foregoing reasons and as required by the Resolution, the County has deemed and does hereby find and determine that it is desirable and in the best financial interests of the County and the users of the Water and Sewer Utility to issue the Series 2022A Bonds and to sell the Series 2022A Bonds at a negotiated sale under the terms of this 2022A Bonds Series Resolution.

## **SECTION 2. RECITALS, DEFINITIONS AND CONSTRUCTION.**

(a) Recitals. The recitals contained in the foregoing "WHEREAS" clauses are incorporated herein by this reference.

(b) Definitions. All capitalized terms used herein, which are not defined herein, shall have the meanings specified in the Resolution or the Purchase Contract, as applicable, unless the context otherwise clearly requires. Unless the context otherwise requires, the capitalized words and terms defined in this Section shall have the following meanings:

**"2022A Project"** means the improvements to the Water and Sewer Utility described in Schedule 1 attached hereto, as the same may be supplemented or amended from time to time.

**"Bond Counsel"** means collectively Nabors, Giblin & Nickerson, P.A. and Manuel Alonso-Poch, P.A. or another attorney or firm of attorneys satisfactory to the Underwriters and the County and nationally recognized as experienced in matters relating to the issuance and tax exemption of interest on bonds of states and political subdivisions thereof.

**"Book-Entry System"** or **"Book-Entry Only System"** means a system under which either (a) Bond certificates are not issued and the ownership of Series 2022A Bonds is reflected solely by the bond register kept by the Bond Registrar or (b) physical Bond certificates in fully registered form are issued to DTC (or to a similar securities depository) or to its nominee as the Registered Holder, with the Bond certificates held by and "immobilized" in the custody of such securities depository, and under which records maintained by persons other than the Bond Registrar constitute the written record that

identifies and records the ownership and transfer of the beneficial interests of the Series 2022A Bonds.

**"Chief Financial Officer"** means the Chief Financial Officer and Director of Finance and Administrative Services Department and the "Finance Director" as such term is used and defined in the Resolution.

**"DTC"** means The Depository Trust Company, New York, New York, a limited purpose trust company and clearing corporation and clearing agency under New York law, and its successors and assigns.

**"Financial Advisor"** means Public Resources Advisory Group, Inc., as financial advisor to the County for the Series 2022A Bonds.

**"Interest Payment Date"** means the date or dates on which interest on the Series 2022A Bonds shall be due and payable, as described in the Series 2022A Bonds and within the parameters set forth in Section 3(b) of this 2022A Bonds Series Resolution.

**"Mayor"** means the Mayor or Vice-Mayor of the County.

**"Paying Agent"** and **"Bond Registrar"** means Regions Bank, and any successor thereto.

**"Third Amendment and Supplement to Construction Account and Reserve Account Trust Indenture"** or **"Third Supplemental Indenture"** means the Third Amendment and Supplement to Construction Account and Reserve Account Trust Indenture, amending and supplementing that certain Construction Account and Reserve Account Trust Indenture dated as of February 1, 2009, as amended and supplemented, between the County and the Trustee, authorized pursuant to Section 7 hereof.

(c) Rules of Construction. Any reference to any Article, Section or provision of the Constitution or Laws of the State, or of federal laws, or rules or regulations, shall include such provisions as amended, modified, revised, supplemented or superseded from time to time; provided that no such change shall be deemed applicable by reason of this provision if such change by its terms is inapplicable to any particular Bonds or would, in any way, constitute an unlawful impairment of the rights of the County or any Bondholder.

Terms used herein which are relevant to the provisions of the Code but which are not defined herein shall have the meanings given to them in the Code, unless the context indicates another meaning.

**SECTION 3. AUTHORIZATION OF SERIES 2022A BONDS; TERMS AND PROVISIONS APPLICABLE TO SERIES 2022A BONDS.**

(a) Authorization of the Series 2022A Bonds. There is hereby authorized revenue bonds of the County designated collectively as the "Broward County, Florida Water and Sewer Utility Revenue Bonds, Series 2022A" to be issued under and pursuant to the Resolution and this 2022A Bonds Series Resolution as Additional Bonds. The aggregate principal amount of the Series 2022A Bonds shall not exceed Two Hundred Million Dollars (\$200,000,000), with the exact aggregate principal amount of said Series 2022A Bonds to be determined by the County Administrator prior to the execution of the Purchase Contract pursuant to Section 6 hereof. The Series 2022A Bonds shall be issued for the purposes of providing funds, together with other legally available funds, if any, to: (i) pay all or a portion of the Costs of acquiring and constructing the 2022A Project; (ii) fund the increase in the Reserve Account Requirement; and (iii) pay the costs of issuance of the Series 2022A Bonds.

The Series 2022A Bonds shall be executed substantially in the form and manner set forth herein and in the Resolution and shall be deposited with the Bond Registrar for authentication and delivery, but prior to or simultaneously with the delivery of the Series 2022A Bonds by the Bond Registrar, there shall be filed with the County the following:

(i) copies, certified by the County Administrator, of this 2022A Bonds Series Resolution and the Resolution;

(ii) an opinion of the County Attorney stating that the signer is of the opinion that the issuance of the Series 2022A Bonds has been duly authorized and that all conditions precedent to the delivery of the Series 2022A Bonds have been fulfilled;

(iii) a certificate of the Chief Financial Officer to the effect that no event of default, as defined in Section 802 of the Resolution, and no event which with the passage of time, the giving of notice or both would become an event of default has occurred, within the twelve (12) consecutive calendar months prior to the date of such certificate, and is continuing

(iv) a certificate of the Chief Financial Officer demonstrating that the percentage derived by dividing the Net Revenues for the last Fiscal Year for which the financial statements of the Water and Sewer Utility were reported, adjusted as permitted in the Resolution, by the Maximum Principal and Interest Requirements, including the Principal and Interest Requirements with respect to the Series 2022A Bonds issued to finance or refinance the Costs of the 2022A Project, for any future Fiscal Year is not less than one hundred twenty per centum (120%); and

(v) a certificate of the Consulting Engineer setting forth the projected additional Net Revenues for the Fiscal Year following the Fiscal Year in which the Completion Date of the 2022A Project is expected to occur, which additional Net Revenues are attributable to such 2022A Project.

When (i) the documents described above in this Section 3(a) shall have been filed with the County Administrator, (ii) the Series 2022A Bonds shall have been executed by the County and authenticated by the Bond Registrar as required by the Resolution and this 2022A Bonds Series Resolution, and (iii) the Underwriters have paid to the County the purchase price of the Series 2022A Bonds, then the Bond Registrar shall deliver such Series 2022A Bonds at one time to or upon the order of the Underwriters as set forth in the Purchase Contract and in Section 6 of this 2022A Bonds Series Resolution. The Chief Financial Officer shall be entitled to rely upon this 2022A Bonds Series Resolution as to all matters stated herein.

The proceeds (excluding any accrued interest) of the Series 2022A Bonds shall be applied by the Chief Financial Officer in the manner provided in Section 4 of this 2022A Bonds Series Resolution.

(b) Form, Denominations, Date, Interest Rates and Maturity Dates. The Series 2022A Bonds are issuable only in fully registered form and shall be in substantially the form thereof set forth in Exhibit "G" to this 2022A Bonds Series Resolution, with such appropriate variations, omissions and insertions as may be required therein and as may be approved by the County Administrator pursuant to the Purchase Contract. The Series 2022A Bonds shall be issued in denominations of \$5,000 or any multiple thereof, or such other denominations as determined by the County Administrator. The Series 2022A Bonds shall be dated on such date determined by the County Administrator and shall bear interest from their dated date. Interest on the Series 2022A Bonds shall be payable semiannually on April 1 and October 1 of each year (or on such other dates determined by the County Administrator and set forth in the Purchase Contract), commencing on such date as shall be determined by the County Administrator and set forth in the Purchase Contract. The Series 2022A Bonds shall mature on such date, in such year or years, but not later than 30 years from the dated date of the Series 2022A Bonds, shall bear interest at such rate or rates, and may be subject to mandatory redemption and optional redemption, all as determined and established in the Purchase Contract and this 2022A Bonds Series Resolution. The Series 2022A Bonds shall be sold to the Underwriters as provided in Section 6 hereof at an underwriting discount (including management fees and expenses) not in excess of \$5.00 per bond (\$1,000) and at a true interest cost rate not to exceed 4.00% per annum in the case of the Series 2022A Bonds.

The Series 2022A Bonds shall be numbered consecutively from RA-1 and upwards. Subject to the foregoing, the aggregate principal amount, maturities, interest rates and other terms of the Series 2022A Bonds shall be as approved and determined by the County Administrator and set forth in the Purchase Contract, with the execution and delivery of



the Purchase Contract by the Mayor and the attestation thereof by the County Administrator being conclusive evidence of the County's approval of the final details and prices of the Series 2022A Bonds. The Series 2022A Bonds may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto. The execution and delivery of the Series 2022A Bonds substantially in the form mentioned above is hereby authorized, and the execution of the Series 2022A Bonds for and on behalf of the County, with a facsimile or manual signature, by the Mayor, with the official seal of the Board impressed or imprinted thereon and attested, with a facsimile or manual signature, by the County Administrator, are hereby authorized and shall be conclusive evidence of any such approval.

(c) Optional Redemption. Certain of the Series 2022A Bonds shall be subject to redemption prior to maturity at the option of the County, in whole or in part at any time, at such times and at the redemption prices approved and determined by the County Administrator, as set forth in the Purchase Contract; provided, however, the redemption price on the Series 2022A Bonds shall not exceed one hundred percent (100%) and the Series 2022A Bonds subject to redemption shall be initially callable for optional redemption no later than October 1, 2032; provided, further, the County Administrator may approve a redemption price other than 100% upon advice of the County's Financial Advisor. The execution, attestation, seal and delivery of the Purchase Contract by the Mayor and the County Administrator shall be conclusive evidence of the County's approval of the optional redemption provisions contained therein relating to the Series 2022A Bonds.

(d) Sinking Fund; Mandatory Sinking Fund Redemption. The "Broward County Water and Sewer Utility Revenue Bonds Series 2022A Sinking Fund" is hereby created and designated and is pledged to the payment of the Series 2022A Bonds. The Series 2022A Bonds consisting of Term Bonds, if any, shall be subject to mandatory redemption prior to maturity to the extent of the Amortization Requirements therefor at the principal amount of such Series 2022A Bonds to be redeemed, plus accrued interest to the date fixed for redemption, but without premium, for which there is an Amortization Requirement due on such Series 2022A Bonds. The Amortization Requirements and redemption date or dates for the Series 2022A Bonds consisting of Term Bonds shall be as approved and determined by the County Administrator, all as set forth in the Purchase Contract. The County Administrator may also establish separate accounts or subaccounts in such Series 2022A Sinking Fund. The execution and delivery of the Purchase Contract by the Mayor and the County Administrator shall be conclusive evidence of the County's approval of the mandatory sinking fund redemption provisions contained therein relating to the Series 2022A Bonds that are issued as Term Bonds.

(e) Designation of Paying Agent and Bond Registrar. The County hereby selects Regions Bank as Paying Agent and Bond Registrar for the Series 2022A Bonds, and the payment of its reasonable fees for providing such services is hereby authorized.

(f) Interest Payment by Wire Transfer. Any Holder of at least \$1,000,000 in principal amount of any Series 2022A Bonds shall be entitled, upon giving appropriate notice to the Paying Agent, to receive periodic payments of interest on such Holder's Series 2022A Bonds by wire transfer.

(g) Reserve Account Deposit Requirement for Series 2022A Bonds. It shall be determined whether a deposit of funds is necessary upon the issuance of the Series 2022A Bonds in order to meet the Reserve Account Requirement established by the Resolution. The County Administrator shall provide by certificate, placed on file with the tax certificate for the Series 2022A Bonds, the deposits, if any, to be made in the Reserve Account, including any Reserve Account Insurance Policy described in Section 14 hereof. The execution and delivery of the Purchase Contract by the Mayor and the County Administrator shall be conclusive evidence of the County's approval of the determinations to be made by the County Administrator pursuant to this Section 3(g).

**SECTION 4. USE OF PROCEEDS; CONSTRUCTION FUND.** The proceeds received from the sale of the Series 2022A Bonds herein authorized shall be withdrawn, transferred and applied for the purposes stated in and in a manner consistent with the "Estimated Sources and Uses of Funds" section of the Official Statement and the Purchase Contract. The specific amounts to be deposited in the funds and accounts established by the Resolution and by this 2022A Bonds Series Resolution shall be set forth in a certificate to be delivered by the Chief Financial Officer simultaneously with the delivery of the Series 2022A Bonds.

The amount on deposit in the Reserve Account immediately following the issuance of the Series 2022A Bonds shall be equal to the Reserve Account Requirement with respect to the Outstanding Parity Bonds and the Series 2022A Bonds.

There is hereby created within the Construction Fund a special account designated "Series 2022A Construction Account." There shall be deposited in the Series 2022A Construction Account the amount specified in the certificate to be delivered by the Chief Financial Officer pursuant to this 2022A Bond Series Resolution. The moneys on deposit to the credit of the Series 2022A Construction Account shall be applied to pay Costs of the 2022A Project pursuant to the provisions of Article IV of the Resolution and shall be invested as provided in Article VI of the Resolution.

**SECTION 5. AUTHORIZATION OF AUTHENTICATION AND DELIVERY OF SERIES 2022A BONDS.** Following the execution of the Series 2022A Bonds as provided in Section 3(a) hereof, the County Administrator shall deliver the Series 2022A Bonds to the Bond Registrar for authentication. The Bond Registrar is hereby authorized and directed to authenticate and deliver the Series 2022A Bonds to or on the order of the Underwriters upon payment therefor by such Underwriters.

**SECTION 6. AWARD OF SERIES 2022A BONDS IN NEGOTIATED SALE; APPROVAL OF PURCHASE CONTRACT.** The Board hereby authorizes and directs the Mayor to execute and the County Administrator to attest to the Purchase Contract in substantially the form approved at this meeting and attached hereto as Exhibit "A" and to deliver the Purchase Contract to the Underwriters for their execution. Based upon the findings set forth in Section 1(a) of this 2022A Bonds Series Resolution, the Board hereby approves the negotiated sale of the Series 2022A Bonds to the Underwriters upon the terms and conditions herein and as set forth in the Purchase Contract, with such additions, deletions and completions as may be approved by the County Administrator. The aggregate principal amounts, maturities, interest rates, prices, optional and mandatory redemption provisions, and other terms of the Series 2022A Bonds shall be established by the County Administrator within the parameters therefor set forth in Section 3 of this 2022A Bonds Series Resolution. Upon compliance by the Underwriters with the requirements of Section 218.385 and Section 287.133, Florida Statutes, the Mayor and County Administrator are hereby authorized to execute, attest and deliver the Purchase Contract, in the form attached hereto, subject to such variations, omissions and insertions as may be necessary to evidence the terms of the Series 2022A Bonds. The execution and delivery of the Purchase Contract by the Mayor and the attestation by the County Administrator shall be conclusive evidence of the County's approval of any such variations, omissions and insertions.

**SECTION 7. APPROVAL OF THIRD SUPPLEMENTAL INDENTURE.** The Board hereby authorizes and directs the Mayor to execute and the County Administrator to attest to the Third Supplemental Indenture in substantially the form approved at this meeting and attached hereto as Exhibit "D" and to deliver the Third Supplemental Indenture to the Trustee for its execution. The Mayor and County Administrator are hereby authorized to execute, attest and deliver the Third Supplemental Indenture, in the form attached hereto, subject to such variations, omissions and insertions as may be necessary to evidence the terms of the Series 2022A Bonds. The execution and delivery of the Third Supplemental Indenture by the Mayor and the attestation by the County Administrator shall be conclusive evidence of the County's approval of any such variations, omissions and insertions.

**SECTION 8. SYSTEM OF CERTIFICATED AND UNCERTIFICATED REGISTRATION.** There is hereby established a system of registration with respect to the Series 2022A Bonds as permitted by Chapter 279, Florida Statutes, pursuant to which both certificated and uncertificated registered Series 2022A Bonds are issued. The system shall be as described in the Official Statement. The Series 2022A Bonds shall be initially issued as uncertificated, book-entry only bonds through the Book-Entry Only System maintained by DTC which will act as securities depository for the Series 2022A Bonds. The County reserves the right to amend, discontinue or reinstitute this system from time to time subject to the covenants with the beneficial owners of the Series 2022A Bonds;

provided the County shall comply with all applicable rules and procedures relating to such system.

Neither the County nor the Paying Agent shall be liable for the failure of the depository of the Series 2022A Bonds to perform its obligations as described in the Official Statement, nor for the failure of any participant in the system maintained by the depository to perform any obligation the participant may have or incur to a beneficial owner of any Series 2022A Bonds.

**SECTION 9. APPROVAL OF THE PRELIMINARY OFFICIAL STATEMENT AND FINAL OFFICIAL STATEMENTS.** The use and distribution by the Underwriters of the Preliminary Official Statement in connection with the offering of the Series 2022A Bonds for sale by the Underwriters in substantially the form presented to this meeting and attached hereto as Exhibit "B" is hereby approved, subject to such determinations, changes, modifications, deletions and additions as the County Administrator upon the advice of the County Attorney, Disclosure Counsel to the County, and Bond Counsel may deem necessary and appropriate, the execution and delivery of the certificate, described in the succeeding sentence by the County Administrator being conclusive evidence of the County's approval of any such changes. The County Administrator is hereby authorized and directed to execute and deliver to the Underwriters in connection with the actual Preliminary Official Statement issued and distributed in connection with the sale of the Series 2022A Bonds a certificate deeming said Preliminary Official Statement "final" for purposes of Securities and Exchange Commission Rule 15c2-12. The Mayor and County Administrator are each hereby authorized and directed to execute and deliver a final Official Statement in the name and on behalf of the County, and thereupon to cause such Official Statement to be delivered to the Underwriters within seven (7) Business Days of the execution of the Purchase Contract, with such variations, omissions and insertions as may be determined by said County Administrator. The use and distribution of a final Official Statement in substantially the form of the Preliminary Official Statement and with such terms and provisions as modified to incorporate the final terms of sale of the Series 2022A Bonds, is hereby authorized, directed and approved, subject to such determinations, changes, modifications, deletions and additions as the County Administrator, upon the advice of the County Attorney, Disclosure Counsel to the County and Bond Counsel, may deem necessary and appropriate, the execution of the final Official Statement for and on behalf of the County by the Mayor and the County Administrator being conclusive evidence of the County's approval of any such changes.

**SECTION 10. ADDITIONAL REDEMPTION NOTICE REQUIREMENTS; CONDITIONAL NOTICE OF REDEMPTION.** In addition to the requirements of the Resolution, further notice of redemption shall be sent at least thirty (30) days before the redemption date by registered or certified mail or overnight delivery service to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System ("EMMA"). No defect in said further notice nor any failure to give all or any portion of

such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed in the Resolution.

In the case of an optional redemption, any notice of redemption may state that (1) it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Bond Registrar, Paying Agent or a fiduciary institution acting as escrow agent no later than the redemption date or (2) the County retains the right to rescind such notice on or prior to the scheduled redemption date (in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described in this subsection. Any such notice of Conditional Redemption shall be captioned "Conditional Notice of Redemption." Any Conditional Redemption may be rescinded at any time prior to the redemption date if the Chief Financial Officer delivers a written direction to the Bond Registrar directing the Bond Registrar to rescind the redemption notice. The Bond Registrar shall give prompt notice of such rescission to the affected Bondholders. Any Series 2022A Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and neither the rescission nor the failure by the County to make such funds available shall constitute an Event of Default under the Resolution. The Bond Registrar shall give immediate notice to any securities information repositories for the Series 2022A Bonds and the affected Bondholders that the redemption did not occur and that the Series 2022A Bonds called for redemption and not so paid remain Outstanding.

**SECTION 11. AUTHORIZATION OF FURTHER ACTIONS; ADDITIONAL COVENANTS AND AGREEMENTS.** The Mayor, the County Administrator, the Chief Financial Officer, the County Attorney and other proper officers, employees and agents of the County are hereby authorized and directed to do all acts and things and to execute and deliver any and all documents and certificates which they deem necessary or advisable in order to consummate the issuance of the Series 2022A Bonds and otherwise to carry out, give effect to and comply with the terms and intent of this 2022A Bonds Series Resolution, the Series 2022A Bonds and the documents herein described. In the event that the Mayor, the County Administrator, the Chief Financial Officer or the County Attorney is unable to execute and deliver the documents herein contemplated, such documents shall be executed and delivered by the respective designee of such officer or official or any other duly authorized officer or official of the County. The County Administrator or her designee is hereby authorized and directed to apply and attest the official seal of the County to any agreement or instrument authorized or approved herein or in the Resolution that requires such a seal and attestation. The officers and agents of the County are further authorized and directed to do all acts and things required of them by the Series 2022A Bonds and this Resolution, for the full, punctual and complete performance of all of the terms, covenants, provisions and agreements contained in the Series 2022A Bonds and this Resolution and to take all necessary administrative and budgetary actions related to the Series 2022A Bonds.

**SECTION 12. FEDERAL TAX PROVISIONS AND INFORMATION RETURN.** In addition to the other covenants and agreements of the County in this 2022A Bonds Series Resolution, the County hereby covenants and agrees that it will restrict the use of the proceeds of the Series 2022A Bonds in such manner and to such extent as may be necessary so that the Series 2022A Bonds will not constitute private activity bonds, arbitrage bonds or hedge bonds under Sections 141, 148 or 149(g) of the Code, respectively.

The Mayor, the County Administrator, or the Chief Financial Officer, and any other officer having responsibility for the issuance of the Series 2022A Bonds is authorized and directed, alone or in conjunction with any of the foregoing or with any other officer, employee or agent of or consultant to the County, to give:

(i) an appropriate certificate of the County for inclusion in the transcript of proceedings for the Series 2022A Bonds, setting forth the reasonable expectations of the County regarding the amount and use of all of the proceeds of the Series 2022A Bonds, the facts, circumstances and estimates on which those expectations are based and other facts and circumstances relevant to the tax treatment of interest on the Series 2022A Bonds, all as of the date of delivery of and payment for the Series 2022A Bonds; and

(ii) the statement setting forth the information required by Section 149(e) of the Code, which shall be based on the relevant information provided by the County.

The County covenants with the Holders of the Series 2022A Bonds that it shall not use the proceeds of the Series 2022A Bonds in any manner which would cause the interest on the Series 2022A Bonds to be or become included in gross income for purposes of federal income taxation.

The County covenants with the Holders of the Series 2022A Bonds that neither the County nor any person under its control or direction will make any use of the proceeds of the Series 2022A Bonds (or amounts deemed to be proceeds under the Code) in any manner which would cause the Series 2022A Bonds to be "arbitrage bonds" within the meaning of the Code and neither the County nor any other person shall do any act or fail to do any act which would cause the interest on the Series 2022A Bonds to become subject to inclusion within gross income for purposes of federal income taxation.

The County hereby covenants with the Holders of the Series 2022A Bonds that it will comply with all provisions of the Code necessary to maintain the exclusion from gross income of interest on the Series 2022A Bonds for purposes of federal income taxation, including, in particular, the payment of any amount required to be rebated to the U.S. Treasury pursuant to the Code.

**SECTION 13. AUTHORIZATION AND APPROVAL OF DISCLOSURE DISSEMINATION AGENT AGREEMENT.** The Board hereby authorizes and approves the Disclosure Dissemination Agent Agreement substantially in the form attached as Exhibit "C" hereto. For the benefit of the holders and beneficial owners from time to time of the Series 2022A Bonds, the County agrees, in accordance with and as an obligated person with respect to the Series 2022A Bonds under SEC Rule 15c2-12 (the "Rule"), to provide or cause to be provided such financial information and operating data, financial statements and notices, in such manner as may be required for purposes of paragraph (b)(5) of the Rule, all as more specifically set forth in the Disclosure Dissemination Agent Agreement. The Chief Financial Officer is hereby authorized and directed to execute and deliver the Disclosure Dissemination Agent Agreement (including any attachments thereto), in substantially the form attached hereto as Exhibit "C", with such changes, insertions and omissions and such filling-in of blanks therein as may be approved by the Chief Financial Officer. The execution of the Disclosure Dissemination Agent Agreement, for and on behalf of the County by the Chief Financial Officer, shall be deemed conclusive evidence of the County's approval of the Disclosure Dissemination Agent Agreement. Notwithstanding any other provisions of this 2022A Bonds Series Resolution, any failure by the County to comply with any provisions of the Disclosure Dissemination Agent Agreement or this Section 13 shall not constitute a default under the Resolution or this 2022A Bonds Series Resolution and the remedies therefor shall be solely as provided in the Disclosure Dissemination Agent Agreement.

The Chief Financial Officer is further authorized and directed to establish, or cause to be established, procedures in order to ensure compliance by the County with the Disclosure Dissemination Agent Agreement, including the timely provision of information and notices. Prior to making any filing in accordance with such agreement, the Chief Financial Officer shall consult with, as appropriate, the County Attorney, Bond Counsel or Disclosure Counsel to the County. The Chief Financial Officer, acting in the name and on behalf of the County, shall be entitled to rely upon any legal advice provided by the County Attorney, Bond Counsel or Disclosure Counsel to the County in determining whether a filing should be made.

**SECTION 14. RESERVE ACCOUNT INSURANCE POLICY.** If the County Administrator determines, upon advice of the Financial Advisor, to obtain a Reserve Account Insurance Policy, the County shall deposit to the Reserve Account such Reserve Account Insurance Policy purchased from Assured Guaranty Municipal Corporation ("Assured Guaranty") or Build America Mutual Insurance Company ("BAM") (the "2022A Reserve Account Insurance Policy") the face amount of which, together with any other cash amounts and the face amounts of any other Reserve Account Insurance Policy on deposit in the Reserve Account, is equal to the Reserve Account Requirement. In connection therewith, the County delegates to the County Administrator, upon advice of the Financial Advisor, the authority to select between Assured Guaranty and BAM the provider that offers and commits to provide the 2022A Reserve Account Insurance Policy which results in the most beneficial transaction for the County considering all relevant factors, including the terms of their respective commitments and applicable premium. If a

determination to obtain a 2022A Reserve Account Insurance Policy is made, the County Administrator is hereby authorized to enter into an agreement substantially in the forms attached hereto as Exhibits "G" and "H" (the "Debt Service Reserve Account Policy Agreements") in order to cause Assured Guaranty or BAM, as the case may be, to issue such 2022A Reserve Account Insurance Policy. The County Administrator is hereby authorized to execute and deliver the Debt Service Reserve Account Policy Agreement, in the form attached hereto, subject to such variations, omissions and insertions as may be necessary to evidence the terms of the Series 2022A Bonds. The execution and delivery of the Debt Service Reserve Account Policy Agreement by the County Administrator shall be conclusive evidence of the County's approval of any such variations, omissions and insertions. The provisions of such Debt Service Reserve Account Policy Agreement, when executed and delivered, shall be incorporated herein by reference and to the extent there are any conflicts between the Debt Service Reserve Account Policy Agreement executed by the County Administrator and the Resolution, the provisions of such Debt Service Reserve Account Policy Agreement shall control.

**SECTION 15. SELECTION OF PRINTER.** The County Administrator is hereby authorized and directed to select a printer for the Preliminary Official Statement and the final Official Statement for the Series 2022A Bonds, and the payment to said printer of its reasonable fees for the printing and delivery of the Preliminary Official Statement and the final Official Statement is hereby authorized.

**SECTION 16. SEVERABILITY; RESOLUTION CONTROLLING.** In case any one or more of the provisions of this 2022A Bonds Series Resolution or any document approved hereby shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this 2022A Bonds Series Resolution or such document, as the case may be, and such other provisions shall be construed and enforced as if such illegal or invalid provision had not been contained herein or therein. All resolutions or proceedings, or parts thereof, in conflict with the provisions hereof or of the Resolution are to the extent of such conflict hereby repealed or amended to the extent of such inconsistency.

**SECTION 17. GOVERNING LAW.** The Series 2022A Bonds are to be issued, this 2022A Bonds Series Resolution is adopted and the Purchase Contract and such other instruments necessary for the issuance of the Series 2022A Bonds shall be executed and delivered with the intent that the laws of the State of Florida shall govern their construction.

[SIGNATURE PAGE FOLLOWS]



**SECTION 18. EFFECTIVE DATE.** This 2022A Bonds Series Resolution shall take effect immediately upon its adoption.

Adopted by the Board of County Commissioners of Broward County, Florida this \_\_\_\_ day of \_\_\_\_\_, 2022.

[SEAL]

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Mayor, Broward County, Florida

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County Administrator and ex officio  
Clerk of the Board of County  
Commissioners

Approved as to form by Bond Counsel

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Nabors, Giblin & Nickerson, P.A.

## SCHEDULE 1

### 2022A PROJECT DESCRIPTION

#### **Regional:**

**NRWWTP Disposal System – Transmission – PBC:** Construction of major arterial pipes for a reclaimed water distribution system within Palm Beach County.

**NRWWTP Facility Improvements:** A comprehensive multi-year restoration program for replacement of aging infrastructure related to wastewater treatment processes and biosolids treatment, such as the upgrading of secondary effluent disposal system; enhanced aeration; offsite effluent pumping and disposal; sludge and biosolids dewatering, sludge digestion; upgrading of process controls, electrical switchgears, motor control centers, supervisory controls, and instrumentation; yard piping/conduits, lighting, irrigation, landscaping and civil sitework.

**NRWWTP Capacity Improvements:** Addition of deep injection wells and booster capacity improvements to the existing deep injection wells.

**NRWWTP Modules A, B and D Fine Bubble Conversion:** Final Phase of construction for the conversion of treatment modules A, B, and D to fine bubble aeration.

**NRWWTP Effluent Outfall Pump Station:** Design of new multipurpose effluent outfall pump station to discharge effluent through the ocean outfall during emergency and high flow events.

**NRWWTP Bulk Sodium Hypochlorite Facility:** Design for bulk sodium hypochlorite storage and feed facilities to replace the chlorine cylinder feed system.

**Master Meter Improvements:** Upgraded wholesale billing meters and associated telemetry.

#### **Retail:**

**C-51:** C-51 Reservoir to provide alternative water supply to Broward County. Funding is for the Broward County allocation of 6 MGD of raw water.

**UAZ 113-A Water/Sewer Pipe Improvements:** Replacement of water mains and gravity sewers.

**District 3BC Septic Tank Elimination:** Extend sanitary sewer to areas currently served by septic tanks. Project will include areas of UAZ's 359, 360, 361, 364, 365, and 366. The project will eliminate 1,800 septic tanks.

**District 3A Septic Tank Elimination – Area 3A-N:** Construction will include a new lift station, force main, and gravity sewer.

**District 2 Septic Tank Elimination – Area 2-F:** Construction will include a new lift station, force main, and gravity sewer to serve commercial parcels.

**Retail MPS 224 Force Main Replacements:** Replace approximately 2,000 LF of 20 - inch, 1,200 LF of 16-inch, 2,300 LF of 4 and 6-inch force main.

**Master Pump Stations 452 and 462:** Upgrade of mechanical, electrical, and variable frequency drive equipment.

**Master Pump Stations 455:** Upgrade switchgear and associated mechanical and electrical components.

**Broadview Park Septic Tank Elimination:** Project will connect residences currently not connected to the County sewer system. Project is expected to eliminate 650 septic tanks.

**District 3A Septic Tank Elimination – Area 3A-Y:** Construct new sanitary sewer and replace water mains. Project will also include a new force main.

**District 3C Water System Improvements:** Replacement of galvanized and asbestos cement pipe. Project will have three phases; this funding will address Phase 1.

**EXHIBIT "A"**  
**PURCHASE CONTRACT**

**BROWARD COUNTY, FLORIDA**

**\$ \_\_\_\_\_  
WATER AND SEWER UTILITY REVENUE BONDS,  
SERIES 2022A**

**PURCHASE CONTRACT**

\_\_\_\_\_, 2022

Broward County, Florida  
115 South Andrews Avenue  
Fort Lauderdale, Florida 33301

Ladies and Gentlemen:

The undersigned, Siebert Williams Shank & Co., LLC (the "Representative"), on behalf of itself and as representative for Citigroup Global Markets Inc. and Raymond James & Associates, Inc. (collectively, with the Representative, the "Underwriters"), offers to enter into this Purchase Contract with Broward County, Florida (the "County"), subject to written acceptance hereof by the County at or before [4:00 p.m.], Eastern Standard Time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Representative upon notice delivered to the County at any time prior to the acceptance hereof by the County.

1. Purchase and Sale. Upon the terms and conditions and in reliance on the representations, warranties, covenants and agreements set forth herein, the Underwriters, jointly and severally, hereby agree to purchase from the County, and the County hereby agrees to sell and deliver to the Underwriters, all (but not less than all) of the \$\_\_\_\_\_ aggregate principal amount of Water and Sewer Utility Revenue Bonds, Series 2022A (the "Series 2022A Bonds"). The Series 2022A Bonds shall be dated as of the date of their delivery, expected to be [\_\_\_\_\_], 2022, which is referred to herein as the "Closing Date," and shall be payable in the years and principal amounts, bear such rates of interest and be subject to redemption, all as set forth in Exhibit A attached hereto. Interest on the Series 2022A Bonds is payable semiannually on April 1 and October 1 of each year, commencing April 1, 2022.

(a) The aggregate purchase price for the Series 2022A Bonds shall be \$\_\_\_\_\_ (representing the par amount of the Series 2022A Bonds of \$\_\_\_\_\_, [plus/less net original issue premium/discount of \$\_\_\_\_\_ and] less an Underwriters' discount of \$\_\_\_\_\_). The disclosure statement required by Section 218.385, Florida Statutes, as amended, is attached hereto as Exhibit B.

(b) The Series 2022A Bonds are being issued pursuant to the Constitution and Laws of the State of Florida (the "State"), including Chapter 125 and Chapter 166, Florida Statutes, as amended, the Code of the County, as amended (the "County Code"), and other applicable provisions of law and pursuant and subject to the terms and conditions of Resolution No. 88-4066 adopted by the Board of County Commissioners (the "Board") of the County on September 6, 1988, as amended and supplemented (the "Bond Resolution"), and as further supplemented by Resolution No. [\_\_\_\_\_], adopted by the Board on [\_\_\_\_\_], 2022 (the "Series Resolution" and, together with the Bond Resolution, the "Resolution"). All terms used herein in capitalized form and not otherwise defined shall have the meanings ascribed to them in the Resolution.

(c) The Series 2022A Bonds are secured by a pledge of and lien on Net Revenues derived from the operation of the County's Water and Wastewater Utility System (the "Utility"), and, to the extent permitted by law and the Resolution, certain Impact Fees (collectively, the "Pledged Revenues").

(d) The Series 2022A Bonds are being issued for the purposes of providing funds, together with other legally available funds, if any, to pay all or a portion of the costs of the 2022 Project; (ii) fund the increase in the Reserve Account Requirement[, including through payment of a premium for a reserve account insurance policy obtained in connection with the issuance of the Series 2022A Bonds (the "Reserve Account Insurance Policy")]; and (iii) pay the costs of issuance of the Series 2022A Bonds.

## 2. Establishment of Issue Price.

(a) The Representative, on behalf of the Underwriters, agrees to assist the County in establishing the issue price of the Series 2022A Bonds and shall execute and deliver to the County at Closing (as defined in Section 8 hereof) an "issue price" or similar certificate substantially in the form attached hereto as Exhibit C, together with the supporting pricing wires or equivalent communications, with modifications to such certificate as may be deemed appropriate or necessary, in the reasonable judgment of the Representative, the County and Co-Bond Counsel (as defined herein), to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2022A Bonds (the "Issue Price Certificate").

(b) Except as otherwise set forth in the Issue Price Certificate, the County will treat the first price at which 10% of each maturity of the Series 2022A Bonds (the "10% test") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Contract, the Representative shall report to the County the price or prices at which the Underwriters have sold to the public each maturity of Series 2022A Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Series 2022A Bonds, the Representative agrees to promptly report to the County the prices at which it sells the unsold Series 2022A Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Series 2022A Bonds of that maturity or until all Series 2022A Bonds of that maturity have been sold to the public. For purposes of this section, if Series 2022A Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Series 2022A Bonds.

(c) The Representative confirms that the Underwriters have offered all maturities of the Series 2022A Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Exhibit A attached hereto. Exhibit A also sets forth, as of the date of this Purchase Contract, the maturities of the Series 2022A Bonds for which the 10% test has not been satisfied and for which the County and the Representative, on behalf of the Underwriters, agree that the restrictions set forth in the next sentence shall apply, which will allow the County to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Series 2022A Bonds, the Underwriters will neither offer nor sell unsold Series 2022A Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth (5th) business day after the sale date, or

(ii) the date on which the Underwriters have sold at least ten percent (10%) of that maturity of the Series 2022A Bonds to the public at a price that is no higher than the initial offering price to the public.

(d) The Representative confirms that:

(i) any agreement among underwriters, any selling group agreement and each retail distribution agreement relating to the initial sale of Series 2022A Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Series 2022A Bonds of any maturity allotted to it until it is notified by the Representative that either the 10% test has been satisfied as to Series 2022A Bonds of that maturity or all Series 2022A Bonds of that maturity have been sold to the public, and (B) comply with the hold-the-offering-price rule, if and for so long as directed by the Representative and as set forth in the related pricing wires; and

(ii) any agreement among underwriters relating to the initial sale of Series 2022A Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of Series 2022A Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the unsold Series 2022A Bonds of each maturity allotted to it until it is notified by the Representative or the Underwriters that either the 10% test has been satisfied as to Series 2022A Bonds of that maturity or all Series 2022A Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative or the Underwriters and as set forth in the related pricing wires.

(e) The County acknowledges that, in making the representation set forth in this subsection, the Representative will rely on (i) the agreement of each Underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Series 2022A Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Series 2022A Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The County further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Series 2022A Bonds.

(f) The Underwriters acknowledge that sales of any Series 2022A Bonds to any person that is a related party to an Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) "public" means any person other than an underwriter or a related party;

(ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the County (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2022A Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2022A Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2022A Bonds to the public);

(iii) a purchaser of any of the Series 2022A Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

(iv) "sale date" means the date of execution of this Purchase Contract by all parties.

3. Delivery of Official Statement and Other Documents.

(a) Prior to the date hereof, the County has provided to the Underwriters for their review the Preliminary Official Statement dated \_\_\_\_\_, 2022 (the "Preliminary Official Statement") which the County has deemed "final" as of its date, as required by Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission of the United States of America (the "SEC") under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and the Municipal Securities Rulemaking Board (the "MSRB"), except for certain permitted omissions (the "Permitted Omissions"), as contemplated by the Rule in connection with the pricing of the Series 2022A Bonds. The Underwriters have reviewed the Preliminary Official Statement prior to the execution of this Purchase Contract.

(b) The County agrees to provide, or cause to be provided, to the Representative, within seven (7) business days after the execution of this Purchase Contract by the County (but in no event later than the Closing Date) and in sufficient time to accompany any confirmation that requests payment from any customer of the Underwriters in connection with the Closing, copies of the Preliminary Official Statement, as amended to delete the preliminary language, to reflect the date and the terms of this Purchase Contract and to reflect the maturities, principal amounts, interest rates, and redemption provisions of the Series 2022A Bonds, and with such additional changes and amendments as shall be approved by the County and the Representative, the final Official Statement dated as of the date hereof, together with all supplements and amendments thereto, as shall have been approved by the County and the Representative (collectively, the "Official Statement"), in sufficient quantity to permit the Underwriters to comply with paragraph (b)(4) of the Rule. Failure of the County's printer to provide copies of the Official Statement within the time period provided in the immediately preceding sentence will not constitute a breach of this Purchase Contract by the County if such failure is proximately caused by the Representative, any of the other Underwriters, or any agent or employee of any of the Underwriters. The County and the Representative hereby acknowledge and agree that the electronic delivery of the Preliminary Official Statement and the Official Statement shall satisfy the requirements of this paragraph.



(c) Unless the Representative otherwise notifies the County in writing on or prior to the Closing Date, the Underwriters agree that the "End of the Underwriting Period" for purposes of the Rule shall be the Closing Date. The County authorizes the Representative to file the Official Statement with the MSRB's Electronic Municipal Market Access system ("EMMA"), and the Representative shall, at its own expense, submit the Official Statement to EMMA within one business day of receipt from the County, but no later than the Closing Date (provided that the Representative shall have received the Official Statement from the County prior to the Closing Date). The Representative will comply with the provisions of MSRB Rule G-32 as in effect on the date hereof, including without limitation with respect to the submission of Form G-32 and the Official Statement (provided that the Representative shall have received the Official Statement from the County prior to the Closing Date), and will notify the County of the date on which the Official Statement has been so filed with EMMA.

4. Authority, Representations and Warranties of the Underwriters. The Representative hereby represents on behalf of itself and the other Underwriters as follows:

(a) The Underwriters are duly authorized to transact business in the State;

(b) The Representative has been duly authorized to execute this Purchase Contract on behalf of itself and each of the other Underwriters and has been authorized to act hereunder on behalf of the Underwriters;

(c) The Representative has the full power and authority to take all actions required or permitted to be taken by the Representative by or under, and to perform and observe the covenants and agreements on its part contained in, this Purchase Contract;

(d) This Purchase Contract has been duly executed and delivered by the Representative, on behalf of itself and each of the other Underwriters;

(e) To the best knowledge of the undersigned signatory of the Representative, after due inquiry and based on written confirmations from each Underwriter, none of the Underwriters has been convicted or entered a plea of guilty or nolo contendere to fraud in a federal or state court at any time during the two year period commencing two years prior to the date hereof as set forth under Section 215.684, Florida Statutes, as amended;

(f) The Representative and each of the other Underwriters, on its own behalf, represents that it is either registered with the Financial Industry Regulatory Authority, Inc. ("FINRA") as a broker-dealer and the MSRB as a municipal securities dealer, or is otherwise registered with the necessary regulatory authorities required for it to serve as an underwriter for the Series 2022A Bonds under this Purchase Contract, and that at all times during the offering and sale of the Series 2022A Bonds, such entities will continue to be so registered; and

(g) To the best knowledge of the undersigned signatory of the Representative, after due inquiry, the Representative is not aware of any violation of any of the rules and regulations of FINRA and the MSRB (to the extent it is regulated by FINRA and the MSRB) and any other body which regulates it which would adversely affect the transactions contemplated hereby or by the Official Statement or the validity and legality of this Purchase Contract or the Official Statement.

The foregoing representations and warranties of the Representative and the obligations set forth under Section 11(c) hereof shall survive the execution and delivery of this Purchase Contract, the execution and delivery of the Series 2022A Bonds and the instruments and documents contemplated thereby.

5. Public Offering.

(a) The Underwriters agree to make a bona fide offering to the public of all of the Series 2022A Bonds at the initial public offering prices or yields set forth on the inside cover page of the Official Statement. After the initial offering to the public, the Underwriters reserve the right to change such initial offering prices.

(b) The County hereby authorizes the Underwriters to use the forms or copies of the Resolution, the Preliminary Official Statement, the Official Statement, the Disclosure Agreement (as defined herein), this Purchase Contract and any other documents related to the transactions contemplated in the Official Statement in connection with the public offering and sale of the Series 2022A Bonds and ratifies and confirms its authorization of the distribution and use by the Underwriters prior to the date hereof of the Preliminary Official Statement in connection with such public offering and sale.

(c) The Underwriters have informed the County, and the County acknowledges and agrees that: (i) the purchase and sale of the Series 2022A Bonds pursuant to the Purchase Contract is an arm's-length commercial transaction between the County and the Underwriters, and the primary role of each Underwriter is to purchase securities for resale to investors, in an arm's-length commercial transaction between the County and the Underwriters; (ii) the Underwriters have financial and other interests that differ from those of the County; (iii) the Underwriters are acting solely as principals and are not acting as a municipal advisor, financial advisor, agent or fiduciary to the County and have not assumed any advisory or fiduciary responsibility to the County with respect to the transactions contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether an Underwriter has provided other services or is currently providing other services to the County on other matters); (iv) the only obligations the Underwriters have to the County with respect to the transactions contemplated hereby, are expressly set forth in this Purchase Contract; and (v) the County has consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate.

6. Good Faith Deposit. The County hereby acknowledges receipt from the Representative of a wire transfer credited to the order of the County in immediately available federal funds in the amount of \$\_\_\_\_\_ (\_\_\_\_\_ and No/100 Dollars) (the "Good Faith Deposit"), based on wire instructions previously provided to the Representative. In the event that the County does not accept this offer, such funds shall be immediately returned to the Representative. If the offer made hereby is accepted, the County agrees to hold these funds until the Closing Date as security for the performance by the Underwriters of their obligation to accept and pay for the Series 2022A Bonds at the Closing, and, in the event of their compliance with such obligation, at the option of the County such funds shall either be (a) returned to the Representative at the Closing or (b) applied towards the amount due from the Representative at the Closing. In the event of the County's failure to deliver the Series 2022A Bonds at the Closing, or if the County shall be unable to satisfy the conditions of Closing contained herein, or if the obligations of the Underwriters shall be terminated for any reason permitted by this Purchase Contract (other than resulting from the Representative's failure to deliver the Issue Price Certificate required by Section 2 hereof), such funds shall be immediately returned to the Representative and such return shall constitute a full release and discharge of all claims by the Underwriters arising out of the transactions contemplated hereby. In the event that the Underwriters fail (other than for a reason permitted hereunder) to accept and pay for the Series 2022A Bonds at Closing, or if this Purchase Contract is terminated because of the failure of the Underwriters to deliver the Issue Price Certificate required by Section 2 hereof, such funds shall be retained by the County as and for full liquidated damages for such failure and for any defaults hereunder on the part of the Underwriters, and such retention shall constitute a full release and discharge of all claims by the County against the Underwriters arising out of the transactions contemplated hereby.

7. County Representations, Warranties, Covenants and Agreements. The County represents and warrants to the Underwriters and covenants and agrees that:

(a) The County is a political subdivision of the State, duly organized and validly existing pursuant to the Constitution and Laws of the State and is authorized and empowered by law to (i) issue, sell and deliver the Series 2022A Bonds to the Underwriters as described herein; (ii) provide funds for the purposes described in Section 1(d) hereof including, without limitation, the pledge of the Pledged Revenues; (iii) adopt the Resolution; (iv) execute and accept this Purchase Contract; (v) execute and deliver (A) the Disclosure Dissemination Agent Agreement relating to the Series 2022A Bonds between Digital Assurance Certification, L.L.C. (the "Dissemination Agent") and the County (the "Disclosure Agreement"), substantially the in form attached as APPENDIX G to the Official Statement, [(B) the Debt Service Reserve Agreement dated the Closing Date by and between the County and [\_\_\_\_\_] (the "Insurer") relating to the Reserve Account Insurance Policy,] (C) any other agreements required to be executed by the County relating to such documents or the issuance of the Series 2022A Bonds, including without limitation any registrar or paying agent agreement (collectively, the "County Documents") and (D) the Official Statement; and (vi) carry out and consummate all other transactions contemplated by the Official Statement and by each of the aforesaid documents and agreements.

(b) By official action of the County taken prior to or concurrently with the acceptance hereof, the County has duly adopted the Resolution, which is in full force and effect and has not been amended, modified or repealed; the County has duly authorized and approved the execution and delivery of, and the performance by the County of its obligations contained in the Resolution, the Series 2022A Bonds, the County Documents and this Purchase Contract.

(c) When delivered to and paid for the Underwriters in accordance with the terms of this Purchase Contract and the Resolution, the Series 2022A Bonds will have been duly and validly authorized, executed, issued and delivered, and the Resolution will have been duly adopted.

(d) The County is not in breach of or default under any applicable constitutional provision, law or administrative regulation of the State or the United States, or any agency or department of either, or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the County is a party or to which the County or any of its properties or other assets is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument, in any such case to the extent that the same would have a material and adverse effect upon the business or properties or financial condition of the County.

(e) The County is not, and has not been at any time after December 31, 1975, in default as to principal or interest with respect to an obligation issued or guaranteed by the County (disclosure of which is not necessary if the County believes in good faith that such default would not be material to a reasonable investor in connection with the Series 2022A Bonds, as provided in Section 517.051, Florida Statutes, as amended, and Rule 69W-400.003, Florida Administrative Code).

(f) All approvals, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction that would constitute a condition precedent to or the absence of which would materially adversely affect the financial condition of the County or the due performance by the County of its obligations under this Purchase Contract, the Resolution, the

County Documents and the Series 2022A Bonds have been, or prior to the Closing Date will have been, duly obtained.

(g) The County has reviewed the information in the Preliminary Official Statement. Except for the information provided by The Depository Trust Company, New York, New York ("DTC")[, the Insurer] and the Underwriters, and information under the headings "TAX MATTERS" and "UNDERWRITING," the Preliminary Official Statement (excluding Permitted Omissions) was, as of the date thereof, and the Official Statement, is and at all times subsequent hereto up to and including the Closing Date will be, true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact which is necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. In addition, any amendments or supplements to the Official Statement prepared and furnished by the County pursuant hereto will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(h) Except as disclosed in the Preliminary Official Statement and the Official Statement, since September 30, 2020 the County has not and will not have incurred any material liabilities, direct or contingent, or entered into any transaction which is material to potential holders of the Series 2022A Bonds, in each case other than in the ordinary course of its business, and there has not and shall not have been any material adverse change in the condition, financial or otherwise, of the County or its properties or other assets, including the Pledged Revenues.

(i) Except as disclosed in the Preliminary Official Statement, as of its date, and the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity before or by any court, government agency or public board or body, pending or, to the best knowledge of the County, threatened, against or affecting the County or the titles of its officers to their respective offices, or which may affect or which seeks to prohibit, restrain or enjoin the sale, issuance or delivery of the Series 2022A Bonds, the pledge of the Pledged Revenues or the acquisition or construction of the 2022 Project, or which in any way contests or affects the validity or enforceability of the Series 2022A Bonds, the Resolution, this Purchase Contract or the County Documents, or which may result in any material adverse change in the business, properties, other assets or financial condition of the County, or which contests the tax-exempt status of interest on the Series 2022A Bonds as described in the Preliminary Official Statement, as of its date, and the Official Statement, or which contests in any way the completeness or accuracy of the Preliminary Official Statement, as of its date, or the Official Statement, or which contests the power of the County or any authority or proceedings for the issuance, sale or delivery of the Series 2022A Bonds or this Purchase Contract, the pledge of the Pledged Revenues or the acquisition or construction of the 2022 Project, nor, to the best knowledge of the County, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Series 2022A Bonds, the Resolution, the County Documents or this Purchase Contract.

(j) Any certificate signed by an authorized officer of the County and delivered to the Underwriters shall be deemed a representation and warranty of the County to the Underwriters as to the statements made therein.

(k) The County will furnish such information, execute such instruments and take such other action not inconsistent with law in cooperation with the Underwriters as the Representative may reasonably request in order (i) to qualify the Series 2022A Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United

States as the Representative may designate, and/or (ii) to determine the eligibility of the Series 2022A Bonds for investment under the laws of such states and other jurisdictions; provided that the County shall not be obligated to take any action that would subject it to the general service of process in any state where it is not now so subject and any expense related to the foregoing shall be borne by the Underwriters.

(l) From the date hereof until the earlier of: (i) ninety (90) days after the End of the Underwriting Period, or (ii) the time when the Official Statement is available to any person from a nationally recognized municipal securities information repository, but in no case less than twenty-five (25) days following the End of the Underwriting Period, if any event occurs as a result of which the County or the Representative believes it may be necessary to amend or supplement the Official Statement in order to correct any untrue statement of a material fact contained in the Official Statement or to include a statement of material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the County and the Representative will notify each other thereof and, if in the opinion of Co-Disclosure Counsel (as defined herein), in consultation with the Representative, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the County will prepare and furnish to the Underwriters an amendment or supplement to the Official Statement, so the Official Statement, as so amended or supplemented, does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which such statements were made, not misleading; provided, however, the Underwriters shall not be liable to the County for any claims arising out of the County's decision not to amend or supplement the Official Statement. The cost of any such amendment or supplement shall be borne by the County, unless such amendment or supplement is the result of an action by, or information relating to or provided by, the Underwriters.

(m) The proceeds received from the sale of the Series 2022A Bonds will be used in accordance with the Resolution and as set forth in the Official Statement.

(n) Other than as disclosed in the Official Statement and the Preliminary Official Statement in the section captioned "CONTINUING DISCLOSURE," the County has not failed to comply in any material respect with any agreement to provide continuing disclosure information pursuant to the Rule within the last five (5) years.

(o) Except as disclosed in the Preliminary Official Statement and the Official Statement, prior to the Closing Date, the County will not amend, terminate, or rescind, and will not agree to any amendment, termination, or rescission of the Resolution, this Purchase Contract or any of the County Documents without the prior written consent of the Representative.

(p) Except as disclosed in the Preliminary Official Statement and the Official Statement, prior to the Closing Date, the County will not create, assume, or guarantee any indebtedness payable from, or pledge or otherwise encumber, the revenues, assets, properties, funds, or interests that will be pledged pursuant to the Resolution.

(q) The County has taken all necessary action to pledge and apply the Pledged Revenues to the payment of the Series 2022A Bonds, all as provided in the Resolution.

(r) Both at the time of acceptance hereof and as of the Closing Date, the Financial Statements of the County's Water and Wastewater Fund for the Fiscal Years Ended September 30, 2020 and 2019 contained in APPENDIX B to the Official Statement do and will present fairly the financial position and results of operations of the County's Water and Wastewater Fund as of the

dates and for the periods therein set forth in accordance with generally accepted accounting principles applicable to governmental bodies applied consistently except as otherwise indicated in the Official Statement.

(s) Both at the time of acceptance hereof and as of the Closing Date, the General Purpose Financial Statements of the County for the Fiscal Year Ended September 30, 2020 contained in APPENDIX B to the Official Statement do and will present fairly the financial position and results of operations of the County as of the dates and for the periods therein set forth in accordance with generally accepted accounting principles applicable to governmental bodies applied consistently except as otherwise indicated in the Official Statement.

(t) The County will not voluntarily undertake any course of action inconsistent with satisfaction of the requirements applicable to the County as set forth in this Purchase Contract.

(u) The County will not knowingly take or omit to take any action that, under existing law, may adversely affect the exemption from state taxation with respect to the Series 2022A Bonds or the exclusion from gross income for federal income tax purposes of interest on the Series 2022A Bonds.

8. The Closing. At [11:00 a.m.], Eastern Standard Time, on the Closing Date, or at such other time or date to which the County and the Representative mutually may agree, the County will, subject to the terms and conditions hereof, deliver the Series 2022A Bonds in book-entry form to the account of the Underwriters, at the facilities of DTC, or such other location as determined by the Representative and agreed to by the County, duly executed, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Underwriters will accept such delivery and pay the Purchase Price, as set forth in Section 1(a) hereof, less the amount of the Good Faith Deposit, if retained by the County pursuant to Section 6 hereof[, and less any amount paid directly to the Insurer, at the direction of the County, to provide for payment of the premium for the Reserve Account Insurance Policy,] in federal funds to the County (the "Closing"). The County shall cause CUSIP identification numbers to be printed on the Series 2022A Bonds, but neither the failure to print such number on any Series 2022A Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Underwriters to accept delivery of and pay for the Series 2022A Bonds in accordance with the terms of this Purchase Contract. The Closing shall occur at the offices of the County in Fort Lauderdale, Florida, or such other place to which the County and the Representative shall have mutually agreed. The Series 2022A Bonds shall be made available to the Underwriters no less than 24 hours before the Closing for purposes of inspection. The Series 2022A Bonds shall be prepared and delivered as fully registered bonds in authorized denominations and registered in full book-entry form in the name of Cede & Co., as nominee of DTC and shall be delivered pursuant to the DTC "FAST" procedure.

9. Closing Conditions. The Underwriters have entered into this Purchase Contract in reliance upon the representations, warranties, covenants and agreements of the County contained herein and in reliance upon the representations, warranties, covenants and agreements to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the County of its obligations hereunder, both as of the date hereof and as of the Closing Date. Accordingly, the Underwriters' obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Series 2022A Bonds shall be conditioned upon the performance by the County of its obligations to be performed hereunder, and under such documents and instruments at or prior to the Closing Date, and shall also be subject to the following additional conditions:

(a) The representations, warranties, covenants and agreements of the County contained herein shall be true, complete and correct in all material respects on the date hereof and on and as of the Closing Date, as if made on the Closing Date;

(b) At the time of Closing, the Resolution, this Purchase Contract and the County Documents shall be in full force and effect and shall not have been amended, modified or supplemented since the date of their execution, and the Official Statement as delivered to the Underwriters shall not have been supplemented or amended, except as provided in Section 7(1) hereof;

(c) At the time of Closing, all official action of the County relating to this Purchase Contract, the Series 2022A Bonds, the Resolution and the County Documents shall be in full force and effect and shall not have been amended, modified or supplemented; and

(d) At or prior to the Closing Date, the Underwriters shall have received copies of each of the following documents:

(1) Copies of the Official Statement executed on behalf of the County by its authorized officials;

(2) The opinions of Nabors, Giblin & Nickerson, P.A., Fort Lauderdale, Florida, and Manuel Alonso-Poch, P.A., Miami, Florida ("Co-Bond Counsel"), dated the Closing Date and addressed to the County, in substantially the forms attached as APPENDIX E to the Official Statement, together with reliance letters addressed to the Representative;

(3) The supplemental opinions of Co-Bond Counsel, dated the Closing Date and addressed to the Representative and the County, in substantially the form attached hereto as Exhibit D;

(4) An opinion, dated the Closing Date and addressed to the County, the Representative, Co-Bond Counsel and the Paying Agent and Bond Registrar, of the Office of the County Attorney of the County, in substantially the form attached hereto as Exhibit E;

(5) An opinion, dated the Closing Date and addressed to the County, of GrayRobinson, P.A., Tampa, Florida, and Pittman Law Group, P.L., Tallahassee, Florida ("Co-Disclosure Counsel"), in substantially the forms attached as APPENDIX F to the Official Statement, and reliance letters addressed to the Representative dated the Closing Date;

(6) The opinion of Weiss Serota Helfman Cole & Bierman, P.L., Fort Lauderdale, Florida ("Underwriters' Counsel") in substantially the form attached hereto as Exhibit F; provided, however, that the Underwriters shall not be excused from their obligation hereunder to purchase all of the Series 2022A Bonds if Underwriters' Counsel shall fail to deliver such opinion at Closing for any reason other than there having occurred to their knowledge an event or circumstance prior to Closing that for a valid legal basis prevents Underwriters' Counsel from rendering the opinion contained in Exhibit F, and provided further that if such event or circumstance became a matter of actual knowledge of the Representative or Underwriters' Counsel one or more business days prior to the Closing Date, either or both shall have informed the County of such event or circumstance

and the valid legal basis which prevents Underwriters' Counsel from delivering their opinions so that the County has a reasonable opportunity to cure, or address by supplement to the Official Statement, prior to Closing;

(7) A certificate dated the date of Closing and signed by the Mayor and the County Administrator of the County, or such other officials reasonably satisfactory to the Representative, and in form and substance reasonably satisfactory to the Representative to the effect that the representations, warranties and covenants of the County contained herein are true and correct as of the date of this Purchase Contract and as of the Closing Date to the best of their knowledge and belief, and are complied with as of the Closing Date, and the Series 2022A Bonds, as executed and delivered, are in substantially the form approved by the Board in the Resolution;

(8) Certified copies of the Resolution;

(9) Executed copies of the County Documents and this Purchase Contract;

(10) Evidence that the County has deemed the Preliminary Official Statement "final" as of its date for purposes of the Rule, except for "Permitted Omissions";

(11) Copies of the County's General Purpose Financial Statements for the Fiscal Year ended September 30, 2020, and the Financial Statements of the County's Water and Wastewater Fund for the Fiscal Years ended September 30, 2020 and 2019, each in the forms provided in APPENDIX B to the Official Statement;

(12) An executed copy of the (A) Tax Certificate executed by the County relating to the exclusion from gross income for federal income tax purposes of interest on the Series 2022A Bonds, and (B) Internal Revenue Service Form 8038-G with respect to the Series 2022A Bonds, as completed for filing;

(13) A request and authorization of the County signed by the Mayor, the County Administrator of the County, or other official reasonably satisfactory to the Representative, to the Registrar to authenticate and deliver the Series 2022A Bonds to such person or persons named therein upon payment to or for the account of the County of the Purchase Price, net of the Good Faith Deposit, if so determined in accordance with Section 6 hereon[, and any amount paid directly to the Insurer, at the direction of the County, to provide for payment of the premium for the Reserve Account Insurance Policy];

(14) A copy of the County's DTC Blanket Issuer Letter of Representations;

(15) Evidence that Moody's Investors Service, Inc. ("Moody's") and S&P Global Ratings, a division of Standard & Poor's Financial Services, LLC ("S&P") have assigned their municipal bond ratings of ["\_\_\_"] with a "[\_\_\_\_] outlook" and ["\_\_\_"] with a "[\_\_\_\_] outlook," respectively, to the Series 2022A Bonds;

(16) A certificate of an authorized representative of [Regions Bank] (the "Bank"), as Paying Agent and Bond Registrar, to the effect that (A) the Bank is a [banking corporation duly organized, validly existing and in good standing under the laws of the State of Alabama] and is duly authorized to exercise trust powers in the State, (B) the Bank has all requisite authority, power, licenses, permits and franchises, and has full corporate power and legal authority to execute and perform its functions under the Resolution and



any registrar and payment agent agreement, (C) the performance by the Bank of its functions under the Resolution and any registrar and paying agent agreement will not result in any violation of the Articles of Association or Bylaws of the Bank, any court order to which the Bank is subject or any agreement, indenture or other obligation or instrument to which the Bank is a party or by which the Bank is bound, and no approval or other action by any governmental authority or agency having supervisory authority over the Bank is required to be obtained by the Bank in order to perform its functions under the Resolution and any registrar and paying agent agreement, (D) to the best of such authorized representative's knowledge, there is no action, suit, proceeding or investigation at law or in equity before any court, public board or body pending or, to his or her knowledge, threatened against or affecting the Bank wherein an unfavorable decision, ruling or finding on an issue raised by any party thereto is likely to materially and adversely affect the ability of the Bank to perform its obligations under the Resolution and any registrar and paying agent agreement, and (E) the Series 2022A Bonds have been authenticated in accordance with the terms of the Resolution;

(17) An opinion of counsel to [Regions Bank], in a form reasonably satisfactory to the County and the Representative;

(18) [A copy, in standard form and substance, of the executed Reserve Account Insurance Policy to satisfy the Reserve Account Requirement in relation to the Series 2022A Bonds and certificates of the officers of the Insurer relating to the delivery of such instruments;]

(19) [An opinion of counsel to the Insurer, dated the Closing Date and addressed to the County and the Underwriters, or a certificate of a duly authorized officer of the Insurer, relating to (A) the corporate status of the Insurer and its eligibility for relief under federal bankruptcy laws, (B) the authority of the Insurer to issue the Reserve Account Insurance Policy, and (C) the statements contained in the Official Statement relating to the Insurer and the Reserve Account Insurance Policy];

(20) A Certificate of Hazen and Sawyer (the "Engineer") pursuant to Section 212 of the Bond Resolution;

(21) A certificate of the Chief Financial Officer of the County pursuant to Section 212 of the Bond Resolution;

(22) A copy of the Engineer's Report in the form attached to the Official Statement as APPENDIX C;

(23) A certificate of the Engineer, dated the Closing Date, to the effect that: (a) the Engineer consents to the references to it in the Preliminary Official Statement and the Official Statement and to the inclusion of its report therein; (b) the Engineer knows of no material change in the matters described in its report, contained in the Official Statement or in the information and data contained in such Official Statement attributed to it; (c) the Engineer believes that the assumptions used in compiling its report, and arriving at the conclusions stated therein are reasonable; (d) the Engineer's Report was prepared in accordance with generally accepted industry practices; and (e) based upon the Engineer's participation in the preparation of the Official Statement and without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Official Statement, as of the Closing Date, nothing has come to its attention

causing it to believe that the information in the Official Statement summarizing its report, as of its date contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and

(24) Such additional legal opinions, certificates, instruments and other documents as the Representative may reasonably request.

(e) All of the evidence, opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Contract shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Representative with such exceptions and modifications as shall be approved by the Representative.

(f) If the County shall be unable to satisfy the conditions to the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Series 2022A Bonds contained in this Purchase Contract, or if the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Series 2022A Bonds shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the Underwriters nor the County shall be under any further obligation hereunder, except that the County shall return the Good Faith Deposit by wire transfer to the order of the Representative in immediately available federal funds and the respective obligations of the County and the Underwriters set forth in Section 11(c) hereof shall continue in full force and effect.

10. Termination. The Underwriters may terminate this Purchase Contract, without liability therefor, by notification to the County, if at any time subsequent to the date of this Purchase Contract at or prior to the Closing:

(a) Legislation shall be enacted by the Congress of the United States, or a bill introduced (by amendment or otherwise) or favorably reported or passed by either the House of Representatives or the Senate of the Congress of the United States or any committee of the House or Senate, or a conference committee of such House and Senate makes a report (or takes any other action), or a decision by a court of the United States or the Tax Court of the United States shall be rendered, or a ruling, regulation or temporary regulation, release, announcement or fiscal action shall be issued or proposed by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency with respect to or having the purpose or effect of changing directly or indirectly the federal income tax consequences of interest on obligations of the general character of the Series 2022A Bonds in the hands of the holders thereof (including imposition of a not previously existing minimum federal tax which includes tax-exempt interest in the calculation of such tax), which, in the reasonable judgment of the Representative, materially adversely affects the market price or the marketability of the Series 2022A Bonds or the sale by the Underwriters of the Series 2022A Bonds to be purchased by them.

(b) Any legislation, rule or regulation shall be introduced in, or be enacted by any department or agency in the State, or a decision by any court of competent jurisdiction within the State shall be rendered which, in the reasonable judgment of the Representative, materially adversely affects the market price or marketability of the Series 2022A Bonds or the sale by the Underwriters of the Series 2022A Bonds to be purchased by them.

(c) Any event shall have occurred or shall exist which, in the reasonable opinion of the Representative, would (i) cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be

stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading as of such time, and the Official Statement is not amended or supplemented in accordance with Section 7(l) of this Purchase Contract, or (ii) materially adversely affect the market price or marketability of the Series 2022A Bonds or the sale by the Underwriters of the Series 2022A Bonds to be purchased by them as a result of the occurrence or existence of such event and the failure to amend or supplement the Official Statement in accordance with Section 7(l) of this Purchase Contract; provided such event shall not be the result of information relating to the Underwriters.

(d) Any amendment is made to the Official Statement which, in the reasonable judgment of the Representative, will materially adversely affect the market price or marketability of the Series 2022A Bonds or the ability of the Underwriters to enforce contracts for the purchase of the Series 2022A Bonds; provided such event shall not be the result of information relating to the Underwriters.

(e) There shall have occurred any outbreak or escalation of hostilities or any national or international calamity, the declaration by the United States of a national emergency, or crisis, financial or otherwise, which in the reasonable judgment of the Representative (i) materially adversely affects the market price of the Series 2022A Bonds or the ability of the Underwriters to enforce contracts for the purchase of the Series 2022A Bonds or (ii) causes a material disruption in the municipal bond market materially affecting the Underwriters' physical or technical ability to market, settle on or pay for the Series 2022A Bonds (it being agreed to by the parties hereto that no such hostilities, calamity or crisis is occurring as of the date hereof which had such an effect upon the Series 2022A Bonds).

(f) There shall be in force a general suspension of trading on the New York Stock Exchange that the effect of which on the financial markets of the United States, in the Representative's reasonable judgment, is to materially adversely affect the market price or marketability of the Series 2022A Bonds or the ability of the Underwriters to enforce contracts for the purchase of the Series 2022A Bonds.

(g) Legislation shall be enacted or be proposed or actively considered for enactment, or a decision by a court of the United States shall be rendered, or a ruling or regulation by or on behalf of the SEC or other governmental agency having jurisdiction over the subject matter shall be made, to the effect that the Series 2022A Bonds or any comparable securities of the County, any obligations of the general character of the Series 2022A Bonds or the Resolution are not exempt from the registration, qualification or other requirements of the Securities Act of 1933, as amended (the "Securities Act") or of the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act") or otherwise, or would be in violation of any provision of the federal securities laws.

(h) A stop order, release, regulation, or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made to the effect that the issuance, offering, or sale of the Series 2022A Bonds, including all the underlying obligations as contemplated hereby or by the Official Statement, or any document relating to the issuance, offering or sale of the Series 2022A Bonds is subject to registration or qualification under, or would be in violation of, any provision of the federal securities laws on the Closing Date, including the Securities Act, the Exchange Act, and the Trust Indenture Act.

(i) A general banking moratorium shall have been declared by the United States, New York or the State authorities or a major financial crisis or a material disruption in commercial banking or securities settlement or clearance services shall have occurred, which, in the reasonable

judgment of the Representative, materially adversely affects the market price or marketability of the Series 2022A Bonds or the sale, at the contemplated offering prices, by the Underwriters of the Series 2022A Bonds.

(j) There shall be any new restriction on transactions in securities materially affecting the free market for securities (including the imposition of any limitation on interest rates), established by the New York Stock Exchange, the SEC, any other federal or State agency or the Congress of the United States, or by Executive Order.

(k) There shall have occurred, after the signing hereof, either a financial crisis or a default with respect to the debt obligations of the County, or proceedings under the bankruptcy laws of the United States or of the State shall have been instituted by the County, in either case the effect of which, in the reasonable judgment of the Representative, is such as to materially and adversely affect the market price or the marketability of the Series 2022A Bonds or the sale, at the contemplated offering prices, by the Underwriters of the Series 2022A Bonds.

(l) There shall have occurred (i) a downgrading or suspension of any rating set forth herein of the Series 2022A Bonds or (ii) any official statement as to a possible downgrading (such as being placed on "credit watch" or "negative outlook" or any similar qualification) of any rating set forth herein of the Series 2022A Bonds.

11. Expenses and Indemnification.

(a) The Underwriters shall be under no obligation to pay, and the County shall pay, any expenses incident to the performance of the obligations of the County hereunder including, but not limited to: (i) the cost of preparation, printing or other reproduction of the Resolution; (ii) the cost of preparation and printing of the Series 2022A Bonds; (iii) the fees and disbursements of Co-Bond Counsel and Co-Disclosure Counsel; (iv) the fees and disbursements of the financial advisor to the County; (v) the fees of the Dissemination Agent; (vi) the fees and disbursements of any experts, consultants or advisors retained by the County, including any fees of the auditor, the Paying Agent, and the Bond Registrar; (vii) fees for bond ratings; (viii) the costs of preparing, printing and delivering a reasonable number of copies of the Preliminary Official Statement and the Official Statement and any supplements or amendments to either of them; and (ix) the cost of preparing, printing and delivery of this Purchase Contract.

(b) The Underwriters shall pay: (i) all advertising expenses in connection with the marketing and sale of the Series 2022A Bonds; and (ii) all other expenses incurred by them or any of them in connection with the public offering of the Series 2022A Bonds, including the fees and disbursements of counsel to the Underwriters retained by them, the fees of the Dissemination Agent for a continuing disclosure compliance review and the costs of due diligence, bond registration, electronic order system and travel, but not including the costs identified in the immediately preceding paragraph. The payments made by the Underwriters shall be included in the Underwriters' discount. In the event that either party shall have paid obligations of the other as set forth in this Section 11, adjustment shall be made at the time of the Closing.

(c) The Underwriters agree to indemnify and hold harmless the County, each of its respective officers, directors, employees and agents and each person, if any, who controls the County within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any claim or loss, for any statement contained in the Preliminary Official Statement or the Official Statement under the caption "UNDERWRITING" that was provided by the Underwriters in writing for inclusion and that is or alleged to be untrue or incorrect in any

material respect, or any omission or alleged omission of any statement contained in such section which is necessary in order to make the statements therein not misleading.

12. Notices. Any notice or other communication to be given to the County under this Purchase Contract may be given by delivering the same in writing at its address set forth above to the attention of the Chief Financial Officer, and any notice or other communication to be given to the Underwriters may be given by delivering the same in writing to Jonathan Kirn, Managing Director, Siebert Williams Shank & Co., LLC, 1025 Connecticut Avenue NW, Suite 509, Washington, D.C. 20036.

13. Parties in Interest. This Purchase Contract is made solely for the benefit of the County and the Underwriters and no other party or person shall acquire or have any right hereunder or by virtue hereof. All representations, warranties, covenants and agreements in this Purchase Contract shall remain operative and in full force and effect, regardless of: (i) any investigations made by or on behalf of any of the Underwriters; (ii) the delivery of the Series 2022A Bonds pursuant to this Purchase Contract; or (iii) any termination of this Purchase Contract but only to the extent provided by the last sentence of Section 9 hereof.

14. Waiver. Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the County hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriters may be waived by the Representative, in its sole discretion, and the approval of the Representative when required hereunder or the determination of its satisfaction as to any document referred to herein shall be in writing, signed by an appropriate officer or appropriate officers of the Representative and delivered to the County.

15. Effectiveness. This Purchase Contract shall become effective upon the execution of the acceptance hereof by the Mayor or Vice-Mayor of the County and shall be valid and enforceable at the time of such acceptance.

16. Counterparts. This Purchase Contract may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

17. Headings. The headings of the sections of this Purchase Contract are inserted for convenience only and shall not be deemed to be a part hereof.

18. Florida Law Governs. The validity, interpretation and performance of this Purchase Contract shall be governed by the laws of the State.

19. Entire Agreement. This Purchase Contract constitutes the entire agreement between the parties hereto with respect to the matters covered hereby, and supersedes all prior agreements and understandings between the parties. This Purchase Contract shall only be amended, supplemented or modified in a writing signed by both of the parties hereto.

*[Signatures on following page]*

*[Representative's Signature Page to Purchase Contract]*

Very truly yours,

**SIEBERT WILLIAMS SHANK & CO., LLC,**  
as Representative on behalf of itself and the other  
Underwriters

By: \_\_\_\_\_  
Jonathan F. Kirn,  
Managing Director

*[County Signature Page to Purchase Contract]*

Accepted by:

**BROWARD COUNTY, FLORIDA**

(SEAL)

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

ATTEST AND COUNTERSIGNED:

By: \_\_\_\_\_  
County Administrator and ex officio  
Clerk of the Board of County Commissioners

**EXHIBIT A**

**TERMS OF SERIES 2022A BONDS  
MATURITIES, AMOUNTS, INTEREST RATES, PRICES AND YIELDS**

\$ \_\_\_\_\_  
**BROWARD COUNTY, FLORIDA  
WATER AND SEWER UTILITY REVENUE BONDS,  
SERIES 2022A**

<u>Maturity</u> (October 1)	<u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price*</u>	<u>Yield*</u>
--------------------------------	---------------	--------------------------------	---------------	---------------

\* Price and Yield shown to first optional redemption date of October 1, 20\_\_.

**REDEMPTION PROVISIONS**

The Series 2022A Bonds are subject to redemption as set forth below.

Optional Redemption

The Series 2022A Bonds are subject to optional redemption prior to maturity, in such manner as the County shall determine, on or after October 1, 20\_\_ as a whole or in part at any time, by lot if in part, at a redemption price equal to one hundred percent (100%) of the principal amount redeemed, plus accrued interest to the redemption date.

Mandatory Sinking Fund Redemption

The Series 2022A Bonds maturing on October 1, 20\_\_ are subject to mandatory sinking fund redemption prior to maturity at one hundred percent (100%) of the principal amount redeemed or paid, together with accrued interest to the redemption date without premium, on October 1 of each year, as follows:

<u>Year</u>	<u>Principal</u> <u>Amount</u>	\$
-------------	-----------------------------------	----

\*

\_\_\_\_\_  
\*Final Maturity



**EXHIBIT B**

**DISCLOSURE STATEMENT**

\$ \_\_\_\_\_  
**BROWARD COUNTY, FLORIDA**  
**WATER AND SEWER UTILITY REVENUE BONDS,**  
**SERIES 2022A**

\_\_\_\_\_, 2022

Broward County, Florida  
115 South Andrews Avenue  
Fort Lauderdale, Florida 33301

Ladies and Gentlemen:

In connection with the proposed issuance by Broward County, Florida (the "County") of the issue of bonds referred to above (the "Series 2022A Bonds"), Siebert Williams Shank & Co., LLC (the "Representative"), on behalf of itself and as representative for Citigroup Global Markets Inc. and Raymond James & Associates, Inc. (collectively, with the Representative, the "Underwriters"), have agreed to underwrite a public offering of the Series 2022A Bonds. Arrangements for underwriting the Series 2022A Bonds will include a Purchase Contract between the County and the Underwriters.

The purpose of this letter is to furnish, pursuant to the provisions of Sections 218.385(2), (3) and (6), Florida Statutes, as amended, certain information in respect to the arrangement contemplated for the underwriting of the Series 2022A Bonds as follows:

(a) The nature and estimated amount of expenses to be incurred by the Underwriters in connection with the issuance of the Series 2022A Bonds are set forth on Schedule B-I attached hereto.

(b) There are no "finders," as that term is defined in Section 218.386, Florida Statutes, as amended, connected with the issuance of the Series 2022A Bonds.

(c) The amount of underwriting spread [, which does not include a management fee,] expected to be realized is as follows. The Representative will not be paid a management fee.

	<u>Per \$1,000</u>	<u>Dollar Amount</u>
Average Takedown	\$ _____	\$ _____
Underwriters' Expenses	_____	_____
Total Underwriting Spread*	\$ _____	\$ _____

\* Totals may not add due to rounding.

(d) No other fee, bonus or other compensation is estimated to be paid by the Underwriters in connection with the issuance of the Series 2022A Bonds to any person not regularly employed or retained by the Underwriters, except as described in Schedule B-I attached hereto.

(e) The names and addresses of the Underwriters are set forth below:

Siebert Williams Shank & Co., LLC  
1025 Connecticut Avenue NW, Suite 509  
Washington, D.C. 20036

Citigroup Global Markets Inc.  
3800 Citigroup Center Drive  
Tampa, Florida 33610

Raymond James & Associates, Inc.  
807 W. Morse Boulevard, Suite 200  
Winter Park, Florida 32789

(f) The County is proposing to issue \$\_\_\_\_\_ of the Series 2022A Bonds for the purposes set forth in Section 1(d) of the Purchase Contract and in the Official Statement. All capitalized undefined terms used herein shall have the meanings ascribed to them in the Purchase Contract.

The Series 2022A Bonds are expected to be repaid over a period of approximately \_\_\_\_\_ years (from the date of Closing). At a true interest cost rate of approximately \_\_\_\_\_%, total interest paid over the life of the Series 2022A Bonds will be \$\_\_\_\_\_.

As summarized in the Official Statement, payment of the principal of or redemption price, if applicable, and interest on the Series 2022A Bonds shall be payable solely from and secured by a prior lien upon and pledge of the Pledged Revenues, on a parity with other Outstanding Bonds. Assuming the true interest cost rate provided above, authorizing the Series 2022A Bonds will result in an average of \$\_\_\_\_\_ of the Pledged Revenues under the Resolution not being available to finance other services of the County each year for approximately \_\_\_\_\_ years.

[Remainder of page intentionally left blank.]

We understand that the County does not require any further disclosure from the Underwriters, pursuant to Sections 218.385(2), (3) and (6), Florida Statutes, as amended.

Very truly yours,

**SIEBERT WILLIAMS SHANK & CO., LLC**, as  
representative of the Underwriters

---

Jonathan F. Kirn,  
Managing Director

**SCHEDULE B-I**

**ESTIMATED EXPENSES TO BE INCURRED BY UNDERWRITERS**

	<u>Per \$1,000</u>	<u>Dollar Amount</u>
Internet Roadshow	\$ _____	\$ _____
DTC	_____	_____
Out of Pocket Expenses	_____	_____
Underwriters' Counsel	_____	_____
Day Loan / Cost of Funds	_____	_____
IPreo	_____	_____
IPreo Order Monitor	_____	_____
CUSIP	_____	_____
TOTAL	\$ _____	\$ _____

**EXHIBIT C**  
**FORM OF ISSUE PRICE CERTIFICATE**

\$ \_\_\_\_\_  
**BROWARD COUNTY, FLORIDA**  
**WATER AND SEWER UTILITY REVENUE BONDS,**  
**SERIES 2022A**

SIEBERT WILLIAMS SHANK & CO., LLC (the "Representative"), for itself and as representative of CITIGROUP GLOBAL MARKETS INC. and RAYMOND JAMES & ASSOCIATES, INC. (together, the "Underwriting Group"), for the bonds identified above (the "Issue"), issued by Broward County, Florida (the "Issuer"), based on its knowledge regarding the sale of the Issuer, certifies as of this date the following:

**(1) Issue Price.**

**[If the issue price is determined using only the general rule (actual sales of at least 10%) in Regulations § 1.148-1(f)(2)(I):**

(A) As of the date of this Certificate, for each Maturity of the Issue, the first price at which at least 10% of such Maturity of the Issue was sold to the Public is the respective price listed in the final Official Statement, dated \_\_\_\_\_, 2022, for the Issue (the "Sale Price" as applicable to respective Maturities). The aggregate of the Sale Prices of each Maturity is \$[ ] (the "Issue Price").]

**[If the issue price is determined using a combination of actual sales (Regulations § 1.148-1(f)(2)(i)) and hold-the-offering-price (Regulations § 1.148-1(f)(2)(ii)):**

(A) As of the date of this Certificate, for each Maturity listed on Schedule A as the "General Rule Maturities," the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A (the "Sale Price" as applicable to each Maturity of the General Rule Maturities).

(B) On or before the Sale Date, the Underwriting Group offered the Maturities listed on Schedule A as the "Hold-the-Offering-Price Maturities" to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices" as applicable to each Maturity of the Hold-the-Offering-Price Maturities). A copy of the pricing wire or equivalent communication for the Issue is attached to this Certificate as Schedule B.

(C) As set forth in the Purchase Contract dated \_\_\_\_\_, 2022, by and among the Issuer and the members of the Underwriting Group, the members of the Underwriting Group have agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, they would neither offer nor sell any portion of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Issue during the Holding Period.

(D) The aggregate of the Sale Prices of the General Rule Maturities and the Initial Offering Prices of the Hold-the-Offering-Price Maturities is \$[ ] (the "Issue Price").]

**[If the issue price is determined using only the hold-the-offering-price rule in Regulations § 1.148-1(f)(2)(ii):**

(A) The Underwriting Group offered, on or before the Sale Date, each Maturity of the Issue to the Public for purchase at the respective initial offering prices listed in the final Official Statement, dated \_\_\_\_\_, 2022, for the Issue (the "Initial Offering Prices"). A copy of the pricing wire or equivalent communication for the Issue is attached to this Certificate as Schedule A. The aggregate of the Initial Offering Prices of each Maturity is \$[ ] (the "Issue Price").

(B) As set forth in the Purchase Contract dated \_\_\_\_\_, 2022, by and among the Issuer and the members of the Underwriting Group, the members of the Underwriting Group have agreed in writing that, (i) for each Maturity of the Issue, they would neither offer nor sell any portion of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter has offered or sold any Maturity of the Issue at a price that is higher than the respective Initial Offering Price for that Maturity of the Issue during the Holding Period.

(B),(E), or (C)] Definitions. [NOTE: If issue price is determined using only the general rule (actual sales of 10%), delete the definitions of "Holding Period" and "Sale Date."]

["Holding Period" means, for each Hold-the-Offering-Price Maturity of the Issue, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (\_\_\_\_\_, 2022), or (ii) the date on which the Underwriting Group has sold at least 10% of such Maturity of the Issue to the Public at a price that is no higher than the Initial Offering Price for such Maturity.]

"Maturity" means bonds of the Issue with the same credit and payment terms. Bonds of the Issue with different maturity dates, or bonds of the Issue with the same maturity date but different stated interest rates, are treated as separate Maturities.

"Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this Certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

["Sale Date" means the first day on which there is a binding contract in writing for the sale of a Maturity of the Issue. The Sale Date of the Issue is \_\_\_\_\_, 2022.]

"Underwriter" means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Issue to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Issue to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Issue to the Public).

All other capitalized terms not defined in this Certificate have the meaning set forth in the Issuer's Tax Compliance Certificate or in Attachment A to it.

(2) **Yield.** The Yield on the Issue is [\_\_\_\_%], being the discount rate that, when used in computing the present worth of all payments of principal and interest to be paid on the Issue, computed on the basis of a 360-day year and semi-annual compounding, produces an amount equal to the Issue Price of the Issue as stated in paragraph (1) [and computed with the adjustments stated in paragraphs (6) and (7)].

(3) **Weighted Average Maturity.** The weighted average maturity (defined below) of the Issue is [\_\_\_\_] years. The weighted average maturity of an issue is equal to the sum of the products of the issue price of each maturity of the issue and the number of years to the maturity date of the respective maturity (taking into account mandatory but not optional redemptions), divided by the issue price of the entire issue.

(4) **Underwriter's Discount.** The Underwriter's discount is [\$\_\_\_\_\_], being the amount by which the aggregate Issue Price (as set forth in paragraph (1)) exceeds the price paid by the Underwriting Group to the Issuer for the Issue.

(5) **Reasonably Required Reserve.** In the opinion of the Representative, based on its knowledge of the financial markets, the establishment and continued existence of, and deposit of [\$\_\_\_\_\_] to the Reserve Account (as provided in the Resolution securing the Issue) was and is a vital and necessary factor in marketing the Issue to the Public. The maximum annual Debt Service on the Issue is [\$\_\_\_\_\_], and 125% of the average annual Debt Service on the Issue is [\$\_\_\_\_\_].

[(6) **Discount Maturities Subject to Mandatory Early Redemption.** No Maturity that is subject to mandatory early redemption has a stated redemption price that exceeds the Sale Price or Initial Offering Price, as applicable, of such Maturity by more than one-fourth of 1% multiplied by the product of its stated redemption price at maturity and the number of years to its weighted average maturity date.]

[Or]

[(6) **Discount Maturities Subject to Mandatory Early Redemption.** The stated redemption price at maturity of the Maturities that mature in the year[s] 20\_\_\_\_, which Maturities are the only Maturities of the Issue that are subject to mandatory early redemption, exceeds the Sale Price or Initial Offering Price, as applicable, of such Maturities by more than one-fourth of 1% multiplied by the product of the stated redemption price at maturity and the number of years to the weighted average maturity date of such Maturities. Accordingly, in computing the Yield on the Issue stated in paragraph (2), those Maturities were treated as redeemed on each mandatory early redemption date at their present value rather than at their stated principal amount.]

[(7) **Premium Maturities Subject to Optional Redemption.** No Maturity (A) is subject to optional redemption within five years of the Issuance Date of the Issue (B) that is subject to optional redemption has an Initial Offering Price or Sale Price, as applicable, that exceeds its stated redemption price at maturity by more than one-fourth of 1% multiplied by the product of its stated redemption price at maturity and the number of complete years to its first optional redemption date.]

[Or]

[(7) **Premium Maturities Subject to Optional Redemption.** The Maturities that mature in the year[s] 20\_\_\_\_ are the only Maturities that are subject to optional redemption before maturity and have an Initial Offering Price or Sale Price, as applicable, that exceeds their stated redemption price at maturity by more than one fourth of 1% multiplied by the product of their stated redemption price at maturity and the

number of complete years to their first optional redemption date. Accordingly, in computing the Yield on the Issue stated in paragraph (2), each such Maturity was treated as retired on its optional redemption date or at maturity to result in the lowest yield on that Maturity. No Maturity is subject to optional redemption within five years of the Issuance Date of the Issue.]

**[Or]**

**[(6) No Discount or Premium Maturities.** No Maturity was sold at an original issue discount or premium.]

**[(7 or 8)No Stepped Coupon Maturities.** No Maturity bears interest at an increasing interest rate.

The signer is an officer of the Representative and duly authorized to execute and deliver this Certificate for itself and as representative of the Underwriting Group. The representations set forth in this Certificate are limited to factual matters only. Nothing in this Certificate represents the Representative's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Issue, and by Nabors Giblin & Nickerson, P.A. and Manuel Alonso-Poch, P.A., as Co-Bond Counsel, in connection with rendering their opinion that the interest on the Issue is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Issue.

**SIEBERT WILLIAMS SHANK & CO., LLC**

By: \_\_\_\_\_  
[Name]

Dated: \_\_\_\_\_, 2022



**SCHEDULE A**  
**SALE PRICES OF THE GENERAL RULE MATURITIES AND INITIAL OFFERING PRICES**  
**OF THE HOLD-THE-OFFERING-PRICE MATURITIES**  
*(Attached)*

**SCHEDULE B**  
**PRICING WIRE OR EQUIVALENT COMMUNICATION**  
*(Attached)*

**EXHIBIT D**

**FORM OF CO-BOND COUNSEL SUPPLEMENTAL OPINION**

[To be reviewed by Bond Counsel]

\_\_\_\_\_, 2022

Board of County Commissioners of  
Broward County, Florida  
Fort Lauderdale, Florida

Siebert Williams Shank & Co., LLC,  
as Representative of the Underwriters  
Washington, D.C.

Dear Sir or Madam:

We have served as co-bond counsel to our client Broward County, Florida (the "County") in connection with the issuance by the County of its \$ \_\_\_\_\_ aggregate principal amount of Water and Sewer Utility Revenue Bonds, Series 2022A (the "Series 2022A Bonds"), dated the date of this letter. We have delivered on this date our opinion letter as co-bond counsel in connection with the original issuance of the Series 2022A Bonds (the "Bond Opinion"). This supplemental opinion letter is rendered pursuant to Section 9(d)(3) of the Purchase Contract, dated \_\_\_\_\_, 2022 (the "Purchase Contract"), between the County and the Underwriters therein named. Capitalized terms not otherwise defined in this letter are used as defined in the Purchase Contract. The Underwriters may rely on the Bond Opinion as if addressed to them.

In accordance with the terms of our engagement as co-bond counsel, we reviewed (a) the Preliminary Official Statement dated \_\_\_\_\_, 2022 (the "Preliminary Official Statement"), and (b) the Official Statement dated \_\_\_\_\_, 2022 (the "Official Statement"), in each case relating to the Series 2022A Bonds. We confirm to you that we believe the statements in (i) the Preliminary Official Statement, as of its date, and (2) the Official Statement, as of its date and as of this date, under the captions "INTRODUCTION," "DESCRIPTION OF THE SERIES 2022A BONDS" (excluding the subheading "Book-Entry Only System") and "SECURITY FOR THE SERIES 2022A BONDS" (other than the financial, statistical and demographic information included therein, as to all of which no opinion is expressed) insofar as such statements describe certain provisions of the Series 2022A Bonds and the Resolution, and the statements on the cover relating to the Bond Opinion and under the caption "TAX MATTERS" are accurate and fairly present the information purported to be shown.

In our capacity as co-bond counsel, we have examined the transcript of proceedings relating to the issuance of the Series 2022A Bonds, the Resolution and such other documents, matters and law as we deem necessary to render the opinions and advice set forth in this letter.

Based on that examination and subject to the limitations stated below, we are of the opinion that under existing law, the Series 2022A Bonds are exempt from registration under the Securities Act of 1933, as amended, and the Resolution is exempt from qualification under the Trust Indenture Act of 1939, as amended.

The legal opinions stated in the paragraph immediately above are based on an analysis of existing laws, regulations, rulings and court decisions and covers certain matters not directly addressed by such authorities. In rendering all such opinions, we assume, without independent verification, and rely upon: (i) the accuracy of the factual matters represented, warranted or certified in the proceedings and documents we have examined and (ii) the due and legal authorization, execution and delivery of those documents by, and the valid, binding and enforceable nature of those documents upon, any parties other than the County.

This letter is being furnished only to you for your use solely in connection with the transaction described herein and may not be relied upon by anyone else or for any other purpose without our prior written consent. No statements of belief or opinions other than those expressly stated herein shall be implied or inferred as a result of anything contained in or omitted from this letter. The statements of belief and opinions expressed in this letter are stated only as of the time of its delivery and we disclaim any obligation to revise or supplement this letter thereafter.

Respectfully submitted,

**EXHIBIT E**

**FORM OF OFFICE OF THE COUNTY ATTORNEY OPINION**

\_\_\_\_\_, 2022

Board of County Commissioners of  
Broward County, Florida  
Fort Lauderdale, Florida

Siebert Williams Shank & Co., LLC  
as Representative of the Underwriters  
Washington, D.C.

[Regions Bank]  
Jacksonville, Florida

Re: \$\_\_\_\_\_ Broward County, Florida Water and Sewer Utility Revenue Bonds, Series 2022A

Ladies and Gentlemen:

I am a Deputy County Attorney for Broward County, Florida (the "County") and have served in such capacity in connection with the issuance by the County of its Water and Sewer Utility Revenue Bonds, Series 2022A in the aggregate principal amount of \$\_\_\_\_\_ (the "Series 2022A Bonds") and related transactions. This opinion is furnished pursuant to the Purchase Contract dated \_\_\_\_\_, 2022 (the "Purchase Contract") by and between the County and Siebert Williams Shank & Co., LLC (the "Representative"), on behalf of itself and as representative for Citigroup Global Markets Inc. and Raymond James & Associates, Inc. (collectively with the Representative, the "Underwriters"). All capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Purchase Contract or the Resolution (as defined in the Purchase Contract).

The Office of the County Attorney has examined such documents and instruments as we deemed necessary to render this opinion. Based upon examination of such documents and matters of law as the Office of the County Attorney has determined relevant for the purposes of rendering this opinion, and subject to the reservations set forth herein, I am of the opinion that:

1. The County is a political subdivision of the State of Florida, duly organized and validly existing under the Constitution and laws of the State of Florida.

2. The County is authorized by the laws of the State of Florida to pledge the Pledged Revenues and the moneys on deposit from time to time in the funds and accounts established under the Resolution to the Series 2022A Bonds, to execute and deliver the Purchase Contract, Disclosure Agreement, [the Debt Service Reserve Agreement,] the Series 2022A Bonds (collectively, the "Financing Documents") and the Official Statement dated \_\_\_\_\_, 2022 (the "Official Statement") relating to the Series 2022A Bonds, and to perform its obligations under the Basic Documents, or as described therein. No further action on the part of the County or any other party is required to perfect the same or the interest of the bondholders therein. Pursuant to the Resolution, the County has approved the issuance of the Series 2022A Bonds for the purposes described in the Official Statement, including acquisition of the 2022 Project.

3. The Resolution has been duly adopted, and the execution and delivery by the County of the Financing Documents and the Official Statement, and the performance of its obligations thereunder or as described therein, for and in the name of the County, have been duly authorized by the County. The Resolution creates a valid pledge of the Pledged Revenues to the payment of the Series 2022A Bonds.

Board of County Commissioners of  
Broward County, Florida  
Siebert Williams Shank & Co., LLC  
[Regions Bank]  
\_\_\_\_\_, 2022

Page 2

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4. The County has duly approved the form of the Preliminary Official Statement, and has duly authorized the distribution thereof by the Underwriters in connection with the public offering of the Series 2022A Bonds.

5. The Financing Documents, the Official Statement and the certificates of the County delivered on this date to which the County is a party, have been duly authorized, executed and delivered by the County and, assuming due authorization, execution and delivery by the other parties thereto, as applicable, constitute valid and legally binding obligations of the County, enforceable against the County in accordance with their respective terms. The Resolution and the Financing Documents are each in full force and effect and have not been modified or amended, except as disclosed in the Official Statement.

6. The County has duly authorized the issuance of the Series 2022A Bonds and all conditions precedent to the delivery of the Series 2022A Bonds have been fulfilled.

7. To the best of my knowledge, no authorization, approval, consent, license or other action of any court or public or governmental or regulatory authority having jurisdiction over the County that has not been obtained is or will be required for adoption of the Resolution, issuance and sale of the Series 2022A Bonds or the valid and lawful authorization, execution and delivery, or consummation by the County, of the other transactions contemplated by the Financing Documents or the Official Statement, including funding of the 2022 Project.

8. The adoption by the County of the Resolution, the execution and delivery by the County of the Financing Documents and the Official Statement and compliance on the County's part with the provisions contained or described therein, will not conflict with, violate or constitute a material breach of or a material default under (a) any existing law, court or administrative regulation, order or decree, or (b) any commitment, mortgage, lease, indenture, agreement, contract or instrument to which the County is a party or by which it is, or any of its properties are, bound.

9. To the best of my knowledge, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by the Circuit Court of the State of Florida in and for the Seventeenth Judicial Circuit or in the United States District Court for the Southern District of Florida or any other court, governmental agency, public board or body for which the County has received actual notice, pending or, to the best of my knowledge, after due investigation, threatened against the County (a) which in any way affects, contests, questions or seeks to restrain or enjoin any of the following: (i) the powers or valid existence of the County or the titles of the members of the County's Board or any of their respective officers to their respective offices; (ii) any of the proceedings had or actions taken leading up to the sale, issuance and delivery of the Series 2022A Bonds or the execution, delivery or performance of the Purchase Contract; or (iii) the delivery, validity or enforceability of the Series 2022A Bonds, the Resolution or any of the Financing Documents, the collection or pledge of the Pledged Revenues, or the power of the County to undertake or consummate the transactions contemplated therein and in the Official Statement; (b) which contests in any way the completeness or accuracy of the Official Statement; (c) wherein an unfavorable decision, ruling or finding would materially and adversely affect the validity or enforceability of the Resolution or any of the Financing Documents; or (d) which would have a material adverse effect upon the

Board of County Commissioners of  
Broward County, Florida  
Siebert Williams Shank & Co., LLC  
[Regions Bank]  
\_\_\_\_\_, 2022

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operations of the County or the Utility, the collection or pledge of the Pledged Revenues or acquisition of the 2022 Project.

10. The statements and information relating to the County, the Utility, the Resolution and the Financing Documents set forth in the Preliminary Official Statement and the Official Statement (except for the financial statements and other financial and statistical data included therein, the information relating to The Depository Trust Company and its book-entry only system[ and any information regarding the Insurer or the Reserve Account Insurance Policy] and information provided by the Underwriters under the caption "UNDERWRITING," as to which no view is expressed) did not as of the date of the Preliminary Official Statement (excluding permitted omissions under SEC Rule 15c2-12) and as of the date of the Official Statement, and do not on the date hereof, contain any untrue statement of material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. Without undertaking to determine independently the accuracy or completeness of the information in the Preliminary Official Statement (excluding permitted omissions under SEC Rule 15c2-12) and the Official Statement, except as to the information noted in the preceding sentence, nothing has come to my attention that would lead me to believe that the Preliminary Official Statement, as of its date, and the Official Statement, as of its date and the date hereof, contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (excluding the financial statements and other financial and statistical data included therein, the information relating to The Depository Trust Company and its book-entry only system, [information relating to the Insurer and the Reserve Account Insurance Policy] and information provided by the Underwriters under the caption "UNDERWRITING," as to which no view is expressed).

All opinions as to the enforceability of the legal obligations of the County set forth herein are subject to and limited by bankruptcy, insolvency, reorganization, moratorium and similar laws, in each case relating to or affecting the enforcement of creditors' rights generally, and subject to the enforceability thereof, to the exercise of judicial discretion in accordance with the general principles of equity.

I am qualified to practice law in the State of Florida and for the purpose of this opinion, I do not purport to be an expert on, or to express an opinion herein concerning, the laws of any other jurisdiction (including any such laws which may be applicable by virtue of the application of the choice of law provisions under Florida law) except the laws of the United States of America to the extent set forth herein.

No one, other than the addressees named above, is entitled to rely upon the statements made and conclusions expressed within this opinion.

Very truly yours,

---

Deputy County Attorney

**EXHIBIT F**

**FORM OF UNDERWRITERS' COUNSEL OPINION**

[To be reviewed by Underwriter's Counsel]

\_\_\_\_\_, 2022

Siebert Williams Shank & Co., LLC  
Citigroup Global Markets Inc.  
Raymond James & Associates, Inc.  
c/o Siebert Williams Shank & Co., LLC  
As Representative of the Underwriters  
1025 Connecticut Avenue NW, Suite 509  
Washington, D.C. 20036

Re: \$\_\_\_\_\_ Broward County, Florida Water and Sewer Utility Revenue Bonds, Series 2022A

Ladies and Gentlemen:

We have acted as Underwriters' Counsel in connection with the purchase for a bona fide offering to the public of the above-referenced bonds (the "Series 2022A Bonds"), pursuant to the terms of a Purchase Contract, dated [\_\_\_\_\_], 2022 (the "Purchase Contract"), between the County and Siebert Williams Shank & Co., LLC, as representative of itself and Citigroup Global Markets Inc. and Raymond James & Associates, Inc. (collectively, the "Underwriters"). On this date, pursuant to the Purchase Contract, the County is issuing and delivering, and the Underwriters are purchasing, the Series 2022A Bonds. The Series 2022A Bonds are being issued pursuant to the Constitution and Laws of the State of Florida (the "State"), including Chapter 125 and Chapter 166, Florida Statutes, as amended, and particularly Section 125.0104, Florida Statutes, as amended, the Code of the County, as amended (the "County Code"), and other applicable provisions of law, and pursuant and subject to the terms and conditions of Resolution No. 88-4066, adopted by the Board of County Commissioners of the County (the "Board") on September 6, 1988, as supplemented by Resolution No. [\_\_\_\_], adopted by the Board on [\_\_\_\_\_], 2022 (collectively, the "Resolution").

We have, as such counsel, reviewed such proceedings, resolutions, documents, certificates and questions of law as we have considered necessary to enable us to render this opinion. Terms used herein but not otherwise defined shall have the meanings given them in the Purchase Contract.

To the extent that the opinions expressed herein relate to or are dependent upon the determination that the proceedings and actions relating to the authorization, issuance and sale of the Series 2022A Bonds are lawful and valid under the laws of the State of Florida, or that the Series 2022A Bonds, the Resolution and the Purchase Contract are valid and legally binding obligations of the parties thereto, enforceable in accordance with their respective terms, we understand that you are relying upon the opinions delivered on the date hereof of Nabors Giblin & Nickerson, P.A., Fort Lauderdale, Florida, and Manuel Alonso-Poch, P.A., Miami, Florida, as co-bond counsel for the County, and of the Office of the County Attorney of the County.

Based upon the foregoing, and specifically subject to the qualifications set forth herein, we are of the opinion that:



\_\_\_\_\_, 2022  
Page 2

1. The Series 2022A Bonds are exempt securities under the Securities Act of 1933, as amended, and the offer and sale of the Series 2022A Bonds do not require registration of any security under said Securities Act or qualification of the Resolution under the Trust Indenture Act of 1939, as amended.

2. Without having verified, or passed upon or assumed any responsibility for the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement or the Official Statement (including, in each case, the Appendices thereto), and based upon the information made available to us in the course of our participation in the preparation of the Preliminary Official Statement and the Official Statement, and without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement or the Official Statement, as of the date of the Closing, nothing has come to our attention that would cause us to believe that the Preliminary Official Statement, as of its date and as of the date of the Purchase Contract up to but not including the time of acceptance thereof by the County (the "Acceptance Time"), or the Official Statement, as of its date at and after the Acceptance Time and as of the date of the Closing, contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (in each case, except for the information under the headings "TAX MATTERS" or in Appendices B, C, D, E or F, or information concerning The Depository Trust Company and the book-entry-only system of registration for the Series 2022A Bonds, information concerning financial, demographic and statistical data included in the Preliminary Official Statement or the Official Statement [information concerning the Insurer] or, in each case, in the Appendices thereto, and in the case of the Preliminary Official Statement, except for the information permitted to be omitted pursuant to SEC Rule 15c2-12.

3. Without expressing any opinion with respect to the authorization, execution, delivery or validity of the Disclosure Dissemination Agent Agreement with respect to the Series 2022A Bonds, dated \_\_\_\_\_, 2022 (the "Disclosure Agreement"), based upon the examination described above, the continuing disclosure undertakings of the County set forth in the Disclosure Agreement are sufficient for the Underwriters to reasonably determine that the requirements of Section (b)(5)(i) of SEC Rule 15c2-12 with respect to the Series 2022A Bonds have been met.

This opinion and the statements contained herein are solely for your information and are not to be quoted in whole or in part or otherwise referred to, nor are they to be given to any governmental agency or any other person without our prior written consent, except that a copy of this opinion may be included in a transcript of the closing documents relating to the Series 2022A Bonds. No one other than the Underwriters is entitled to rely upon the statements made or the conclusions expressed within this opinion. We disclaim any obligation to supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in the law that may hereafter occur.

We hereby consent to the references to us in the Preliminary Official Statement and the Official Statement.

Respectfully submitted,

**EXHIBIT "B"**  
**PRELIMINARY OFFICIAL STATEMENT**

PRELIMINARY OFFICIAL STATEMENT DATED [JANUARY 26], 2022

**NEW ISSUE – BOOK-ENTRY ONLY**

**Ratings: Moody's: "\_\_\_"**  
**S&P: "\_\_\_"**  
**See "RATINGS" herein**

*In the opinion of Co-Bond Counsel, under existing statutes, regulations, rulings and court decisions and subject to the conditions described herein under "TAX MATTERS," interest on the Series 2022A Bonds is (a) excludable from gross income of the owners thereof for federal income tax purposes except as otherwise described herein under the caption "TAX MATTERS," and (b) not an item of tax preference for purposes of the federal alternative minimum tax. Such interest also may be subject to other federal income tax consequences referred to herein under "TAX MATTERS." See "TAX MATTERS" herein for a general discussion of Co-Bond Counsel's opinion and other tax considerations.*

\$[\_\_\_\_\_] \*  
**BROWARD COUNTY, FLORIDA**  
**WATER AND SEWER UTILITY REVENUE BONDS,**  
**SERIES 2022A**

**Dated: Date of Delivery**

**Due: October 1, as shown on the inside cover page**

The Broward County, Florida Water and Sewer Utility Revenue Bonds, Series 2022A (the "Series 2022A Bonds") will be initially issued as fully registered bonds, and when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2022A Bonds. Purchasers will not receive certificates representing their ownership interest in the Series 2022A Bonds purchased. The Series 2022A Bonds shall be issued in denominations of \$5,000 or any multiple thereof. The Series 2022A Bonds shall be dated their date of delivery and shall bear interest from such date. The Series 2022A Bonds shall mature on the dates and bear interest at the rates shown on the inside cover page of this Official Statement. Interest on the Series 2022A Bonds is payable on each April 1 and October 1, commencing on October 1, 2022. Amounts due on the Series 2022A Bonds will be paid to DTC or its nominee, which will remit such payments in accordance with its normal procedures, as described herein. See "DESCRIPTION OF THE SERIES 2022A BONDS – Book-Entry Only System" herein. [Regions Bank, Jacksonville, Florida], will act as Paying Agent and Bond Registrar for the Series 2022A Bonds. [Regions Bank, Jacksonville, Florida], also serves as Trustee under the Construction Account and Reserve Account Trust Indenture, as described herein.

The Series 2022A Bonds are subject to redemption by Broward County, Florida (the "County") prior to maturity as set forth herein. See "DESCRIPTION OF THE SERIES 2022A BONDS – Redemption Provisions" herein.

The Series 2022A Bonds are being issued for the purposes of providing funds, together with other legally available funds, if any, to: (i) pay all or a portion of the costs of additional Improvements to the County's Water and Sewer Utility (the "2022 Project"); (ii) fund the increase in the Reserve Account Requirement; and (iii) pay the costs of issuance of the Series 2022A Bonds. The Series 2022A Bonds are payable from and secured by a lien on and pledge of Net Revenues (as defined herein) of the Water and Wastewater Utility System of the County (the "Utility"), and, to the extent permitted by law, and the Resolution (as defined herein), certain Impact Fees (collectively, the "Pledged Revenues"). See "DESCRIPTION OF THE SERIES 2022A BONDS – Purpose of the Series 2022A Bonds" and "SECURITY FOR THE SERIES 2022A BONDS" herein. The Series 2022A Bonds are being issued on a parity with the County's Water and Sewer Utility Revenue Bonds, Series 2012A, Water and Sewer Utility Revenue Refunding Bonds, Series 2012B, Water and Sewer Utility Revenue Refunding Bonds, Series 2015A, Water and Sewer Utility Revenue Refunding Bonds, Series 2015B, Water and Sewer Utility Revenue Bonds, Series 2019A, and Taxable Water and Sewer Utility Revenue Refunding Bonds, Series 2019B, as to the lien on such Pledged Revenues.

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

This Preliminary Official Statement and any information contained herein are subject to completion and amendment. Under no circumstances may this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2022A Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

THE SERIES 2022A BONDS SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OF THE COUNTY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION AND THE COUNTY IS NOT OBLIGATED TO PAY THE PRINCIPAL OF, THE PREMIUM, IF ANY, OR THE INTEREST ON, THE SERIES 2022A BONDS EXCEPT FROM THE PLEDGED REVENUES; AND THE FULL FAITH AND CREDIT OF THE COUNTY ARE NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, THE PREMIUM, IF ANY, OR THE INTEREST ON THE SERIES 2022A BONDS. THE ISSUANCE OF THE SERIES 2022A BONDS SHALL NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATE THE COUNTY TO LEVY OR TO PLEDGE ANY TAXES WHATSOEVER THEREFOR OR TO MAKE ANY APPROPRIATION FOR THE PAYMENT OF THE PRINCIPAL OF, THE PREMIUM, IF ANY, OR THE INTEREST ON, THE SERIES 2022A BONDS EXCEPT AS PROVIDED IN THE RESOLUTION (AS DEFINED HEREIN).

*The Series 2022A Bonds are offered when, as and if issued and accepted by the Underwriters, subject to the approval of legality by Nabors, Giblin & Nickerson, P.A., Fort Lauderdale, Florida, and Manuel Alonso-Poch, P.A., Miami, Florida, Co-Bond Counsel. Certain legal matters will be passed upon for the County by the Office of the County Attorney, Broward County, Florida. Certain matters relating to disclosure will be passed upon for the County by GrayRobinson, P.A., Tampa, Florida and the Pittman Law Group, P.L., Tallahassee, Florida, Co-Disclosure Counsel to the County. Certain legal matters will be passed upon for the Underwriters by Weiss Serota Helfman Cole & Bierman, P.L., Fort Lauderdale, Florida. Public Resources Advisory Group, Inc., St. Petersburg, Florida is serving as Financial Advisor to the County. It is expected that the Series 2022A Bonds in book-entry form will be available for delivery through the facilities of DTC, New York, New York on or about February \_\_, 2022.*

**Siebert Williams Shank & Co., LLC**  
**Citigroup** **Raymond James**

Dated: \_\_\_\_\_, 2022

\_\_\_\_\_  
\*Preliminary, subject to change.

**MATURITIES, AMOUNTS, INTEREST RATES, PRICES, YIELDS AND CUSIP NUMBERS**

**BROWARD COUNTY, FLORIDA**

\$ \_\_\_\_\_ \*

**BROWARD COUNTY, FLORIDA  
WATER AND SEWER UTILITY REVENUE BONDS,  
SERIES 2022A**

\$ \_\_\_\_\_ **Serial Bonds**

<u>Maturity</u> <u>(October 1)</u>	<u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u>	<u>Yield</u>	<u>CUSIP No.</u> <sup>(1)</sup>
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\$ _____ - _____%	Series 2022A Term Bond due October 1, 20__	- Price _____	CUSIP No. _____	(1)
\$ _____ - _____%	Series 2022A Term Bond due October 1, 20__	- Price _____	CUSIP No. _____	(1)

\* Preliminary, subject to change.

<sup>(1)</sup> The CUSIP number has been assigned by an organization not affiliated with the County and is included solely for the convenience of the holders of the Series 2022A Bonds. The County is not responsible for the selection or uses of the CUSIP number, nor is any representation made as to its correctness on the Series 2022A Bonds or as indicated above. The CUSIP number is subject to being changed after the issuance of the Series 2022A Bonds as a result of various subsequent actions including, but not limited to, as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the Series 2022A Bonds.

## **BROWARD COUNTY, FLORIDA**

### **BOARD OF COUNTY COMMISSIONERS**

Michael I. Udine, Mayor  
Lamar P. Fisher, Vice Mayor  
Mark D. Bogen  
Quetin "Beam" Furr  
Steven A. Geller  
Dale V.C. Holness\*  
Nan H. Rich  
Timothy M. Ryan  
Dr. Barbara Sharief\*

### **COUNTY ADMINISTRATOR**

Bertha W. Henry

### **COUNTY ATTORNEY**

Andrew J. Meyers

### **CHIEF FINANCIAL OFFICER**

George Tablack

### **DIRECTOR, BROWARD COUNTY WATER AND WASTEWATER SERVICES**

Alan W. Garcia, P.E.

### **CO-BOND COUNSEL**

Nabors, Giblin & Nickerson, P.A.  
Manuel Alonso-Poch, P.A.

### **CO-DISCLOSURE COUNSEL**

GrayRobinson, P.A.  
Pittman Law Group, P.L.

### **FINANCIAL ADVISOR**

Public Resources Advisory Group, Inc.

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\* Dale V.C. Holness and Barbara Sharief each submitted their irrevocable resignation from their current office as Commissioners on the Broward County Board of County Commissioners to qualify as candidates in the Special Election for the Florida 20<sup>th</sup> Congressional District of the U.S. House of Representatives. Such resignations become effective in January 2022, no later than the date the commissioner would have taken office in the U.S. House of Representatives. Governor Ron DeSantis has appointed Jared Moskowitz to the seat held by Barbara Sharief and Torey Alston to the seat held by Dale V.C. Holness. The newly appointed commissioners will each serve a term beginning on the effective date of resignation of the commissioner they are replacing through the first Tuesday after the first Monday following the 2022 general election.

NO DEALER, BROKER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED BY THE COUNTY OR THE UNDERWRITERS TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN AS SET FORTH IN THIS OFFICIAL STATEMENT AND, IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COUNTY OR THE UNDERWRITERS. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THE SERIES 2022A BONDS BY A PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH AN OFFER, SOLICITATION OR SALE. THIS OFFICIAL STATEMENT IS NOT TO BE CONSTRUED AS A CONTRACT.

THE SERIES 2022A BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAW, NOR HAS THE RESOLUTION BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS.

THE SERIES 2022A BONDS HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

THE UNDERWRITERS HAVE REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH AND AS PART OF THEIR RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITERS DO NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

THIS OFFICIAL STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS EITHER IN BOUND PRINTED FORM ("ORIGINAL BOUND FORMAT") OR IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITES: WWW.MUNIOS.COM AND WWW.EMMA.MSRB.ORG. THIS OFFICIAL STATEMENT MAY BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT OR AS PRINTED IN ITS ENTIRETY DIRECTLY FROM SUCH WEBSITE.

CERTAIN STATEMENTS INCLUDED OR INCORPORATED BY REFERENCE IN THIS OFFICIAL STATEMENT CONSTITUTE "FORWARD-LOOKING STATEMENTS." SUCH STATEMENTS GENERALLY ARE IDENTIFIABLE BY THE TERMINOLOGY USED, SUCH AS "PLAN," "EXPECT," "ESTIMATE," "BUDGET" OR OTHER SIMILAR WORDS. SUCH FORWARD-LOOKING STATEMENTS INCLUDE BUT ARE NOT LIMITED TO CERTAIN STATEMENTS CONTAINED IN THE INFORMATION UNDER THE CAPTIONS "THE 2022 PROJECT," "ESTIMATED SOURCES AND USES OF FUNDS," AND "THE WATER AND WASTEWATER UTILITY – OVERVIEW OF FINANCIAL OPERATIONS." THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2022A BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITERS MAY OFFER AND SELL THE SERIES 2022A BONDS TO CERTAIN DEALERS AND OTHERS AT PRICES LOWER OR YIELDS HIGHER THAN THE PUBLIC OFFERING PRICES OR YIELDS SET FORTH ON THE INSIDE COVER PAGE OF THIS OFFICIAL STATEMENT, AND SUCH PUBLIC OFFERING PRICES OR YIELDS MAY BE CHANGED FROM TIME TO TIME, AFTER THE INITIAL OFFERING TO THE PUBLIC, BY THE UNDERWRITERS.

REFERENCES TO WEBSITE ADDRESSES PRESENTED HEREIN ARE FOR INFORMATIONAL PURPOSES ONLY AND MAY BE IN THE FORM OF A HYPERLINK SOLELY FOR THE READER'S CONVENIENCE. UNLESS SPECIFIED OTHERWISE, SUCH WEBSITES AND THE INFORMATION OR LINKS CONTAINED THEREIN ARE NOT INCORPORATED INTO, AND ARE NOT PART OF, THIS OFFICIAL STATEMENT FOR PURPOSES OF RULE 15C2-12 OF THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, AS AMENDED, AND IN EFFECT ON THE DATE HEREOF.

THIS PRELIMINARY OFFICIAL STATEMENT IS IN A FORM DEEMED FINAL BY THE COUNTY FOR PURPOSES OF RULE 15C2-12 PROMULGATED UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, EXCEPT FOR CERTAIN INFORMATION PERMITTED TO BE OMITTED PURSUANT TO RULE 15C2-12(B)(1).



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**OFFICIAL STATEMENT  
OF  
BROWARD COUNTY, FLORIDA**

**\$\_[\_\_\_\_\_]\*  
BROWARD COUNTY, FLORIDA  
WATER AND SEWER UTILITY REVENUE BONDS,  
SERIES 2022A**

**INTRODUCTION**

The purpose of this Official Statement, including the cover page, inside cover page and all appendices, is to set forth certain information in connection with the sale by Broward County, Florida (the "County") of its \$[\_\_\_\_\_]\* aggregate principal amount of Water and Sewer Utility Revenue Bonds, Series 2022A (the "Series 2022A Bonds").

The Series 2022A Bonds are being issued pursuant to the Constitution and laws of the State of Florida (the "State"), and the Home Rule Charter of the County (collectively, the "Act") and other applicable provisions of law and subject to the terms and conditions of Resolution No. 88-4066 adopted by the Board of County Commissioners (the "Board") of the County on September 6, 1988, as amended and supplemented (the "Bond Resolution") and Resolution No. [\_\_\_\_\_] adopted by the Board on [\_\_\_\_\_] , 2022 (the "Series Resolution" and, together with the Bond Resolution, the "Resolution"). The Series 2022A Bonds are secured by a pledge of and lien on Net Revenues (as defined herein) derived from the operation of the County's Water and Wastewater Utility System (the "Utility") as more particularly described herein under the heading "SECURITY FOR THE SERIES 2022A BONDS," and, to the extent permitted by law and the Resolution, certain Impact Fees (collectively, the "Pledged Revenues"). See "SECURITY FOR THE SERIES 2022A BONDS." Capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Resolution.

The County has previously issued its Water and Sewer Utility Revenue Bonds, Series 2012A (the "Series 2012A Bonds"), of which \$21,980,000 in aggregate principal amount are outstanding, its Water and Sewer Utility Revenue Refunding Bonds, Series 2012B (the "Series 2012B Bonds"), of which \$72,415,000 in aggregate principal amount are outstanding, its Water and Sewer Utility Revenue Refunding Bonds, Series 2015A (the "Series 2015A Bonds"), of which \$42,255,000 in aggregate principal amount are outstanding, its Water and Sewer Utility Revenue Refunding Bonds, Series 2015B (the "Series 2015B Bonds"), of which \$154,925,000 in aggregate principal amount are outstanding, its Water and Sewer Utility Revenue Bonds, Series 2019A (the "Series 2019A Bonds"), of which \$249,110,000 in aggregate principal amount are outstanding, and its Taxable Water and Sewer Utility Revenue Refunding Bonds, Series 2019B (the "Series 2019B Bonds"), of which \$111,375,000 in aggregate principal amount are outstanding. The Series 2022A Bonds will be issued on a parity with the Outstanding Series 2012A Bonds, Series 2012B Bonds, Series 2015A Bonds, Series 2015B Bonds, Series 2019A Bonds, and Series 2019B Bonds (collectively, the "Parity Bonds"), as to the lien on the Pledged Revenues. The Parity Bonds, Series 2022A Bonds, and any bonds issued on a parity therewith, are referred to collectively herein as the "Bonds."

The Series 2022A Bonds are being issued for the purposes of providing funds, together with other legally available funds, if any, to: (i) pay all or a portion of the costs of additional Improvements to the County's Water and Sewer Utility (the "2022 Project"); (ii) fund the increase in the Reserve Account Requirement; and (iii) pay the costs of issuance of the Series 2022A Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" and "PLAN OF FINANCE."

The County has not provided information regarding DTC (as defined herein) and does not certify as to the accuracy or sufficiency of the disclosure practices of or content provided by DTC and is not responsible for the information provided by such party.

This Official Statement speaks only as of its date, and the information contained herein is subject to change. Descriptions of the Series 2022A Bonds, the Bond Resolution, the Series Resolution and other agreements and documents contained herein may constitute summaries of certain provisions thereof, and do not purport to be complete.

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\* Preliminary, subject to change.

Reference is made to the Bond Resolution, the Series Resolution, the Engineer's Report and the Continuing Disclosure Certificate. For a more complete description of such provisions, see "APPENDIX D – RESOLUTION," "APPENDIX C – ENGINEER'S REPORT" and "APPENDIX G - FORM OF DISSEMINATION AGENT AGREEMENT." General governance, finance, economic and demographic information concerning the County may be found in "APPENDIX A - GENERAL INFORMATION REGARDING BROWARD COUNTY."

## DESCRIPTION OF THE SERIES 2022A BONDS

### General

The Series 2022A Bonds are being issued pursuant to the Act and other applicable provisions of law, and are subject to the terms and conditions of the Resolution. The Series 2022A Bonds are being issued as "Additional Bonds" within the meaning of the Bond Resolution.

### Purpose of the Series 2022A Bonds

The Series 2022A Bonds are being issued for the purposes of providing funds, together with other legally available funds, if any, to: (i) pay all or a portion of the costs of the 2022 Project and refinance interim indebtedness related thereto; (ii) fund the increase in the Reserve Account Requirement; and (iii) pay the costs of issuance of the Series 2022A Bonds. See "THE 2022 PROJECT."

### Authorized Denominations; Interest Payment Dates

The Series 2022A Bonds shall be issued in denominations of \$5,000 or any multiple thereof. The Series 2022A Bonds will be dated the Date of Delivery and will bear interest at the rates, and will mature on the dates and in the amounts set forth on the inside cover page of this Official Statement. Interest on the Series 2022A Bonds is payable commencing on October 1, 2022 and semiannually thereafter on each October 1 and April 1 until maturity or earlier redemption. [Regions Bank, Jacksonville, Florida,] shall serve as the Paying Agent and Bond Registrar.

### Redemption Provisions

The Series 2022A Bonds are subject to redemption as set forth below.

#### Optional Redemption

The Series 2022A Bonds are subject to optional redemption prior to maturity, in such manner as the County shall determine, on or after October 1, 20\_\_ as a whole or in part at any time, by lot if in part, at a redemption price equal to one hundred percent (100%) of the principal amount redeemed, plus accrued interest to the redemption date.

#### Mandatory Sinking Fund Redemption

The Series 2022A Bonds maturing on October 1, 20\_\_ are subject to mandatory sinking fund redemption prior to maturity at one hundred percent (100%) of the principal amount redeemed or paid, together with accrued interest to the redemption date without premium, on October 1 of each year, as follows:

<u>Year</u>	<u>Principal Amount</u>
-------------	-------------------------

\$

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\_\_\_\_\_  
\*Final Maturity

### Redemption Notice

At least 30 days before the redemption date, a notice signed by the Chief Financial Officer of the County of any such redemption, either in whole or in part, (i) shall be filed with the Bond Registrar, and (ii) shall be mailed, first class mail, postage prepaid, to all registered Holders of Series 2022A Bonds (which, so long as DTC shall act as

securities depository for the Series 2022A Bonds, shall be Cede & Co.) to be redeemed at their addresses as they appear on the registration books of the Bond Registrar, but failure to so mail any such notice shall not affect the validity of the proceedings for such redemption. No assurance can be given by the County that DTC and DTC Participants will promptly transmit notices of redemption to Beneficial Owners. In addition to the above requirements, further notice of redemption shall be sent at least 30 days before the redemption date by registered or certified mail or overnight delivery service to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system ("EMMA"). No defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed in the Bond Resolution.

In the case of an optional redemption, any notice of redemption may state that (1) it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Bond Registrar, Paying Agent or a fiduciary institution acting as escrow agent no later than the redemption date or (2) the County retains the right to rescind such notice on or prior to the scheduled redemption date (in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described in the Resolution. Any such notice of Conditional Redemption shall be captioned "Conditional Notice of Redemption." Any Conditional Redemption may be rescinded at any time prior to the redemption date if the Chief Financial Officer delivers a written direction to the Bond Registrar directing the Bond Registrar to rescind the redemption notice. The Bond Registrar shall give prompt notice of such rescission to the affected Bondholders. Any Series 2022A Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and neither the rescission nor the failure by the County to make such funds available shall constitute an Event of Default under the Resolution. The Bond Registrar shall give immediate notice to any securities information repositories for the Series 2022A Bonds and the affected Bondholders that the redemption did not occur and that the Series 2022A Bonds called for redemption and not so paid remain Outstanding.

### **Book-Entry Only System**

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

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES 2022A BONDS, AS NOMINEE OF DTC, CERTAIN REFERENCES IN THIS OFFICIAL STATEMENT TO THE SERIES 2022A BONDHOLDERS OR REGISTERED OWNERS OF THE SERIES 2022A BONDS SHALL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES 2022A BONDS. THE DESCRIPTION WHICH FOLLOWS OF THE PROCEDURES AND RECORD KEEPING WITH RESPECT TO BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2022A BONDS, PAYMENT OF INTEREST AND PRINCIPAL ON THE SERIES 2022A BONDS TO DIRECT PARTICIPANTS (AS HEREINAFTER DEFINED) OR BENEFICIAL OWNERS OF THE SERIES 2022A BONDS, CONFIRMATION AND TRANSFER OF BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2022A BONDS, AND OTHER RELATED TRANSACTIONS BY AND BETWEEN DTC, THE DIRECT PARTICIPANTS AND BENEFICIAL OWNERS OF THE SERIES 2022A BONDS IS BASED SOLELY ON INFORMATION FURNISHED BY DTC. ACCORDINGLY, THE COUNTY AND THE UNDERWRITERS NEITHER MAKE NOR CAN MAKE ANY REPRESENTATIONS CONCERNING THESE MATTERS.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Series 2022A Bonds. The Series 2022A Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each interest rate of each maturity of the Series 2022A Bonds, each in the aggregate principal amount of such maturity to be issued, as set forth on the inside cover page of this Official Statement, and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt

issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, and trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission (the "SEC"). More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Series 2022A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2022A Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2022A Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2022A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2022A Bonds, except in the event that use of the book-entry system for the Series 2022A Bonds is discontinued.

To facilitate subsequent transfers, all Series 2022A Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2022A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2022A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2022A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Series 2022A Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2022A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of the Series 2022A Bonds may wish to ascertain that the nominee holding the Series 2022A Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Bond Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent by the Bond Registrar to DTC. If less than all of the Series 2022A Bonds within a particular maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2022A Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2022A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2022A Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from County or the Bond Registrar, on

the payable date in accordance with their respective holdings shown on DTC's records. Payments by Direct and Indirect Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Bond Registrar or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or the Bond Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

### **Discontinuance of Book-Entry Only System**

In the event the County determines that it is in the best interest of the Beneficial Owners to obtain Series 2022A Bond certificates, the County may notify DTC and the Bond Registrar, whereupon DTC will notify the DTC Participants, of the availability through DTC of Series 2022A Bond certificates. In such event, the County shall prepare and execute, and the Bond Registrar shall authenticate, transfer and exchange, Series 2022A Bond certificates as requested by DTC in appropriate amounts and within the guidelines set forth in the Bond Resolution. DTC may also determine to discontinue providing its services with respect to the Series 2022A Bonds at any time by giving written notice to the County and the Bond Registrar and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the County and the Bond Registrar shall be obligated to deliver Series 2022A Bond certificates as described herein. In the event Series 2022A Bond certificates are issued, the provisions of the Bond Resolution shall apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal of and interest on such certificates. Whenever DTC requests the County and the Bond Registrar to do so, the County will direct the Bond Registrar to cooperate with DTC in taking appropriate action after reasonable notice (i) to make available one or more separate certificates evidencing the Series 2022A Bonds to any DTC Participant having Series 2022A Bonds credited to its DTC account; or (ii) to arrange for another securities depository to maintain custody of certificates evidencing the Series 2022A Bonds.

### **Registration, Transfer and Exchange**

If the book-entry only system is discontinued, the Beneficial Owners shall receive certificated Series 2022A Bonds which will be subject to registration of transfer or exchange as set forth below. Transfer of any Series 2022A Bond may be registered upon the registration books maintained by the Bond Registrar upon surrender of such Series 2022A Bond to the Bond Registrar together with a proper written instrument of transfer in form and with guaranty of signature satisfactory to the Bond Registrar. Upon surrender to the Bond Registrar, a new fully registered Series 2022A Bond of the same maturity, in the same aggregate principal amount and bearing the same rate of interest will be issued to and in the name of the transferee. The County and the Bond Registrar may charge the registered Holders of the Series 2022A Bonds an amount sufficient to reimburse them for their reasonable fees and for any tax, fee or other governmental charge required with respect to the registration of such transfer before any such certificated Series 2022A Bonds are delivered. The Bond Registrar shall not be required to transfer or exchange any Series 2022A Bond during the 15 days next preceding any interest payment date or, in the case of a proposed redemption after the mailing of a notice of redemption, during the period of 15 days next preceding the mailing of a notice of redemption.

The County, the Bond Registrar and the Paying Agent shall deem and treat the registered Holder of any Series 2022A Bond as the absolute owner of such Series 2022A Bond for all purposes, including for the purpose of receiving payment of the principal of and interest on the Series 2022A Bonds.

NONE OF THE COUNTY, THE PAYING AGENT AND BOND REGISTRAR OR THE UNDERWRITERS WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DIRECT PARTICIPANTS, TO INDIRECT PARTICIPANTS OR TO ANY BENEFICIAL OWNER WITH RESPECT TO: (I) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DIRECT PARTICIPANT OR ANY INDIRECT PARTICIPANT; (II) ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE SERIES 2022A BONDS UNDER THE RESOLUTION; (III) THE SELECTION BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE SERIES 2022A BONDS; (IV) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OR REDEMPTION PREMIUM, IF ANY, OR INTEREST DUE WITH RESPECT TO THE SERIES

2022A BONDS; OR (V) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNER OF THE SERIES 2022A BONDS.

### THE 2022 PROJECT

The "2022 Project" will consist of improvements to the County's North Regional Wastewater Treatment Plant (the "North Regional Wastewater Treatment Plant" or the "NRWWTP"), and the construction and reconstruction of certain other improvements, all as set forth in the Utility's five-year CIP (defined below). See the "THE WATER AND WASTEWATER UTILITY – Capital Improvement Program."

The 2022 Project is expected to include the following:

- [Construction of major arterial pipes for a reclaimed water distribution system within Palm Beach County, relating to the North Regional Wastewater Treatment Plant.
- A comprehensive multi-year restoration program for replacement of aging infrastructure at the North Regional Wastewater Treatment Plant related to wastewater treatment processes and biosolids treatment, such as the upgrading of secondary effluent disposal system; enhanced aeration; offsite effluent pumping and disposal; sludge and biosolids dewatering, sludge digestion; upgrading of process controls, electrical switchgears, motor control centers, supervisory controls, and instrumentation; yard piping/conduits, lighting, irrigation, landscaping and civil sitework.
- Addition of deep injection wells and booster capacity improvements to the existing deep injection wells at the North Regional Wastewater Treatment Plant.
- Final Phase of construction for the conversion of treatment modules A, B, and D to fine bubble aeration at the North Regional Wastewater Treatment Plant.
- Design of new multipurpose effluent outfall pump station to discharge effluent through the ocean outfall during emergency and high flow events at the North Regional Wastewater Treatment Plant.
- Design for bulk sodium hypochlorite storage and feed facilities to replace the chlorine cylinder feed system at the North Regional Wastewater Treatment Plant.
- Certain master meter improvements comprised of upgrading wholesale billing meters and associated telemetry.
- Acquisition of an allocation of 6 MGD of capacity from the C-51 Reservoir to provide alternative water supply to the County.
- Replacement of water mains and gravity sewers in UAZ 113-A.
- Extend sanitary sewer to areas currently served by septic tanks in areas of UAZ's 359, 360, 361, 364, 365, and 366 (which are in District 3BC). The project will eliminate 1,800 septic tanks.
- Construction will include a new lift station, force main, and gravity sewer in areas 3A-N in connection with District 3A septic tank elimination.
- Construction will include a new lift station, force main, and gravity sewer to serve commercial parcels in areas 2-F in connection with District 2A septic tank elimination.
- Replace approximately 2,000 linear feet of 20-inch, 1,200 linear feet of 16-inch, and 2,300 linear feet of 4 and 6-inch force main.
- Upgrade of mechanical, electrical, and variable frequency drive equipment for master pump stations 452 and 462.
- Upgrade switchgear and associated mechanical and electrical components for master pump station 455.
- Project will connect residences currently not connected to the County sewer system in Broadview Park. Project is expected to eliminate 650 septic tanks.
- Construct new sanitary sewer and replace water mains in connection with the District 3A septic tank elimination for areas 3A-Y. Project will also include a new force main.
- Replacement of galvanized and asbestos cement pipe in connection with District 3C water system improvements. Project will have three phases; this funding will address Phase 1.]

The current fiscal plan for financing the CIP anticipates the sale of the Series 2022A Bonds, which is expected to provide approximately \$[\_\_\_\_\_]\* of net proceeds to be used to pay all or a portion of the costs of the 2022

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\* Preliminary, subject to change.



Project. The remainder of the CIP is expected to be financed by user fees, capital recovery charges, contributions from Large Users (defined below), grants and future borrowings. See the "THE WATER AND WASTEWATER UTILITY – Capital Improvement Program."

[Remainder of page intentionally left blank.]

**ESTIMATED SOURCES AND USES OF FUNDS**

The following table sets forth the estimated sources and uses of funds associated with the issuance of the Series 2022A Bonds:

<u>Sources of Funds</u>	Series 2022A <u>Bonds</u>
Principal Amount	\$ _____
Plus/Less Original Issue Premium/Discount [Other Legally Available Funds]	_____
Total Sources of Funds	<u>\$ _____</u>
<u>Uses of Funds</u>	
Deposit to Series 2022A Construction Fund	\$ _____
Deposit to Reserve Account	_____
Costs of Issuance <sup>(1)</sup>	_____
Underwriters' Discount <sup>(2)</sup>	_____
Total Uses of Funds	<u>\$ _____</u>

<sup>(1)</sup> Includes legal fees, financial advisory fees, and miscellaneous costs of issuance.

<sup>(2)</sup> Includes Underwriters' Counsel fees.

[Remainder of page intentionally left blank.]

**DEBT SERVICE SCHEDULE**

Period Ending	Total Outstanding Parity Bonds Debt Service <sup>(1)(2)</sup>	Series 2022A Principal	Series 2022A Interest	Series 2022A Total Debt Service <sup>(2)</sup>	Total Aggregate Debt Service <sup>(2)</sup>
Oct. 1					
2022	\$ 45,564,412				
2023	45,566,912				
2024	45,568,412				
2025	45,569,162				
2026	45,565,912				
2027	45,566,412				
2028	44,901,412				
2029	44,897,158				
2030	44,899,403				
2031	44,898,595				
2032	44,901,136				
2033	44,901,857				
2034	44,897,592				
2035	44,897,317				
2036	44,899,366				
2037	44,901,700				
2038	41,598,150				
2039	41,597,400				
2040	41,599,150				
2041	41,594,400				
2042	41,597,400				
2043	41,598,200				
2044	41,594,800				
2045	--				
2046	--				
2047	--				
<b>TOTAL</b>	<b>\$1,013,576,258</b>				

(1) Includes the Series 2012A Bonds, the Series 2012B Bonds, the Series 2015A Bonds, the Series 2015B Bonds, the Series 2019A Bonds, and the Series 2019B Bonds. [Confirm schedule.]

(2) Totals may not add due to rounding.

## SECURITY FOR THE SERIES 2022A BONDS

### General

The Series 2022A Bonds are limited obligations of the County, payable solely from and secured by a lien upon and pledge of all Net Revenues of the Utility. "Net Revenues" are defined in the Bond Resolution as being, for any particular period, the excess of the Revenues for such period over the Current Expenses for such period. "Revenues" consist of all moneys received by the County in connection with or as a result of its ownership or operation of the Utility, including the income derived by the County from the sale of water produced, treated or distributed by, or the collection, transmission, treatment or disposal of sewage by the Utility, any proceeds of use and occupancy insurance on the Utility or any part thereof and income from investments made under the Bond Resolution; provided, however, Revenues do not include grants, contributions or donations, investment income from investment of moneys on deposit in the Construction Fund and the Impact Fee Account established under the Bond Resolution, proceeds of insurance (except use and occupancy insurance) and condemnation awards, moneys held in any Arbitrage Rebate Funds created pursuant to the Bond Resolution, proceeds of sales of property constituting a part of the Utility, special assessments, the proceeds of Bonds or other Utility Debt and Impact Fees. "Current Expenses" are defined in the Bond Resolution to be the County's reasonable and necessary current expenses of maintenance, repair and operation of the Utility and include, without limiting the generality of the foregoing, all ordinary and usual expenses of maintenance and repair, which may include expenses not annually recurring, all County administrative expenses and any reasonable payments to pension or retirement funds properly chargeable to the Utility, insurance premiums, engineering expenses relating to maintenance, repair and operation, fees and expenses of the Bond Registrar, legal expenses, any taxes which may be lawfully imposed on the Utility or its income or operations and reserves for such taxes, annual premiums for bond insurance, interest rate insurance or insurance assuring availability of the amounts required to be on deposit in the Reserve Account, annual fees for Credit Facilities, or Liquidity Facilities (as defined in the Bond Resolution), and any other expenses required to be paid by the County under the provisions of the Bond Resolution or by law, including any amounts required from time to time to fund the Arbitrage Rebate Fund established under the Bond Resolution, but do not include any reserves for extraordinary maintenance or repair, or any allowance for depreciation, or any deposits or transfers to the credit of the Sinking Fund, the Renewal, Replacement and Improvement Fund or the General Reserve Fund established under the Bond Resolution.

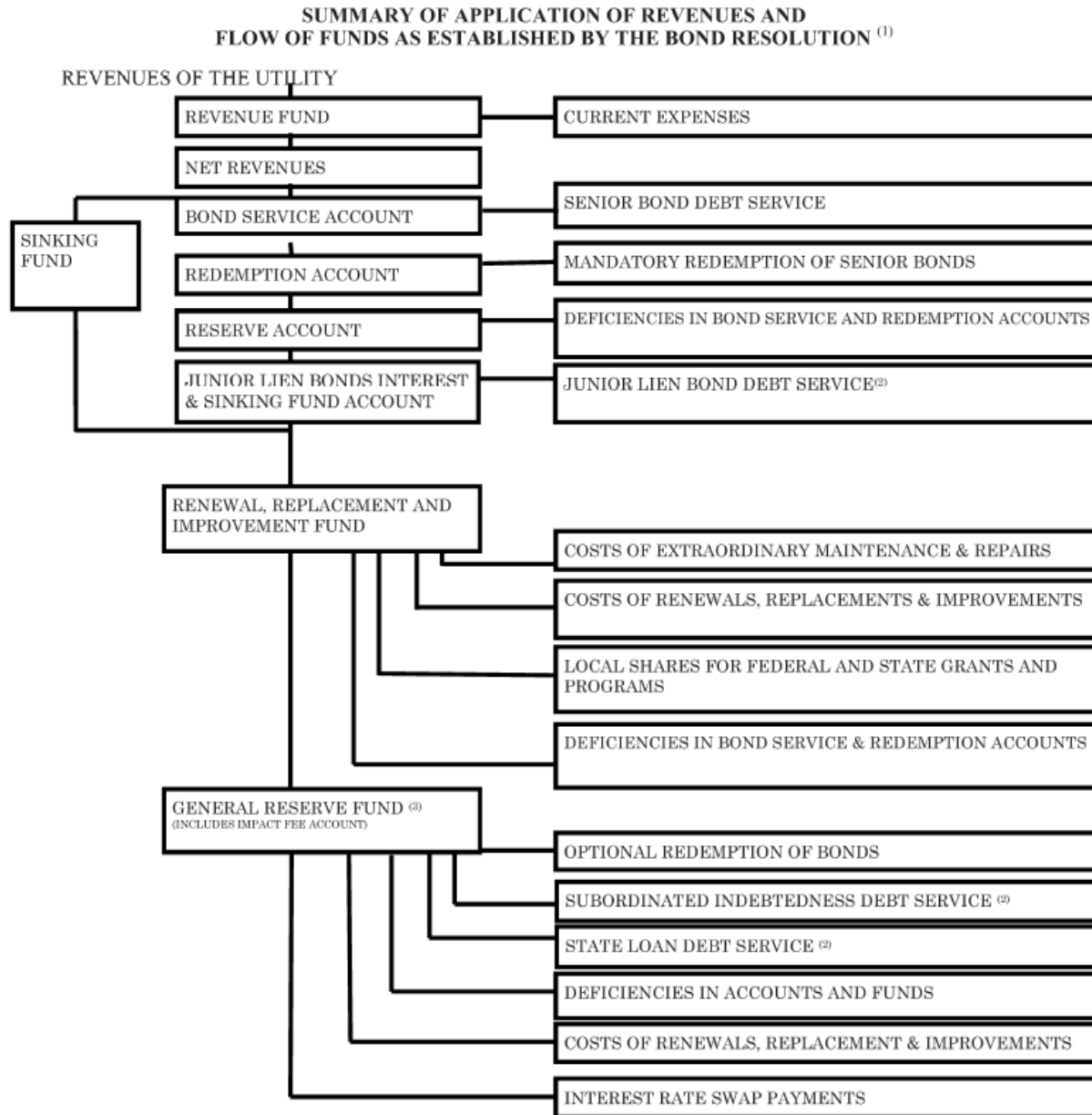
Impact Fees collected by the County shall be deposited, as received, to the credit of the Impact Fee Account of the General Reserve Account. To the extent permitted by State law, moneys on deposit to the credit of the Impact Fee Account, together with investment earnings thereon, if any, shall be pledged to the payment of the Bonds and may be applied to the payments provided in the Bond Resolution. The Net Revenues and Impact Fees, to the extent they may be lawfully pledged, are referred to herein as the "Pledged Revenues." The Impact Fees are not includable in the calculation of Net Revenues for purposes of the rate covenant or the Additional Bonds test. To date, the County has not collected any Impact Fees. See "THE WATER AND WASTEWATER UTILITY – Overview of Financial Operations."

The Parity Bonds have a first lien on the Pledged Revenues on a parity with the Series 2022A Bonds. Additional Bonds having a first lien on the Pledged Revenues on a parity with such Bonds may also be issued from time to time under the Bond Resolution. See "SECURITY FOR THE SERIES 2022A BONDS – Additional Bonds."

THE SERIES 2022A BONDS SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OF THE COUNTY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION AND THE COUNTY IS NOT OBLIGATED TO PAY THE PRINCIPAL OF, THE PREMIUM, IF ANY, OR THE INTEREST ON THE SERIES 2022A BONDS EXCEPT FROM THE PLEDGED REVENUES; AND THE FULL FAITH AND CREDIT OF THE COUNTY ARE NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, THE PREMIUM, IF ANY, OR THE INTEREST ON THE SERIES 2022A BONDS. THE ISSUANCE OF THE SERIES 2022A BONDS SHALL NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATE THE COUNTY TO LEVY OR TO PLEDGE ANY TAXES WHATSOEVER THEREFOR OR TO MAKE ANY APPROPRIATION FOR THE PAYMENT OF THE PRINCIPAL OF, THE PREMIUM, IF ANY, OR THE INTEREST ON THE SERIES 2022A BONDS EXCEPT AS PROVIDED IN THE RESOLUTION.

**Flow of Funds**

The Bond Resolution establishes the Revenue Fund, the Renewal, Replacement and Improvement Fund, the General Reserve Fund and the Interest and Sinking Fund (the "Sinking Fund") and within the Sinking Fund the Bond Service Account, Redemption Account, Reserve Account and Junior Lien Bonds Interest and Sinking Account. The following chart illustrates the flow of funds under the Bond Resolution:



- (1) The County will establish an Arbitrage Rebate Fund outside of the Bond Resolution to be held by a Depository for the purpose of receiving investment earnings from the Funds and Accounts under the Bond Resolution which are required to be rebated periodically to the United States of America. The Bond Resolution requires separate subaccounts to be established in the Arbitrage Rebate Fund for each Series of Bonds issued under the Bond Resolution. The moneys in said Fund will not be security for or pledged to the payment of the Series 2022A Bonds.
- (2) There are no Junior Lien Bonds, State Loan or Subordinated Indebtedness outstanding. [Confirm.]
- (3) There is no priority of use among the purposes for which General Reserve Fund moneys may be used.

The Bond Resolution also establishes the Construction Fund. The Series Resolution establishes the Series 2022A Construction Account within the Construction Fund, to be held in trust by [Regions Bank, Jacksonville, Florida,] as trustee (the "Trustee") under the Construction Account and Reserve Account Trust Indenture, dated as of February 1, 2009 (the "Original Indenture"), as amended, including by a Third Amendment and Supplement to Construction Account and Reserve Account Trust Indenture (the "Third Supplemental Indenture" and, together with the Original Indenture, the "Indenture"), dated as of [\_\_\_\_\_] 1, 2022, entered into by the County and the Trustee in connection with the issuance of the Series 2022A Bonds. The moneys on deposit to the credit of the Series 2022A Construction Account will be applied to pay all or a portion of costs of the 2022 Project pursuant to the provisions of the Resolution (the "Cost of the 2022 Project") (and to reimburse certain 2022 Project costs as provided by Resolution [\_\_\_\_\_] adopted by the Board on [\_\_\_\_\_] 1, 2022) and will be invested as provided in the Resolution. Pursuant to the Indenture, the Trustee shall disburse funds from the Series 2022A Construction Account upon requisition, in accordance with the Resolution and the terms of the Indenture. Funds in the Series 2022A Construction Account are pledged as security for the Series 2022A Bonds until paid out or transferred as provided in the Indenture.

### **Reserve Account**

Under the Bond Resolution, the County is required to establish a Reserve Account within the Sinking Fund. The Reserve Account secures all Bonds issued under the Bond Resolution. Pursuant to the Bond Resolution and the pertinent Series Resolution, the County is required to deposit in the Reserve Account for all Bonds, an amount (the "Reserve Account Requirement") which will be sufficient to fully fund the Reserve Account in an amount equal to the lesser of (i) the Maximum Principal and Interest Requirement for the Bonds in the current or any subsequent Fiscal Year, but excluding any amount to repay loans from the State, or (ii) the maximum amount allowed under the Internal Revenue Code of 1986, as amended (the "Code"). If on any date there shall be on deposit in the Reserve Account an amount less than the Reserve Account Requirement then, to the extent necessary to maintain such Reserve Account Requirement, the County is required to deposit therein from the Revenue Fund each month, after making deposits to the Bond Service Account and Redemption Account, one-twelfth (1/12) of the deficiency until there shall be on deposit in the Reserve Account an amount equal to the Reserve Account Requirement.

Moneys in the Reserve Account are required to be used only for the purpose of paying maturing principal of and interest on Bonds when other moneys in the Bond Service Account are insufficient therefor and thereafter for the purpose of making mandatory sinking fund payments on Bonds when other moneys in the Redemption Account are insufficient therefor. Moneys in the Reserve Account are not permitted to be used for any other purpose. Unless otherwise specified by resolution of the Board, if at any time the moneys held for the credit of the Reserve Account exceed the Reserve Account Requirement, such excess is required to be withdrawn and deposited to the credit of the Revenue Fund.

The Bond Resolution permits the County to provide all or a portion of the Reserve Account Requirement by depositing in the Reserve Account an insurance policy, surety bond, letter of credit or other acceptable evidence of insurance maintained by the County (the "Reserve Account Credit Facility") in lieu of or in partial substitution for cash or securities on deposit or to be on deposit in the Reserve Account, unconditionally covering such amount of the Reserve Account Requirement as appropriate, provided that the entity providing such facility is, at the time of so providing, of sufficient credit quality to enable debt backed by its facility to be rated in one of the two highest rating categories (without regard to any gradations within such categories) by both S&P Global Ratings ("S&P") and Moody's Investors Service, Inc. ("Moody's").

Upon issuance of the Series 2022A Bonds, a portion of the proceeds of the Series 2022A Bonds will be deposited in the Reserve Account to satisfy the increase in the Reserve Account Requirement resulting from the issuance of the Series 2022A Bonds. There are no reserve policies used to satisfy the Reserve Account Requirement. See "ESTIMATED SOURCES AND USES OF FUNDS." The amount on deposit in the Reserve Account, together with the proceeds deposited, will equal at least the aggregate Reserve Account Requirement for the outstanding Bonds, including the Series 2022A Bonds, which is \$[\_\_\_\_\_].

The moneys on deposit to the credit of the Reserve Account will be held in trust for the benefit of bondholders by the Trustee, under the Indenture, and will be invested as provided in the Resolution. Pursuant to the Indenture, the Trustee shall disburse funds from the Reserve Account only in accordance with the Resolution and the terms of the Indenture.

## **Rate Covenant**

The County has covenanted in the Bond Resolution that it will fix, charge and collect reasonable rates and charges for the use of the services and facilities furnished by the Utility and that from time to time, and as often as it shall appear necessary, it will adjust such rates and charges by increasing or decreasing the same or any selected categories of rates and charges so that the Net Revenues (excluding from the computation of Current Expenses for any Fiscal Year any amount received from any source other than Revenues and applied to the payment of Current Expenses in such Fiscal Year) will be sufficient to provide an amount in each Fiscal Year at least equal to 120% of the Principal and Interest Requirements on all Bonds for such Fiscal Year and 100% of all amounts required to be deposited to the Reserve Account and the Renewal, Replacement and Improvement Fund for such Fiscal Year.

If in any Fiscal Year the Net Revenues are less than the amount required as described in the preceding paragraph, within 30 days of the receipt of the audit report for such Fiscal Year (which, under the Bond Resolution, may be the portions of the County's Comprehensive Annual Financial Report relating to the Utility), the County is required to employ a Rate Consultant to review and analyze the financial status of the Utility, to inspect the Utility and to submit, within 60 days thereafter, a written report to the County recommending revisions of the rates, fees and charges of the Utility and the methods of operation of the Utility that will result in producing the amount so required in the following Fiscal Year. Promptly upon its receipt of such recommendations, the County is required to transmit copies thereof to the County Administrator and to revise its rates, fees and charges, or alter its methods of operation and take such other action as will conform with such recommendations.

If the County fails to comply with the recommendations of the Rate Consultant, the registered Holders of not less than 10% in principal amount of all Bonds then Outstanding may institute and prosecute an action or proceeding in any court or before any board or commission having jurisdiction to compel the County to comply with the recommendations and the requirements as described in the preceding paragraph.

If the County complies with all recommendations of the Rate Consultant in respect to its rates, fees, charges and methods of operation, the failure of Net Revenues to meet the rate covenant described above will not constitute an Event of Default so long as the Revenues, together with available moneys in the Funds and Accounts created under the Bond Resolution other than the Arbitrage Rebate Fund, are sufficient to pay in cash the Current Expenses and to pay the Principal and Interest Requirements on all Outstanding Bonds and other Utility Debt of the County with respect to the Utility for such Fiscal Year.

## **Additional Bonds**

Additional Bonds of the County may be issued under and secured by the Bond Resolution, on a parity as to the pledge of the Pledged Revenues with the Parity Bonds and the Series 2022A Bonds and any Bonds on a parity therewith secured by the Bond Resolution and then Outstanding, subject to the conditions described below, from time to time, for the purpose of paying all or any part of the costs of constructing or acquiring any Improvements.

Before any Additional Bonds are permitted to be issued under the Bond Resolution, there shall be filed with the County, among other things, the following:

(a) a certificate of the Chief Financial Officer demonstrating that the percentage derived by dividing the Net Revenues for the last Fiscal Year for which the financial statements of the Utility were reported upon by the Accountant, adjusted as described below, by the Maximum Principal and Interest Requirements on all Bonds, including the Principal and Interest Requirements with respect to the Additional Bonds then to be delivered, for any future Fiscal Year is not less than 120%; and

(b) a certificate of the Consulting Engineer setting forth the projected additional Net Revenues for the Fiscal Year following the Fiscal Year in which the Completion Date of the Improvements to be financed by the Additional Bonds then to be delivered is expected to occur, which additional Net Revenues are attributable to such Improvements; and

(c) a certificate of the Chief Financial Officer to the effect that no Event of Default under the Bond Resolution and no event which with the passage of time, the giving of notice or both would become an Event of

Default has occurred within the twelve consecutive calendar months prior to the date of such certificate and is continuing.

In determining whether to execute and deliver the certificate mentioned in paragraph (a) above, the Chief Financial Officer may make the following adjustments to Net Revenues:

(1) If the revised rates and charges for the services and facilities furnished by the Utility shall have been adopted and such revised rates and charges shall have gone into effect prior to the issuance of such Additional Bonds, then the amount of the Net Revenues which would have been realized during the Fiscal Year required to be examined and reported upon in said certificate had such revised rates and charges gone into effect on the first day of such Fiscal Year may be used by the Chief Financial Officer; provided, however, if the interest on such Additional Bonds has been capitalized, such revised rates and charges may go into effect in whole or in part during such period of interest capitalization so long as such revised rates and charges are wholly in effect at least three months prior to the end of such period of interest capitalization; and

(2) If the certificate of the Consulting Engineer referred to in (b) above shows projected additional Net Revenues, the amount of such projected additional Net Revenues may be added to the amount of Net Revenues shown in the certificate referred to in (a) above.

The Series 2022A Bonds are being issued as Additional Bonds.

### **Refunding Bonds**

Under the provisions of the Bond Resolution, Refunding Bonds of the County may be issued under and secured by the Bond Resolution, on a parity with the Outstanding Parity Bonds, and any Additional Bonds issued on a parity therewith, without meeting any of the requirements described above under "Additional Bonds" for the purpose of refunding all or any portion of the Bonds Outstanding under the Bond Resolution.

### **Other Indebtedness**

The County may also issue Utility Debt, including but not limited to Short-Term Indebtedness or Subordinated Indebtedness, as provided in the Bond Resolution. See "APPENDIX D – RESOLUTION."

### **Covenants of the County Concerning the Utility and the Pledged Revenues**

The County has entered into certain covenants pursuant to the Bond Resolution relating to the Utility and the Pledged Revenues. See "APPENDIX D – RESOLUTION."

## **THE WATER AND WASTEWATER UTILITY**

The following is intended to provide only a summary description of the Utility. For additional information regarding the Utility, please see "APPENDIX C – ENGINEER'S REPORT." As of [\_\_\_\_\_, 2021], the Utility is comprised of a retail water and wastewater system, which provides water and/or sewer service to approximately 57,693 customers, including combined water and sewer service to approximately [\_\_\_\_\_] customers, water only service to approximately [\_\_\_\_\_] customers and sewer only service to approximately [\_\_\_\_\_] customers, the North Regional Wastewater System, which provides transmission and treatment disposal services to other utilities on a wholesale basis, and the Regional Raw Water System, which provides raw water to other utilities, which are briefly described below.

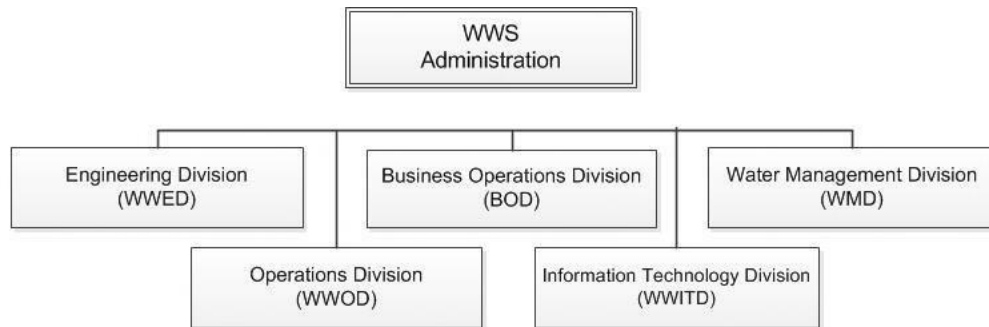
### **History**

The Broward County Utilities Division was created on January 31, 1962, with the County's purchase of a small, investor-owned water and wastewater utility. Between 1962 and 1975, the County acquired a number of private utilities. In 1972, the Broward County Utilities Division commenced construction of its North Regional Wastewater Treatment Plant and, in 1975, began providing wholesale wastewater treatment service, including to certain municipalities and utility districts in northern Broward County. In 1976, to achieve fiscal consolidation, the County established uniform rates throughout its service areas. The Utility service area is divided into separate geographic



areas (each, a "District"), where District 1 is served by water treatment plant 1A, District 2 is served by water treatment plant 2A and District 3 is served by purchased water from the City of Hollywood.

Subsequent reorganizations created the current Water and Wastewater Services consisting of five divisions. These divisions are Water and Wastewater Operations, Water and Wastewater Engineering, Water Management, Water and Wastewater Information Technology, and Business Operations. Water and Wastewater Services operates within the Public Works Department, and is responsible for planning, construction, operation, maintenance, customer service, water management, and financial management of the Utility. Currently, Water and Wastewater Services employs 420 people, including 25 certified water operators, 26 certified wastewater operators, 17 registered professional engineers, and three certified public accountants. Included are eight employees who are dual-certified as both water and wastewater operators. In addition, numerous employees hold recognized industry-specific certifications. An organizational chart is provided below.



Under the County Code of Ordinances, the County exercises exclusive jurisdiction, control and supervision over the Utility system or any part of a utility system owned, operated or maintained by the County. The Board has the specific legal authority to fix, charge and collect from its customers, rates, fees and charges, and to acquire, construct, finance and operate the Utility without supervision or regulation by any other political subdivision of the State (provided that compliance with applicable environmental rules and regulations is accomplished).

**Retail Water System**

*General Description.* The retail water system (the "Retail Water System") supplies potable water to retail customers in several sections of the County and to one significant bulk water user. Over the past ten years, the County's Retail Water System has decreased from 58,773 customers (accounts) to its present retail base of 57,693. The Retail Water System's customer base represents a population of approximately 241,248. The City of Coconut Creek, a sale for resale customer, has approximately 61,248 residents. Including the City of Coconut Creek, the Retail Water System serves approximately 15.5 percent of the County's total population.

*Service Area and Customer Base.* The Retail Water System is divided into three service districts – Districts 1, 2 and 3, which collectively cover approximately 41 square miles. Additionally, District 2 sells water to the City of Coconut Creek which re-sells it to its customers. Two water treatment plants, one each in District 1 and District 2, have a combined physical water treatment capacity of 56 MGD (million gallons per day). However, potable water production for those districts is constrained by 20-year term consumptive use permits from the South Florida Water Management District (the "SFWMD"). Based on the current 20-year permit, Biscayne Aquifer allocations are 27.45 MGD through Fall 2040. Additionally, 6.0 MGD from the C-51 Reservoir which is intended to be supplied through the Biscayne Aquifer wells at the South Regional Wellfield ("South Regional Wellfield") is permitted for supply through December 27, 2065. The Utility's five-year CIP is predicated upon these allocations. Water for District 3 is provided by the City of Hollywood through a water for resale agreement.

The County has a reserved allocation of 7.42 MGD of Upper Floridan Aquifer withdrawals within District 1 and District 2/North Regional permits. These reservations are not permitted and are backup options. No facilities to treat this high-chloride water source are planned because current demand projections can be met by the traditional Biscayne Aquifer water sources and the newly-permitted C-51 Reservoir offset allocation.

The distribution systems in the three Districts contain approximately 742 miles of water distribution and transmission mains ranging in diameter from 2-inches to 54-inches. The Retail Water System supplies water primarily to retail customers but also serves the City of Coconut Creek under a resale agreement, which provides for termination one year after the last payment of any Utility Debt. The City of Coconut Creek constitutes approximately 22% of the total potable water consumption by customers of the Utility and pays compensation for water only amounting to 5% of the Utility's gross water revenues. Without prior approval by the County, the City of Coconut Creek is prohibited from buying or otherwise providing water within its service area from any source other than the County during the term of the resale agreement (except for emergency purposes), and cannot provide more than 100,000 gallons per day of water to any customer unless approved by the County. Presently, there appears to be no practical or economic incentive for the City of Coconut Creek to pursue development of its own facility or to develop alternative sources of supply. The County cannot charge rates to Coconut Creek greater than those charged to other customers in the same class. Billing based upon water meter readings is provided monthly. The County has agreed not to sell water to anyone else within a defined service area and the City of Coconut Creek is not permitted to increase its water service area without the written consent of the County.

District 1 has a combined service area of 11.9 square miles, permitted plant capacity of 16.0 MGD, and 248 miles of water distribution and transmission mains. The Utility maintains District 1 water system interconnections with the City of Fort Lauderdale, the City of Tamarac, the City of Plantation and the City of Lauderhill to provide for emergency potable water supply.

District 2 includes the Utility's largest wholesale water customer, the City of Coconut Creek. District 2, not including the City of Coconut Creek, has a service area of 14.8 square miles, a permitted plant capacity of 30 MGD, and contains 260 miles of water distribution and transmission mains. The facilities of District 2 are interconnected with the City of Deerfield Beach, the Town of Hillsboro Beach, the City of Pompano Beach and Palm Beach County to provide for emergency potable water supply.

District 3 is the southernmost service area of the County and is geographically separated into subdistricts referred to as 3A and 3BC. Both 3A and 3BC receive potable water through connections principally with the City of Hollywood. District 3 has a combined service area of approximately 14.3 square miles and contains 235 miles of transmission and distribution mains. Subdistrict 3A has interconnections with the City of Fort Lauderdale, the City of Hollywood, and the City of Dania Beach to provide for emergency water supply. Subdistrict 3BC has interconnections with the City of Hollywood for its primary water supply and the Cities of Pembroke Pines and Miramar to provide for emergency potable water supply.

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The following table provides a summary of water production, treatment, storage and distribution facilities and capacities.

**Summary of Retail Water System Facilities and Capabilities as of September 30, 2021**

	<u>District 1</u>	<u>District 2</u>	<u>District 3</u>	<u>Total</u>
Production Wells	9	7	0	16
Wellfield Firm Capacity (MGD) <sup>(1)(2)</sup>	19.60	21.30	0.00	40.90
Treatment Plants <sup>(3)</sup>	1	1	0	2
Permitted Plant Capacity (MGD) <sup>(2)(4)</sup>	16.00	30.00	0.00	46.00
Current Permitted Allocation (MGD) <sup>(2)(4)</sup>	10.04	17.41 <sup>(5)</sup>	0.00	27.45
Storage Capacity (Million Gallons) <sup>(3)</sup>	6.20	8.50	6.00	20.70
Distribution Mains (Miles)	247.60	259.50	234.70	741.80
Service Area (Square Miles)	11.90	14.80	14.30	41.00
Purchased Water (MGD) <sup>(2)</sup>	0.00	0.00	6.58	6.58
Produced Water (MGD) <sup>(2)</sup>	7.18	13.40	0.00	20.58

<sup>(1)</sup> Firm Capacity refers to the available flow with the largest well in each district out of service.

<sup>(2)</sup> MGD = million gallons per day

<sup>(3)</sup> Includes clearwell on site and distribution storage facilities.

<sup>(4)</sup> Permit allocations are less than permitted treatment plant capacity.

<sup>(5)</sup> Combined permit with North Regional Wellfield (defined below) and includes finished water sold to the City of Coconut Creek.

Source: Broward County Water & Wastewater Services

*Water System Regulatory Requirements.* The Safe Drinking Water Act of 1974 and the Safe Drinking Water Act Amendments of 1986 (together, the "Safe Drinking Water Act") authorized the U.S. Environmental Protection Agency (the "EPA") to establish national primary and secondary drinking water regulations to regulate maximum permissible levels of contaminants in finished drinking water. These standards were incorporated into the State of Florida Water Quality Regulations in 1993, and modified to address state-specific concerns. By doing this and meeting other specific requirements, the State was given the primary authority (primacy) to enforce the Safe Drinking Water Act requirements within its borders. The Florida Department of Environment Protection ("FDEP") is the state agency with primary enforcement responsibility. In the County, the authority to enforce drinking water regulations is delegated by FDEP to the Broward County Health Department, which is an Approved County Health Department ("ACHD") as defined under the Memorandum of Understanding between FDEP and the Florida Department of Health. The Utility Operations Division tri-annually performs a complete analysis for all primary and secondary drinking water standards on raw and finished water supplies to meet the State of Florida Water Quality Regulations (Chapter 62-550, Florida Administrative Code). No maximum contaminant levels ("MCLs") were exceeded, one Treatment Technique violation was noted, and no Action Levels were exceeded during Fiscal Year 2020. The Utility tests raw water quality only for the development of baseline data, and MCL limitations do not apply outside of fecal indicator triggered monitoring.

The Disinfectant/Disinfection By-Products Rule ("D/DBPR") requires all water treatment plants to comply with MCLs for byproducts of a number of common disinfectants. For the Utility's water treatment plants, byproducts of chlorine and chloramines, specifically total trihalomethanes ("TTHMs") and five haloacetic acids ("HAAs"), are of primary concern. Stage II of this rule requires that the rolling annual average of THM and HAAs levels be below their respective MCLs at each sampling site in the distribution system, whereas previously they were averaged over the entire system. Since Stage II compliance began in February 2012, the Utility's water treatment plants have been in compliance with D/DBPR requirements.

The Ground Water Rule was promulgated in 2009. This rule, which was adopted by reference in FAC 62-550.828 in December 2011, provides two compliance options: triggered monitoring and 4-log virus treatment/inactivation. Triggered monitoring uses sampling under the existing Total Coliform Rule ("TCR") to trigger additional sampling requirements for raw water wells if needed. If any of the wells test positive for one of three fecal indicators, action must be taken, which typically includes issuing a precautionary boil water order for the affected system. Groundwater plants that provide 4-log (99.99%) virus treatment are not required to conduct triggered monitoring, but instead must maintain treatment conditions specified in its 4-log treatment authorization. Presently,

the 1A WTP, 2A WTP and 3A WTP (storage tank) are utilizing certified 4-log treatment/inactivation to comply with the Ground Water Rule.

In Fiscal Year 2020, WWOD maintained continuous compliance with the Ground Water Rule throughout the 1A, 2A, and 3BC systems. System 3A experienced what is referred to as "a treatment technique violation" on September 18, 2020 due to a problem with an uninterrupted power supply at the facility. Testing and continuous monitoring showed the water was in compliance with drinking water standards and safe to drink and the uninterrupted power supply failure has been rectified.

*Water Supply.* The primary source of water supply for the Utility is the Biscayne Aquifer. Presently, the County operates wellfields for water treatment plants 1A and 2A with firm capacities of 19.6 and 21.3 MGD, respectively. Additional water is provided to District 2 by the North Regional Wellfield with a firm capacity of 18.1 MGD. Water for District 3 is provided primarily by the City of Hollywood.

In 1979, the Biscayne Aquifer was designated as a "sole source" drinking water supply by the EPA. In this context "sole source" does not mean only source; rather, it refers to primary source. Alternatives exist. The water in the aquifer is primarily replenished by rainfall but also is recharged by water flowing from Lake Okeechobee and conservation areas through an extensive regional water conveyance system. Presently, in addition to the Utility, the Biscayne Aquifer is also the primary source for raw water supplies for the municipalities in the County, Miami-Dade County, Monroe County and the southern portion of Palm Beach County.

Section 3.2 of the Source Specific Criteria of the SFWMD Applicant's Handbook for Water Use Permit Applications (September 2015) limits raw water usage from the Biscayne Aquifer for public water supply to the maximum quantity of water withdrawn over a consecutive 12-month period during the five years preceding April 1, 2006. This regulation is generally referred to as the 2007 Regional Water Availability Rule ("RWAR"). Water supplies necessary to satisfy any demand which exceeds the maximum allowable withdrawal must come from an alternative water supply source, such as captured/stored water, the Upper Floridan Aquifer, harvested stormwater or reclaimed wastewater to offset withdrawal impacts to the Everglades Water Bodies.

Due to the reliability and cost-effectiveness of the relatively shallow Biscayne Aquifer, this aquifer is expected to remain the County's primary source of raw water supply. Should future growth in water demand necessitate an increase in supply (beyond the limitations of the RWAR), the County can access waters from the Floridan Aquifer (a deeper, brackish aquifer), or from captured stormwaters, or both.

With regard to the latter alternative, a captured stormwater regional water supply project known as the C-51 Reservoir has been planned and partially constructed. The County, Palm Beach County, several municipalities, and the SFWMD are moving forward with an option for this regional water storage reservoir project located in Palm Beach County. This project would expand the availability of Biscayne Aquifer raw water by offsetting impacts to the regional water system. The project is being constructed by a private sector company known as Palm Beach Aggregates LLC, and would be operated by a not-for-profit entity. The program as envisioned would capture stormwater currently lost to tide for re-introduction into the hydrological system during dry periods, thereby expanding the regional water supply quantity and satisfying the RWAR.

The Board approved Resolution No. 2015-195 on April 7, 2015, supporting the C-51 Reservoir Project and encouraging water utilities to consider participating in the project to secure alternative water supply and receive long-term raw water permit allocations from the SFWMD. The Board approved the Capacity Allocation Agreement with Palm Beach Aggregates, LLC on March 14, 2017 and May 2, 2017 (with revisions), the First Amendment on March 28, 2019, and the Second Amendment on January 28, 2020.

The proposed C-51 Reservoir requires the participation of other utilities to ensure economic feasibility for the private sector owner. The necessary threshold of signed Capacity Allocation agreements with Palm Beach Aggregates LLC, was reached in the summer of 2020. Financing of the project was completed in February 2021 allowing for the formal groundbreaking of construction. Currently the next milestone date includes September 2022 for substantial completion, October 2022 for operational testing, and January 2023 for commencement of operations.

*Water Supply Regulatory Requirements.* The volume of raw water withdrawal from the Utility's wellfields is regulated by the SFWMD. Each wellfield is governed by a water use permit that stipulates the maximum allowable

annual and monthly withdrawal. These permits are reissued for periods of five to twenty years. The County is permitted by the SFWMD to withdraw approximately 43.09 MGD of groundwater from their combined Biscayne Aquifer wellfields, including the retail and regional raw water wellfields. The County holds three permits from the SFWMD for Wellfield 1A, the 2A/North Regional Wellfield (the "North Regional Wellfield"), and the South Regional Wellfield. The permit for the North Regional Wellfield was renewed for a 20-year duration in October 2020 and the permit for the District 1A wellfield was renewed for a 20-year permit duration in September 2020. The Biscayne Aquifer and emergency Floridan Aquifer allocations expire in the fall of 2040. These permits also contain a total of 3.0 MGD of C51 offsets that separately expire after a 50-year term in December 2065.

The SFWMD renewed the South Regional Wellfield permit on March 7, 2018. The permit was issued with an expiration date of December 27, 2065 as a result of the inclusion of alternative water supply from the C-51 Reservoir. However, the renewal of the base condition (not including offset water from the C-51 Reservoir) will be required prior to March 7, 2038. The South Regional Wellfield permit governs the withdrawal of raw water from the Biscayne Aquifer for sale to coastal raw water Large Users (Dania Beach, Hallandale Beach, Hollywood and FPL) and the permit allocation is based on the projection of raw water demands for each Large User.

Monitoring of wellfield and individual well withdrawals, groundwater levels, and chloride concentrations are required as part of the consumptive use permits issued for each wellfield. Monitoring information is reported to the SFWMD in their ePermitting system monthly to ensure each permit remains compliant.

Long term water supply in South Florida may also be affected by the Comprehensive Everglades Restoration Plan ("CERP") undertaken by the U. S. Army Corps of Engineers ("ACOE") in coordination with the SFWMD and by regional water supply planning undertaken by the SFWMD and the FDEP. The intent of CERP is to provide multiple benefits to the South Florida ecosystem. While restoration of the Everglades is a primary objective of the plan, it also includes a provision for ensuring a reliable, adequate supply of fresh water for use by the environment, public water supply and agriculture while maintaining flood protection. The effect of CERP will be to reserve water resources for restoration of the Everglades without impacting existing legal users. Implementation through the Lower East Coast Water Supply Plan ("LECWSP") accounts for future needs of water utilities by utilization of new surface water reservoirs and by implementation of Aquifer Storage and Recovery ("ASR") wells. A decision by the State to acquire the property owned and farmed by US Sugar as part of the CERP may limit the option of utilities to store and use excess storm water as an alternative water supply.

It is possible that new water supply technologies could be delayed, or could be less effective than the SFWMD and the ACOE expect. Recognizing this, the Utility has taken multiple proactive steps to ensure that a continuous adequate raw water supply will be available:

- The County actively participated in the LEWSP update, which was completed in October 2018.
- The County is actively participating in the CERP and the SFWMD regulatory revision process.
- A new surface water pump station has been designed to improve the effectiveness of the existing raw water supply recharge system by increasing aquifer recharge through the canal system.
- The County has constructed and operates a 10 MGD wastewater reuse facility to reduce potable water demand for non-potable uses. The County is presently expanding the facility to 26 MGD.
- The County continues to implement the Integrated Water Resources Plan to maximize the utilization of available water.
- The County continues to review potential use of the upper Floridan Aquifer as an alternative raw water supply source and/or storage source. The Floridan Aquifer is an artesian water supply located approximately 700 feet below the land surface in the County. Waters within the Floridan Aquifer contain higher total dissolved solids than the waters of the Biscayne Aquifer. Reverse osmosis membrane technology will readily treat Floridan Aquifer water to meet all applicable regulatory

requirements. The Floridan Aquifer is presently used by a number of utilities, primarily by the Town of Jupiter, Palm Beach County Utilities and the City of Hollywood.

- The County continues to be engaged with the SFWMD and Palm Beach Aggregates to develop the C-51 Storage Reservoir Project as an alternative water source to offset Regional Water impacts. The County purchased 6 MGD from Phase I of this project.
- The County continues to promote water conservation within the Utility's service areas and county-wide.

See "CERTAIN INVESTMENT CONSIDERATIONS."

### **Retail Wastewater System**

*General Description.* The retail wastewater system (the "Retail Wastewater System") provides wastewater collection service to approximately 89 percent of the County's retail water customers. In the past ten years, the County's wastewater retail customer base has grown from 44,856 customers (connections) to its present base of 51,206 customers and is expected to grow through the County's extension of sanitary sewers into currently un-sewered areas. Treatment, transmission and disposal management is provided by the County-operated North Regional Wastewater System (the "Regional Wastewater System" discussed below and collectively with the Retail Wastewater System the "Wastewater System") and by the Southern Regional Wastewater System operated by the City of Hollywood.

District 1 has a service area of 12.9 square miles and includes 187 miles of gravity collection sewers and 76 lift stations. There are 42.9 miles of force mains. Transmission, treatment and disposal of wastewater are provided through the Utility's Regional Wastewater System.

The size of the District 2 service area is 15.7 square miles. The collection system consists of 177 miles of gravity sewer, 103 lift stations, 5 retail master pump stations and 35.8 miles of force mains. Transmission, treatment, and disposal of wastewater are provided through the Utility's Regional Wastewater System.

District 3 serves an area of 11.8 square miles. The gravity collection system has 90 miles of gravity sewer and 66 lift stations and three retail master pump stations. The force main network contains 35.1 miles of pipe that delivers the wastewater from this area to the Southern Regional Wastewater Treatment Facility operated by the City of Hollywood. District 3 wastewater is treated by the City of Hollywood under a large user wastewater agreement with the County. The County has 5.883 MGD of reserved capacity in the Southern Regional Wastewater Treatment Plant. The City of Hollywood has 55.5 MGD of plant capacity.

The agreement between the County and the City of Hollywood contains several major provisions including identification of the service area; requirements for the use of metering devices; reserve capacity requirements; restrictions on excessive flows; and charges for damages to the system. Debt service and operation and maintenance costs are paid on an actual flow basis. The agreement does not have an expiration date but can be terminated by either party with a 365-day notice, if all financial requirements have been met. The City of Hollywood may not terminate the agreement, unless there shall be a readily available alternative means of treating and disposing of County wastewater.

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A 10-year summary of the Retail Wastewater System's average number of units, average number of metered customers, total billed wastewater flows and annual average daily flow is presented in the table below.

**Summary of Billed Wastewater – Retail as of September 30, 2021**

<b>Fiscal Year</b>	<b>Average Number of Units<sup>1</sup></b>	<b>Average Number of Metered Customers</b>	<b>Total Billed Treated Wastewater (1,000 GAL)</b>	<b>Annual Average Daily Flow (MGD)</b>
2012	77,247	46,911	4,872,721	13.35
2013	78,020	47,799	4,996,843	13.69
2014	79,466	48,873	5,165,058	14.15
2015	80,995	49,643	5,372,243	14.72
2016	81,144	49,999	5,339,240	14.63
2017	82,105	50,547	5,445,514	14.92
2018	83,141	50,832	5,385,410	14.75
2019	82,989	50,850	5,928,824	16.24
2020	83,441	51,206	5,813,777	15.93
2021	83,856	51,394	5,653,808	15.49

<sup>1</sup> The term "unit" means individual living unit for residential (single family), multifamily, hotel / motel, and mobile home categories. Several units may be served through one connection. For commercial, the term means the number of connections and does not include the Large Users.

Source: Broward County Water and Wastewater Services

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## Regional Wastewater System

*General Description.* The Utility owns and operates the North Regional Wastewater Treatment Plant, which has provided contract wholesale wastewater services to Large Users (currently 11), plus the County, since 1974. The Large User agreements are substantially similar. Each is for a term that exceeds by one year the last payment of any wastewater system debt obligation applicable to the North Regional Service area (which includes the Series 2022A Bonds). In addition to stipulating points of connection and establishing minimum quality limitations on all wastewater, the agreements designate reserve capacity in the plant for each user and provide for the method to charge each user for the availability and provision of service. The agreements also require the Large Users (except the City of Oakland Park which also sends wastewater to the City of Fort Lauderdale) to deliver all wastewater collected to the County. On a monthly basis, each user is billed a fixed charge depending upon the user's reserve capacity in the system. This fixed charge is designated to recover each Large User's equitable share of debt service including coverage (1.2 x principal and interest). The operation and maintenance costs associated with provision of treatment and transmission service, also billed monthly to each Large User, are based upon the Large User's pro rata usage of the Regional Wastewater System. Additionally, the contracts provide restrictions on excessive and peak flows, limitations on type of wastes allowed to be discharged and requirements to pay for damages to the system caused by a Large User.

The North Regional Wastewater Treatment Plant was designed and constructed in accordance with a master plan approved by regulatory authorities specifically to encourage the use of regional, technologically advanced wastewater treatment processes and to discourage development and use of smaller, less efficient systems. A difficult permitting process, outstanding contractual obligations with the County, and high capital costs of constructing and operating a new facility should discourage any Large Users from abandoning the Regional Wastewater System. The agreements are binding and can only be terminated upon mutual consent of the County and the Large User.

*Overview of the Facilities.* The Regional Wastewater System includes 11 master pumping stations and approximately 66 miles of force mains. All of the wastewater collected from retail Districts 1 and 2 and Large User customers is treated at the North Regional Wastewater Treatment Plant located in Pompano Beach, Florida. The North Regional Wastewater Treatment Plant has permitted treatment capacity of 95 MGD, of which 87.015 MGD has been reserved by the Large Users and the County. During Fiscal Year 2020, the annual average daily flow rate at the North Regional Wastewater Treatment Plant was approximately 70.3 MGD, and the plant currently has sufficient capacity to meet the projected demands of all Large Users and the County to at least the year 2035.

The North Regional Wastewater Treatment Plant utilizes an activated sludge treatment process for liquid treatment and an anaerobic digestion system for handling the biosolids produced from the liquid treatment process. After digestion, the sludge is dewatered and disposed of by landfilling and landspreading. The effluent from the liquid treatment process is chlorinated and either pumped through the outfall pipe into the Atlantic Ocean, disposed of in on-site deep injection wells, or chlorinated and filtered via the County's 10 MGD reclaimed water system (presently being expanded to 26 MGD). The reclaimed water is used for irrigation and as industrial process water at the Septage Receiving Facility and the North Regional Wastewater Treatment Plant, and for landscape irrigation at a nearby commerce center.

*Service Area and Customer Base.* The Regional Wastewater System service area provides service to 35 percent of the population in the County. In addition to providing treatment service to the County's retail customers in Districts 1 and 2 (District 3 treatment is provided by contract with the City of Hollywood at the Southern Regional Wastewater System), the North Regional Wastewater Treatment Plant provides treatment and disposal services to 11 Large Users. The Regional Wastewater System provides wastewater services to the following Large Users: the cities of Coconut Creek, Coral Springs, Deerfield Beach, Lauderhill, North Lauderdale, Oakland Park, Pompano Beach, and Tamarac; and, the North Springs Improvement District, Parkland Utilities, Royal Utilities, and the County's Districts 1 and 2 retail wastewater systems. Service is provided pursuant to individual, contractual agreements between the County and each large user. Generally, such agreements specify each large user's reserve capacity in the plant and provide for billing and payment for service. As noted above, the Large Users and the Utility have currently subscribed to 87.015 MGD of the 95 MGD of treatment and disposal capacity.



**Summary of Historical Large User Wastewater  
Annual Flow for Treatment and Disposal (1,000 Gallons)**

<b>Large User</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Coconut Creek	1,491,846	1,530,733	1,470,974	1,594,695	1,682,269
Coral Springs	2,782,075	3,093,525	2,727,304	2,877,555	2,823,947
Deerfield Beach	2,258,300	2,115,602	1,943,149	2,125,405	2,066,737
Lauderhill	2,251,942	2,389,407	2,178,516	2,454,006	2,371,814
North Lauderdale	1,391,289	1,453,814	1,383,177	1,262,840	1,231,696
NSID*	1,089,904	1,233,566	1,223,263	1,357,893	1,451,706
Oakland Park	478,666	568,404	481,467	559,710	445,371
Parkland Utilities	70,721	73,016	75,676	81,519	97,838
Pompano Beach	4,795,360	5,601,593	5,117,970	5,674,980	5,066,770
Royal Utilities	100,330	109,795	90,041	109,320	113,757
Tamarac	2,668,874	2,721,749	2,325,017	2,513,127	2,561,762
<b>Subtotal</b>	<b>19,379,307</b>	<b>20,891,204</b>	<b>19,016,554</b>	<b>20,611,050</b>	<b>19,913,667</b>
Broward County	4,735,923	4,985,673	4,500,075	5,050,502	5,004,458
<b>Total</b>	<b>24,115,230</b>	<b>25,876,877</b>	<b>23,516,629</b>	<b>25,661,552</b>	<b>24,918,125</b>

\* North Springs Improvement District

Source: Broward County Water and Wastewater Services

*Regional Wastewater System Regulation Requirements.* Operations of the North Regional Wastewater Treatment Plant are regulated by the EPA, the FDEP, and the Broward County Environmental Protection and Growth Management Department. Regulatory requirements are focused on effluent management, sludge disposal, reclaimed water, and industrial pretreatment. In Fiscal Year 2020, the North Regional Wastewater Treatment Plant had no permit violations. In addition, the North Regional Wastewater Treatment Plant maintained compliance with the permit requirements.

*Effluent Management.* The North Regional Wastewater Treatment Plant currently disposes of treated effluent via an open ocean outfall pipeline and deep injection wells. Additionally, a portion of the effluent is treated to public-access quality and distributed for reuse via a reclaimed water system. The open ocean outfall is regulated through the Federal National Pollutant Discharge Elimination System permit program administered by the FDEP. Deep injection wells are permitted by the FDEP Underground Injection Control Section.

The County's facility permit from the FDEP rates the North Regional Wastewater Treatment Plant at 95 MGD and acknowledges 66 MGD of effluent disposal capacity through the ocean outfall. The current North Regional Wastewater Treatment Plant permit was issued on March 2, 2018 with a manufacturing start date of May 1, 2018 and expires March 1, 2023. The FDEP continues to promote a reduction of nutrients in the face of opposition to ocean discharges from interested groups. The FDEP has worked with the wastewater utilities with ocean outfalls (including the County) to realize such nutrient reduction through the Leah Schad Memorial Ocean Outfall Program, which became the law effective July 1, 2008. This law requires that the disposal of effluent through ocean outfalls be largely eliminated by 2025. After that year, the County will be able to continue use of the ocean outfall for discharge of peak wastewater flows so long as 5% of the cumulative baseline annual flow is not exceeded.

In addition to the limitations on outfall usage, the law seeks to cause an increase in the development of reclaimed water systems in southeast Florida. The County is presently completing the expansion of the 10 MGD reclaimed water filters to 26 MGD as well as sending additional secondary effluent to Pompano Beach OASIS facility to fully comply with this requirement.

To meet the near-term advanced wastewater treatment requirements of the rule, the County has reduced outfall discharges via diversion to the existing deep injection well system and implemented cumulative nutrient

reduction strategies including modifying the existing treatment process for increased biological nutrient removal. The County also has added two additional injection wells and booster pumps to increase injection well disposal capacity.

As previously noted, the effluent management system includes Class I deep injection wells. The Operation Permit for Injection Wells 1 through 6 was issued on October 5, 2015 and is valid for five (5) years. Additionally, injection wells 7 and 8 were constructed in 2014-2016 and are permitted through October 9, 2019. The County submitted the requisite permit renewal applications in a timely manner and the applications are presently under review by FDEP. Operations of Injection Wells 1 through 6 are administratively extended during the review period. In parallel, FDEP has informed the County (by letter dated, July 8, 2020 that the County must construct high level disinfection facilities and place into service within five years of receipt of the letter. The County disagrees with this regulatory agency determination and is challenging it through administrative procedures. Resolution of the challenge cannot be predicted with certainty, but it is expected that the process will be complete in the first quarter of 2022. The County has prepared preliminary plans for construction of HLD facilities (primarily filters) in the event that the County's rule interpretation does not prevail.

Although construction of injection wells 7 and 8 is complete, construction-related issues have delayed long term operation. The County developed a repair plan and received FDEP approval of the repair plan for injection wells 7 and 8. The County will decide whether to continue with the repairs following the resolution of the HLD challenge.

Further, and as previously noted, the County's effluent management program includes a 10 MGD system (presently being expanded to 26 MGD) which provides disinfected reclaimed water for industrial and landscape uses. As a requirement of the Leah Schad Memorial Ocean Outfall Program described above, the County will be required to increase production of reclaimed water by 2025. The County has entered into an agreement with Palm Beach County for the bulk purchase of up to 15 MGD of reclaimed water. This agreement, along with other increases in reclaimed water usage both from the NRWTP and from reclaimed water produced at the Pompano Beach OASIS facility, will enable the County to achieve the mandated 20.45 MGD of additional reclaimed water production.

*Biosolids Management.* Pollutant concentrations in wastewater residuals are regulated by both federal and state sludge regulations. The federal regulation that currently regulates disposal is 40 CFR Part 503. The Part 503 rule regulates five categories of wastewater residuals disposal: agricultural land application, non-agricultural land application, distribution and marketing, monofills and surface disposal. The County is currently managing most biosolids by land application of the treated residuals. Land application is a beneficial reuse of this wastewater treatment byproduct and is subject to both federal and state regulations. The County produces Class B residuals allowable for application to non-food agricultural sites.

The Utility employs landfilling ([20,000] tons/yr) and landspreading ([70,000] tons/yr) for wastewater residuals disposal. While land application continues to be a cost effective option, permitted sites will likely be approved at ever greater distances, potentially making hauling to new disposal sites more costly. The County has secured alternate disposal capacity at a nearby Class I landfill and continues to investigate cost-effective long-term biosolids management alternatives. Disposal at the landfill meets all current federal, state, and local regulations and, since the landfill cogenerates electricity from its methane gas production, this disposal option is currently the most carbon neutral.

*Wastewater Large User Agreements.* The County is under obligation to provide Large Users with capacity under the terms of large user agreements (the "Large User Agreements") that it has executed with the cities of Coconut Creek, Coral Springs, Deerfield Beach, Lauderhill, North Lauderdale, Oakland Park, Pompano Beach, and Tamarac, the North Springs Improvement District, and the private utility companies of Parkland Utilities, Inc. and Royal Utilities, which provide for wastewater transmission, treatment and disposal services (collectively, the "Large Users"). The Large Users' agreements terminate at the end of the County's fiscal year following the date all obligations, notes or bonds at any time issued for the North Regional Wastewater Treatment Plant and associated transmission and disposal facilities, or any part thereof, are retired or satisfied.

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The current reserved capacity in the North Regional Wastewater Treatment Plant for the County and Large Users is set forth in the following table.

**North Regional Wastewater System  
Reserve Capacity as of September 30, 2021  
(MGD)**

<b>Large User</b>	<b>Capacity</b>	
	<b>Treatment</b>	<b>Transmission</b>
Broward County	19.420	19.420
Coconut Creek <sup>1</sup>	6.540	4.410
Coral Springs	9.790	9.790
Deerfield Beach	8.500	8.500
Lauderhill	7.100	7.100
North Lauderdale	4.400	4.400
NSID	3.530	3.530
Oakland Park	1.520	1.520
Parkland Utilities	0.265	0.265
Pompano Beach <sup>1</sup>	17.000	N/A
Royal Utilities	0.450	0.450
Tamarac	8.500	8.500
<b>Total</b>	<b>87.015</b>	<b>67.885</b>

<sup>1</sup> All of Pompano Beach and portions of Coconut Creek do not use the North Regional Wastewater System transmission facilities; these wastewater flows are transmitted through separate pipelines.

Source: Broward County Water and Wastewater Services

### Regional Water Supply System

*The Regional Raw Water System.* The Biscayne Aquifer, currently the County's primary source of drinking water, is subject to saltwater intrusion. In 1986, the County adopted the Regional Raw Water Supply Program, which calls for centralized wellfields further inland to ensure a long-term water supply for the County. Under the program, new wellfields and raw water delivery systems were financed, constructed and are operated as a regional water supply system for certain large users. These large users currently purchasing raw water are the cities of Dania Beach, Deerfield Beach, Hallandale Beach and Hollywood, Florida Power and Light Corporation, and the Utility's District 2. The wellfields were constructed using general County revenues and the assets were contributed to the Utility. There are two regional wellfields operated by the County as part of the regional system: the North Regional Wellfield and the South Regional Wellfield.

The North Regional Wellfield includes ten 2 MGD wells and approximately 39,000 linear feet of pipeline, ranging from 12-inches to 48-inches in diameter. A permit application combining the District 2A retail wellfield and North Regional Wellfield permits was approved by the SFWMD and issued in October 2020. The permitted capacity of the North Regional Wellfield is 17.41 MGD on a maximum month basis and 580.55 MG as a maximum month value. The permit expires in the year 2040. The well casings at the North Regional Wellfield are set in the Biscayne Aquifer at a depth of approximately 100 feet below land surface. The North Regional Wellfield has two emergency generators capable of powering pumps for six wells.

The South Regional Wellfield includes eight 4 MGD wells and approximately 83,000 linear feet of transmission pipeline, ranging in size from 20-inches to 42-inches in diameter. Six wells have the ability to run under permanently installed auxiliary generator power with three wells being connected to each generator. The remaining wells have connections for a portable generator. The South Regional Wellfield permit was renewed in 2018 and is currently operating under a temporary permitted capacity of the 533.17 MG on a maximum month basis and 15.64

MGD on an annual average basis. The temporary condition is assumed to cease in 2023 when the C-51 Reservoir becomes operational, and limits increase to 16.62 MGD and a maximum month limit of 566.19 MG. The Biscayne allocation requires renewal in 2038 while the C51 allotment is valid through 2065. Wells 5 and 6, formerly associated with water treatment plant 3A, were abandoned in 2015. The well casings at the South Regional Wellfield are set in the Biscayne Aquifer at a depth of approximately 100 feet below land surface.

*Regional Raw Water Supply Regulatory Requirements.* The volume of raw water withdrawal from the utility's regional raw water supply wellfields is regulated by the SFWMD. Each wellfield is governed by a water use permit that stipulates the raw water maximum allowable annual and daily withdrawals. These permits are reissued for periods of five to twenty years. The permit for the North Regional Wellfield was renewed in October 2020 for a 20-year period. The 20-year renewal of the South Regional Wellfield permit was similarly granted in March 2018. Both permits include C51 offset allocation that are valid for a 50-year term that expire in December 2065. Monitoring of well pumpage and groundwater levels in proximity to wetlands and saltwater intrusion is conducted to comply with specific limiting conditions of the regional wellfield water use permits. For wells that are in service, the County operation personnel regularly monitor pH, alkalinity, hardness, iron, chloride, color, heterotrophic plate count, coliforms, quarterly wellfield protection monitoring and annual analysis to comply with the Safe Drinking Water Act as well as the FDEP. All water quality parameters are regulated and enforced by the FDEP. Groundwater levels around the wellfield footprints and chloride concentrations in the Biscayne Aquifer production zone and at depths below production zone also are monitored and reported to the SFWMD on a monthly basis as part of consumptive use permit compliance.

*Contractual Agreements.* The contractual agreements with each of the Large Users are substantially similar and run for an indefinite period of time. The exception is the City of Hollywood agreement that has a four-year term with an automatic renewal for four years unless otherwise terminated. The Large User Agreements provide for a method to charge each user a pro rata share of system operations and maintenance costs. Historical and projected revenues for the raw water system generally represent less than 1% of Utility revenues. The capital costs of system construction were funded using general County revenues.

### **Capital Improvement Program**

As part of the growth management efforts mandated by State law, the County has developed ongoing comprehensive planning efforts to accommodate future growth and compliance with regulatory requirements. The latest revision of the CIP was completed in [2014] and addresses the need for services and facilities based upon anticipated build-out conditions of the Utility's service area in the year [2025]. It is noted that the Utility conducts an annual CIP review process wherein all projects are thoroughly vetted, estimated and scheduled. Each review builds upon prior analyses and utilizes new planning data when available. A Retail Water and Wastewater Master Plan was completed in August 2016. This Master Plan is currently being utilized to develop water and wastewater improvements for the Water and Wastewater Services retail service areas. The County develops a five-year Capital Improvement Program ("CIP") for the water and wastewater system recognizing costs associated with future growth and regulatory requirements. The Board approved the latest CIP in September 2021 which includes capital improvements through Fiscal Year 2026 (the "2022-2026 CIP"). The table on the following page presents the current capital projects budget for the 2022-2026 CIP through Fiscal Year 2026 categorized by expenditure category, but also includes certain prior authorized projects. The 2022-2026 CIP includes cost estimates for both water and wastewater projects which are expected to be initiated within the five-year plan regardless of the estimated time required to design and complete construction. Therefore, the total figures reflected below are not expected to be fully expended within the five-year period.

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**Capital Projects Budgets by Type Through Fiscal Year 2026**

	<b>Budget</b>
<b>Water Treatment</b>	
Water Treatment Plant Expansion	\$750,000
Water Treatment Plant IRR <sup>1</sup> & Misc. Projects	<u>\$45,752,765</u>
<b>Water Treatment Subtotal</b>	<b>\$46,502,765</b>
<b>Water Distribution and Sewer Collection</b>	
Neighborhood and Local Utility Projects (NP & LUP)	\$109,812,633
Retail Sewer Main Improvements	\$95,407,400
Retail Water Main Improvements	\$10,347,492
Miscellaneous Main Improvements	\$7,581,461
Potable Water Storage Improvements	\$28,369,583
Lift Station Improvements	<u>\$11,845,786</u>
<b>Water Distribution and Sewer Collection Subtotal</b>	<b>\$263,364,355</b>
<b>Wastewater Treatment</b>	
NRWWTP Effluent Disposal / Treatment Enhancements	\$234,962,024
NRWWTP Equipment Rehabilitation	\$74,145,807
Wastewater Plant IRR <sup>1</sup> & Misc. Projects	<u>\$5,311,614</u>
<b>Wastewater Treatment Subtotal</b>	<b>\$314,419,445</b>
<b>Regional Transmission</b>	
Master Pump Station Improvements	\$28,512,395
Force Main Extensions/Improvements	<u>\$4,447,486</u>
<b>Regional Transmission Subtotal</b>	<b>\$32,959,881</b>
<b>Engineering/Misc. Services</b>	<b>\$70,771,176</b>
<b>GRAND TOTAL</b>	<b>\$728,017,622</b>

<sup>1</sup> IRR = Improvement, Repair and Replacement

Source: Broward County Water and Wastewater Services

The estimated funding requirements for this five-year period ending Fiscal Year 2026 are expected to be met by Net Revenues, debt proceeds (including proceeds of the Series 2022A Bonds), capital recovery charges, contributions from Large Users, grants and future borrowings. The Utility currently forecasts cash financing at least 25 percent of the actual funding requirements. Many of the projects and improvements in the CIP are in the planning stages with cost estimates that are preliminary and contracts have not been awarded.

The County is presently considering increasing funding for certain projects during preparation of the 2022 CIP update. The total updated CIP could be increased above the CIP presented in the tables above and below. However, much of these costs will be carried over to years beyond the five-year CIP period.

The County plans to continue to prioritize projects as needed to maintain an affordable rate structure. Proposed rates are annually presented to the Board for discussion at an August workshop with action taken at the September budget hearings. Current projections anticipate level rate increases of approximately three percent annually through Fiscal Year 2026. The following table reflects the five-year CIP plus the capital budget for Fiscal Year 2021.

**Funding of the Five-Year Capital Improvement Program as of September 30, 2021**

<b>Capital Budgets</b>	<b>Water Treatment</b>	<b>Water and Sewer Mains</b>	<b>Wastewater Treatment</b>	<b>Regional Transmission</b>	<b>Engineering Services &amp; Misc.</b>	<b>Total</b>
Bonds FY 2020-2026	\$28,632,825	\$169,564,355	\$167,530,925	\$26,890,889	\$22,571,176	\$415,190,170
Cash FY 2020-2026 <sup>1</sup>	9,419,940	56,198,890	22,933,834	5,068,992	34,600,000	128,221,656
Beyond 2026 <sup>2</sup>	8,450,000	37,601,110	123,954,686	1,000,000	13,600,000	184,605,796
<b>Totals</b>	<b>\$46,502,765</b>	<b>\$263,364,355</b>	<b>\$314,419,445</b>	<b>\$32,959,881</b>	<b>\$70,771,176</b>	<b>\$728,017,622</b>

1 Cash reflects net revenues, capital recovery charges, large user contributions, and grants.

2 Reflects effects of construction period. It is currently expected that \$543 million of the \$728 million program will be spent by 2026. Since the construction period extends beyond 2026, the remaining approximately \$185 million will be spent in subsequent years.

Source: Broward County Water and Wastewater Services; APPENDIX C – ENGINEER'S REPORT.

The County reviews and updates the CIP annually and includes separate estimates for the Water and Wastewater Systems. The total cost of the CIP could vary from these annual estimates depending upon future demands, regulatory requirements, actual contract awards and other economic factors.

*Retail Water and Wastewater System Improvements.* The five-year CIP for the retail water and wastewater systems has the principal objectives of upgrading/rehabilitating or replacing water treatment and distribution systems, sewage collections systems, and extending sanitary sewers to currently non-sewered customers.

*Water Treatment.* The five-year CIP includes \$46 million to improve water treatment plants 1A and 2A, which includes repair and replacement of process equipment, chemical and electrical systems, security improvements, and energy efficiency upgrades.

*Neighborhood Improvement Program.* The Neighborhood Improvement Program was initiated by the County in 1993. The program upgraded the infrastructure in what were unincorporated neighborhoods. The improvements included upgrades to the existing water and sewer system, installation of drainage, new pavement, swales, and landscaping.

*Local Utility Program ("LUP").* The Utility began implementing local utility improvement projects by Utility Analysis Zones ("UAZ") in mid-2009. Where the Neighborhood Improvement Program included drainage, landscaping and sidewalk improvements, which were paid for from County general funds, the LUP projects focus solely on water and sanitary sewer improvements. The total cost estimate for these improvements is nearly \$275 million dollars over the twenty plus years project life. The five-year CIP includes \$110 million dollars for neighborhood and LUP projects.

*Other, Including Mains, Lift Station Improvements and Potable Storage.* The CIP includes \$141 million for water and wastewater main improvement projects to address aging water and wastewater lines, increase transmission and distribution capacities, and to extend service to new customers. The CIP also includes \$12 million of retail wastewater lift station rehabilitation projects to increase the reliability of the wastewater collection system and prevent the occurrence of sanitary sewer overflows.

*Regional Wastewater Treatment.* Under current regulations, the County is required to reduce the nutrient loadings discharged to the ocean outfall between 2009 and 2025, and to eliminate use of the outfall, except as a back-up discharge that is part of a functioning reuse systems. These were estimated to result in plant process improvement requirements with estimated costs ranging from \$766 million to \$889 million in accordance with the Effluent Disposal Master Plan (November 2010). With amendment to the Ocean Outfall legislation in 2013, allowing peak flows to continue discharging through the outfall, the construction of additional injection wells with associated high-level disinfection was no longer mandatory by 2025. The compliance with the additional required reclaimed water production was met through the agreement with Palm Beach County wherein Water and Wastewater Services would supply bulk reclaimed water to customers in Palm Beach County (executed in April 2016). As a result, the estimated

costs for ocean outfall compliance are expected to be substantially reduced to approximately \$170 million. It is noted that this estimate will be variable depending upon regulatory agency actions in the future.

The County has included funding \$235 million of funding in the 5-year CIP to address these improvements. Various other system utility Improvement, Repair and Replacement (IRR) projects are budgeted at approximately \$79 million. These improvements will address solids handling, biological process, controls, structures, electrical and other related plant improvements.

Future capital needs associated with the potential requirement to add high level disinfection for existing deep injection wells and/or to construct additional deep injection wells are not included in the five-year CIP. It is anticipated that adequate time for planning and funding for these requirements will be available when (and if) this requirement is mandated for the NRWTP.

*Regional Wastewater Transmission.* The CIP includes a series of master pump station improvements to ensure adequate system capacity as well as reliability in the regional transmission system. The CIP anticipates investing approximately \$33 million for improvements to the master pumping stations, wastewater meters, and air release valves and was completed in 2021. The Plan recommends potential future capital improvements required to maintain the regional system into the future.

## **Overview of Financial Operations**

Operating, administrative, and general maintenance costs of the retail portion of the Utility are recovered from retail customers through charges for potable water service, wastewater service, reclaimed water service, customer connections, and other utility-related services. Capital costs for system development, large maintenance projects, and renewal and replacement projects are funded through Net Revenues, bond proceeds, developer contributions, contributions from other municipalities, and capital recovery charges.

All charges are developed by the Utility and approved by the Board. The Board has specific legal authority to set and collect rates, fees, and charges from its customers and to acquire, construct, finance, and operate the Utility. The existing rate structure for retail customers is based on meter size and consumption and water consumption. The County, as a matter of policy, reviews revenue requirements on an annual basis and institutes required rate increases. The Utility rates for Fiscal Year 2022 were approved by the Board and became effective October 1, 2021. The rate resolutions also address rates for irrigation, reclaimed water, septage, and include a high strength industrial wastewater surcharge, an emergency rate adjustment for water conservation during drought conditions, capital recovery charges per equivalent residential unit ("ERU"), customer deposits, and specific service charges. Capital recovery charges underwrite the investment in additional capacity needed to serve new developments.

*Retail Water and Wastewater Rates and Charges.* The existing rate structure for retail water and wastewater customers is based on meter size and water consumption. The County encourages retail customers to conserve water through the retail water and wastewater rate schedules that set higher water rates for levels of water consumption beyond basic use. The current water rate schedule is composed of four tiers as follows:

- Rates for basic use
- Rates for normal use
- Rates for discretionary use
- Rates for excessive use

The average monthly water and wastewater bills of a residential customer consuming 5,000 gallons per month during the Fiscal Years 2018 to 2022 are presented in the following table. The 5,000 gallons is the average monthly metered water use of the County's retail residential customers. As noted in the table below, the water and wastewater bill in Fiscal Year 2022 was \$71.05 per month for the average water-using residential customer and is a two percent increase from Fiscal Year 2021.

**Broward County Water and Sewer Monthly Service Costs  
for a Residential Customer Using 5,000 Gallons per Month**

Fiscal Year	Water Fixed Charge <sup>1</sup>	Water Volume Charge	Total Water	% Change			Total Sewer	% Change		Total Water and Sewer	Total % Change From Prev. Year
				From Prev. Year	Sewer Fixed Charge <sup>1</sup>	Sewer Volume Charge		From Prev. Year	Total Sewer		
2018	\$16.36	\$10.06	\$26.42	2.3%	\$18.26	\$19.90	\$39.16	3.1%	\$65.58	2.8%	
2019	16.79	10.36	27.15	2.8	18.88	20.55	40.43	3.2	67.58	3.0	
2020	17.13	10.68	27.81	2.4	20.54	21.30	41.84	3.5	69.65	3.1	
2021	17.13	10.68	27.81	0.0	20.54	21.30	41.84	0.0	69.65	0.0	
2022 <sup>2</sup>	17.19	10.81	28.00	0.7	21.20	21.85	43.05	2.9	71.05	2.0	

<sup>1</sup> Includes minimum monthly charge and monthly customer charge.

<sup>2</sup> Based on rates adopted by the Board effective October 1, 2021.

Source: Broward County Water and Wastewater Services

In the event additional water restrictions are imposed, the County has instituted an automatic adjustment to the water rate to encourage customers to reduce consumption. The automatic rate adjustment was adopted by the Board as a way to maintain the revenues required for operations while water consumption is curtailed. The SFWMD imposed phased restrictions as drought conditions warranted to achieve a reduction of water used.

With the automatic adjustment, the higher water rates established for larger consumption levels are applied at lower levels of consumption. The result is that customers who do conserve as required will experience a reduction in their water bills. Conversely, customers who fail to achieve reductions will pay even greater amounts for water consumed than they would otherwise pay without the adjustment. As targeted reductions increase the associated levels at which increased rates become effective decrease.

The Regional Wastewater System Large Users' rates are reviewed and adjusted annually by the County as part of the budget process. The rates are based on the County's estimation of total costs and total flows. Debt service requirements (including required coverage) for the Regional Wastewater System are allocated to each large user in proportion to their reserved capacity. A surcharge of up to ten percent is added to fund improvements, repairs and replacements of the Regional Wastewater System. Currently the surcharge is five percent. These funds are maintained separately from the Renewal, Replacement and Improvement Fund (the "RR&I Fund") established by the Bond Resolution to provide a reserve for the Utility.

Presently, the RR&I Fund is required by the Bond Resolution to maintain a minimum balance of five percent of the previous year's revenues, as defined by the Bond Resolution, or a greater amount if recommended by the Consulting Engineer. Based on the financial statement for the Fiscal Year ended September 30, 2020, the 2020 total revenues were \$156 million. Five percent of Fiscal Year 2020 revenues is approximately \$7.8 million. The current balance in the RR&I Fund is \$7.8 million, consistent with the requirement of the Bond Resolution [and the Consulting Engineer has not recommended a greater amount].

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The following table sets forth the current water and wastewater system monthly service charges for residential customers of municipalities and the unincorporated area in the County, as well as Miami-Dade and Palm Beach counties.

**Comparative Monthly Rate Survey as of December 31, 2020  
(Based on Usage of 5,000 Gallons Per Month)**

<b>Utility</b>	<b>Water</b>	<b>Sewer</b>	<b>Total</b>
Sunrise (outside City)*	51.64	63.10	114.74
Davie	40.58	75.68	116.26
Wilton Manors	50.30	54.49	104.79
Oakland Park	50.00	50.71	100.71
Dania Beach*	35.00	58.82	93.82
Sunrise (inside City)*	41.32	50.48	91.80
Fort Lauderdale (outside City)	32.29	56.41	88.70
Hollywood*	28.74	56.36	85.10
North Lauderdale*	32.30	47.25	79.55
Parkland	26.37	59.10	85.48
Margate (outside City)	39.22	39.93	79.15
Miramar	34.88	45.00	79.88
Coconut Creek*	40.22	30.56	70.78
Pembroke Pines	31.80	36.81	68.61
Cooper City	28.69	42.57	71.26
<b>Broward County (The Utility)*</b>	<b>27.81</b>	<b>41.84</b>	<b>69.65</b>
Plantation*	24.34	44.70	69.04
Pompano Beach (outside City)	36.16	38.58	74.74
NSID	36.09	32.31	68.40
Coral Springs	24.46	46.55	71.01
Fort Lauderdale	25.83	45.13	70.96
Hallandale Beach*	26.06	41.28	67.34
Tamarac	21.80	42.75	64.55
Margate (inside City)	31.38	31.64	63.32
Lauderhill	22.41	39.25	61.66
Royal Waterworks*	27.98	35.92	63.90
Pompano Beach (inside City)	28.93	30.86	59.79
Deerfield Beach*	28.25	24.53	52.78
Coral Springs Improvement District*	27.57	27.57	55.14
<b>Average Water and Sewer for Broward</b>	<b>32.84</b>	<b>44.50</b>	<b>77.34</b>
<b>Water Only</b>			
Hillsboro*	34.41		34.41
<b>Sewer Only</b>			
Pembroke Park*	-	58.09	58.09
Lauderdale By the Sea*	-	41.32	41.32
<b>Tri-County Utilities</b>			
Palm Beach County	24.57	30.04	54.61
Miami Dade County	16.23	31.16	47.39

\* Rates did not change from 2019 to 2020.

Source: Broward County Water and Wastewater Services

*Revenue Projections and Debt Service Coverage.* Annual retail water and wastewater revenues and expenditures for Fiscal Year 2020 are based on actual values from audited financial statements prepared as of September 30, 2020. Fiscal Year 2021 revenues and expenditures were projected based upon the rates approved by the County, which were implemented October 1, 2019 and estimated expenses for through Fiscal Year 2021. Revenues for Fiscal Years 2021 through 2025 have been based on the projected average annual number of customers, historical average consumption per customer, and projected retail service rates.

The revenue forecast for the Large Users of the North Regional Wastewater System have been projected to recover costs as defined under the Large User Agreements. The following table shows revenues (in thousands) from Large Users and certain other users in Fiscal Year 2020:

**Broward County Water & Wastewater Services  
Wastewater Large User / Resale Customer (in thousands)  
For the Fiscal Year ended September 30, 2020**

<b><u>Large User:</u></b>	<b><u>Wastewater</u></b>	<b><u>Water</u></b>	<b><u>Total</u></b>	<b><u>% Total Revenue</u></b>
Coconut Creek <sup>1</sup>	\$ 3,883	\$8,372	\$12,255	8.05%
Pompano Beach	10,294	-	10,294	6.76
Coral Springs	5,504	-	5,504	3.62
Tamarac	4,795	-	4,795	3.15
Deerfield Beach	4,390	-	4,390	2.88
Lauderhill	4,374	-	4,374	2.87
Broward County Agencies <sup>2</sup>	1,210	1,933	3,143	2.07
North Lauderdale	3,039	-	3,039	2.00
NSID	2,877	-	2,877	1.89
Broward County School Board <sup>2</sup>	557	783	1,340	0.88
<b>Total</b>	<b>\$40,923</b>	<b>\$11,088</b>	<b>\$52,011</b>	<b>34.17%</b>

<sup>1</sup> Retail customer for water.

<sup>2</sup> Retail customer for wastewater and water.

Source: Broward County Water and Wastewater Services.

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The following table shows historical and projected ratios of large user's (regional and resale) revenues to total revenues.

**Historical and Projected Revenue From NRWTP Large Users,  
Raw Water Sales, and Sale for Resale Water  
(In 1,000s)**

	2016	2017	Historical		2019	2020	2021	2022	Projected		2025
			2018						2023	2024	
Total WWS Revenue	\$132,838	\$138,546	\$140,483	\$145,746	\$156,042	\$158,199	\$166,195	\$172,617	\$177,468	\$182,463	
Large User Revenues (excluding Broward County)	\$33,868	\$34,834	\$34,773	\$36,016	\$42,761	\$44,284	\$49,032	\$51,882	\$53,284	\$54,729	
Percent of Total WWS Revenue	25.5%	25.1%	24.8%	24.7%	27.4%	28.0%	29.5%	30.1%	30.0%	30.0%	
Regional Raw Water Revenues	\$857	\$803	\$866	\$1,062	\$908	\$915	\$922	\$931	\$940	\$958	
Percent of Total WWS Revenue	0.6%	0.6%	0.6%	0.7%	0.6%	0.6%	0.6%	0.5%	0.5%	0.5%	
Treated Water Sales to City of Coconut Creek (Sale for Resale Water)	\$6,247	\$6,688	\$6,975	\$7,258	\$8,372	\$8,000	\$7,402	\$7,475	\$7,550	\$7,587	
Percent of Total WWS Revenue	4.7%	4.8%	5.0%	5.0%	5.4%	5.1%	4.5%	4.3%	4.3%	4.2%	

Source: Broward County Water and Wastewater Services; APPENDIX C – ENGINEER'S REPORT.

The Utility operates a mature system with limited future growth needs. Hence, growth rates in the retail water and retail wastewater system customer base beginning in Fiscal Year 2021 have been estimated at one percent annually for water and one percent annually for wastewater. Operation and Maintenance costs are assumed to increase by an average of one percent annually for both water and wastewater beginning in Fiscal Year 2021. Retail rate increases from Fiscal Years 2022 through Fiscal Year 2025 of approximately three percent per year for both retail water and wastewater are necessary to meet the projected revenues, as presented in the table shown on the next page. [The Board has not yet considered these rate increases.] If any retail rate increase is not approved, the coverage ratios would be lower than those presented in the table shown on the next page. The revenue forecast for the Large Users of the Regional Wastewater System have been projected to recover costs as defined under the Large User Agreements.

[Proposed Series 2022A Bonds debt service assumes a [\_\_\_]% interest rate per annum and maturities over a [\_\_\_]-year period, back-loaded to support levelized total debt service payments. In Fiscal Year 2020, the total revenues generated by the Utility were sufficient to meet the rate covenant requirement of 120 percent coverage of the annual debt service obligation for all Bonds outstanding. The audited financial statements of the Utility for the period ended September 30, 2020 present the computation of debt service coverage on all outstanding revenue bonds as 1.71x. In addition, a Balance Available for Renewal, Replacement and Capital Expenditures of approximately \$30.6 million was generated during Fiscal Year 2020. Historical debt service coverage for Fiscal Year 2016 through Fiscal Year 2020 and projected values for Fiscal Year 2021 through Fiscal Year 2025 are presented in the following table.] See "SECURITY FOR THE SERIES 2022A BONDS – Summary of Application of Revenues and Flow of Funds as Established By the Bond Resolution."

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An estimate of interest income is projected annually from Fiscal Year 2021 through Fiscal Year 2025, as of the date of the Engineer's Report. Interest income is generated from three main sources: debt service reserve fund, general reserve fund, and investments of fund balances as permitted under the Bond Resolution. See "APPENDIX C – ENGINEER'S REPORT."

**Schedule of Historic and Projected Net Revenues,  
Debt Service and Coverage for Fiscal Years 2016 through 2025  
(\$1,000s)**

	Historical					Projected <sup>1</sup>				
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Revenues:</b>										
Water	\$48,106	\$50,620	\$51,788	\$54,856	\$54,872	\$55,695	\$57,366	\$59,087	\$60,860	\$62,685
Wastewater	76,890	79,411	80,976	83,942	91,727	94,020	100,047	104,875	107,867	110,950
Other <sup>2</sup>	7,417	7,507	5,661	4,506	7,311	7,384	7,458	7,533	7,608	7,684
Interest Income	425	1,008	2,058	2,442	2,132	1,100	1,111	1,122	1,133	1,145
<b>Total Revenues</b>	<b>\$132,838</b>	<b>\$138,546</b>	<b>\$140,483</b>	<b>\$145,746</b>	<b>\$156,042</b>	<b>\$158,199</b>	<b>\$165,982</b>	<b>\$172,617</b>	<b>\$177,468</b>	<b>\$182,463</b>
<b>Current Expenses:</b>										
Water Transmission & Distribution	\$11,441	\$11,100	\$12,450	\$13,410	\$12,528	\$12,904	\$13,291	\$13,690	\$14,100	\$14,523
Water Source of Supply, Treatment & Pumping	9,817	9,468	10,619	11,438	10,685	11,006	11,336	11,676	12,026	12,387
Wastewater Collection & Transmission	11,262	12,134	11,794	12,332	12,681	13,061	13,453	13,857	14,273	14,701
Wastewater Treatment	17,724	18,803	18,637	19,337	19,692	20,283	20,891	21,518	22,164	22,828
Customer Service	4,953	5,429	5,833	6,222	5,908	6,085	6,268	6,456	6,650	6,849
Administrative/General	14,920	15,940	15,522	16,877	21,232	21,869	22,525	23,201	23,897	24,614
<b>Total Current Expenses</b>	<b>\$70,117</b>	<b>\$72,874</b>	<b>\$74,855</b>	<b>\$79,616</b>	<b>\$82,726</b>	<b>\$85,208</b>	<b>\$87,764</b>	<b>\$90,397</b>	<b>\$93,109</b>	<b>\$95,902</b>
<b>Net Revenues</b>	<b>\$62,721</b>	<b>\$65,672</b>	<b>\$65,628</b>	<b>\$66,130</b>	<b>\$73,316</b>	<b>\$72,992</b>	<b>\$78,431</b>	<b>\$82,220</b>	<b>\$84,359</b>	<b>\$86,561</b>
<b>Debt Service – Senior Lien Debt:</b>										
Series 2009-A Bonds	\$2,367	\$2,363	\$2,363	\$1,985	\$1,984	\$1,700	\$-	\$-	\$-	\$-
Series 2012-A Bonds	8,251	8,253	9,037	8,723	3,670	3,755	3,757	3,767	3,761	3,763
Series 2012-B Bonds	5,523	5,523	11,057	16,371	16,370	14,271	14,271	14,263	14,270	14,268
Series 2012-C Bonds	10,940	10,942	4,622	-	-	-	-	-	-	-
Series 2015-A Bonds	2,113	2,113	2,113	2,113	2,113	2,113	2,113	2,113	2,113	2,113
Series 2015-B Bonds	6,885	6,885	6,885	6,885	6,885	9,515	11,209	11,208	11,210	11,211
Series 2019-A Bonds	-	-	-	-	8,731	10,583	10,583	10,583	10,583	10,583
Series 2019-B Bonds	-	-	-	-	2,997	3,633	3,633	3,633	3,633	3,633
Series 2021-A Bonds (proposed) <sup>1</sup>	-	-	-	-	-	-	6,563	10,500	10,500	10,500
<b>Total Debt Service</b>	<b>\$36,079</b>	<b>\$36,079</b>	<b>\$36,077</b>	<b>\$36,077</b>	<b>\$42,750</b>	<b>\$45,570</b>	<b>\$52,129</b>	<b>\$56,067</b>	<b>\$56,070</b>	<b>\$56,071</b>
<b>Debt Coverage Senior Lien</b>	<b>1.74</b>	<b>1.82</b>	<b>1.82</b>	<b>1.83</b>	<b>1.71</b>	<b>1.60</b>	<b>1.50</b>	<b>1.47</b>	<b>1.50</b>	<b>1.54</b>

<sup>1</sup> Includes 3% annual retail rate increase for Fiscal Years 2022 through 2025.

<sup>2</sup> Other revenues includes the customer service charge and miscellaneous fees.

<sup>3</sup> Preliminary, subject to change.

Source: Broward County Water and Wastewater Services; APPENDIX C – ENGINEER'S REPORT.

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## CERTAIN INVESTMENT CONSIDERATIONS

The County's ability to derive Pledged Revenues from its operation of the Utility in amounts sufficient to pay debt service on the Series 2022A Bonds and the Outstanding Parity Bonds depends upon many factors, many of which are not subject to the control of the County. Described below are certain factors that could affect future operations of the Utility and certain related matters. For more information regarding the Utility, see "THE WATER AND WASTEWATER UTILITY."

The following discussion is not meant to be an exhaustive list of the factors which may impact the payment of or security for the Series 2022A Bonds and does not necessarily reflect the relative importance of the various factors associated with the purchase of the Series 2022A Bonds. Investors are advised to consider the following factors along with all other information described in this Official Statement or incorporated by reference herein when evaluating the Series 2022A Bonds.

### **Infectious Disease Outbreak**

[In December, 2019 a respiratory disease caused by a novel strain of coronavirus was first reported in China. The disease has spread to other countries, including the United States of America, producing sickness and deaths in the places where it has spread. The disease was declared a Public Health Emergency of International Concern on January 30, 2020, named "COVID-19" on February 11, 2020, and declared a pandemic on March 10, 2020, each by the World Health Organization. The number of people reported to have been infected by COVID-19 and the number of reported deaths from COVID-19 infections are substantially higher in the United States than in any other country.

Currently, no proven cure exists for COVID-19. Several vaccines have been developed that significantly decrease the likelihood of infection and the severity of impact if a vaccinated person becomes infected. Three (3) of such vaccines were approved by the United States Food and Drug Administration (the "FDA") for emergency use in the United States in December 2020 and February 2021, with one of those vaccines being fully approved in August 2021 for individuals 16 years of age and older. Such vaccines are currently available to residents in the County. Locations to test for the virus and places where the vaccinations can be received are available throughout the County. For additional information and updates on the continuing impact of COVID-19 in the County, see the County's website at: <https://www.broward.org/coronavirus/Pages/default.aspx>.

To address the health concerns presented by COVID-19, state and local governments implemented unprecedented, formal restrictions to limit human contact. During the month of March, 2020, emergency declarations were issued by the federal government, the State, the County and municipalities within the County. Pursuant to such declarations, far-reaching social distancing measures were adopted, which generally required the closure of all public areas and facilities, public and private schools, private businesses that are not critical or essential businesses and the prohibition of gatherings involving attendance of more than ten (10) people. Additionally, individuals throughout the County were strongly urged to remain in their homes, other than to engage in essential activities, and to wear facial masks when interacting with others outside their homes. Commercial establishments, government buildings and public areas and facilities were opened in phases in 2020, with restrictions placed on the number of people that may access such establishments, areas and facilities and the manner in which they may be accessed. State and local government-imposed restrictions were lifted throughout the State, including within the County, in 2021. Certain federal restrictions remain in effect, however, including a mask mandate on all public transit. Certain businesses also continue to maintain certain restrictions.

While the total or long-term negative impact on the County of COVID-19 cannot be predicted with any reasonable degree of certainty at this time, the continued spread of the disease, containment, and efforts designed to mitigate its effects could adversely impact the financial and operating condition of the County for several years. [Describe any impacts on utility.]

In 2016, South Florida experienced an increase in the incidence of mosquito-borne illnesses, including the Zika virus. The outbreak led to the issuance of travel warnings, which may have discouraged some travelers from visiting and some tourists from vacationing in South Florida during the outbreak. According to the Center for Disease

Control and Prevention, there have been no reports of active transmission of the Zika virus by mosquitoes in South Florida since 2017.]

### **Financial Information**

Certain financial information relating to the Utility is set forth herein and in the appendices hereto. There can be no assurance that the financial results achieved by the Utility in the future (including, but not limited to, the amount of Pledged Revenues collected by the Utility) will be similar to historical results, or those projected herein, and such future results and actual variations may be material.

### **Climate Change and Natural Disasters**

The State is naturally susceptible to the effects of extreme weather events and natural disasters including floods, droughts, and hurricanes, which could result in negative economic impacts on coastal communities like the County. Such effects can be exacerbated by a longer-term shift in the climate over several decades (commonly referred to as climate change), including increasing global temperatures, rainfall intensification and rising sea levels. The occurrence of such extreme weather events could damage the Utility's assets or the local infrastructure that provides essential services to the Utility. The economic impacts resulting from such extreme weather events could include a loss of property values, a decline in Pledged Revenues, and escalated recovery costs. No assurance can be given as to whether future extreme weather events will occur that could materially impair the financial condition of the Utility or damage its assets.

The County is keenly aware of the risks from hurricanes and sea level rise, as are officials throughout South Florida. In an effort to address the repercussions of climate change in Southeast Florida communities, the first Southeast Florida Climate Leadership Summit was held in the County in 2009. Local elected officials from throughout the region came together at the Summit to discuss challenges and strategies for responding to the impacts of climate change. The Summit resulted in the formation of the Southeast Florida Regional Climate Compact (the "Compact"). The Compact was executed by the County and the Counties of Miami-Dade, Monroe and Palm Beach in January 2010 to coordinate climate change mitigation and adaptation activities across county lines.

Among other benefits of its participation in the Compact, the County was instrumental in the development of the climate change strategies described in the Compact's Regional Climate Action Plan (the "RCAP"). The RCAP was the result of a two (2) year collaborative process involving nearly one hundred (100) subject matter experts representing public and private sectors, universities and not-for-profit organizations. The RCAP, adopted for Broward County in October 2012, may be viewed on the Compact's website at: <http://southeastfloridaclimatecompact.org/>.

The County has invested in the implementation of its Climate Action Plan, collaborated regionally and developed tools necessary to identify risks, update design standards, and inform policy solutions. Specifically, the County (i) is updating its community flood map to require new development to build finished floor elevations above flood elevations projected for year 2070, (ii) has adopted a future conditions map series in the County Code to support the County's regulatory processes and formalize resilience requirements as part of design standards for licensed projects, requiring drainage to be designed for projected groundwater table rise in year 2070, and (iii) is proposing a regional resilience standard for a minimum elevation for tidal flood barriers (seawalls) to prevent tidal overtopping and flooding along shorelines under conditions predicted for year 2070. Also see, "- Sea Level Rise-Based Planning" and "Storm Surge and Coastal Water Elevations" below.

The County has begun the process of assessing basin-level economic risk and identifying infrastructure improvements needed to mitigate future flood risk and the impacts of future flood conditions. This assessment will serve as the foundation for a county-wide resilient infrastructure improvement plan to mitigate flooding in the basins within the County, including where major developments and essential infrastructure are located. Recent investments in the County's Water and Wastewater Utility facilities include elevation of lift stations for flood protection, design enhancements in consideration of the future groundwater table condition and redundant power supply (substation) connections for post-disaster outages. A more detailed description of the planning and implementation of efforts to reduce the effects of climate change in the County may be found on the County's website at:

<https://www.broward.org/Climate/Pages/default.aspx>.

In addition to the foregoing, the following factors should be noted with respect to climate change impacts and initiatives in the County.

#### Resilient Shorelines

Beaches provide a front line of defense to coastal storm surge and are identified as a priority Coastal Storm Risk Management strategy in the South Atlantic Coastal Study Report and Recommendations prepared by the U.S. Army Corps of Engineers. The County maintains an active beach nourishment program with a targeted preservation of 125 feet of beach width. The County has actively integrated beach dunes, another effective shoreline defense measure, into all shoreline protection projects, with an established goal of achieving eighty percent (80%) dune presence along the full length of County shoreline. These investments are augmented by an active beach dune grant program that provides municipalities and community partners with fifty percent (50%) cost sharing for dune creation and rehabilitation projects.

#### Sea Level Rise-Based Planning

The County has formally adopted the 2019 Southeast Florida Regional Sea Level Rise Projection and directed staff to apply this projection as the basis for adaptation planning. The projection is based upon the National Oceanic Atmospheric Administration (NOAA) Intermediate High Curve. While the projection extends to year 2100, the County and Compact partners collectively reference the year 2070 time frame (50-year planning horizon) and a 3.3-foot rise in sea level (relative to year 2000) as the basis for planning. This 2019 projection is an update to the 2015 projection which referenced a 2.25-foot rise in sea level for year 2060 (the former 50-year planning horizon).

#### Priority Planning Areas

The County has established Priority Planning Areas ("PPA") within the Land Use Element of the County's Comprehensive Plan. The established PPA delineates those areas at increased risk of flooding based on land elevation and 3-feet of sea level rise (consistent with the 2019 Southeast Florida Regional Sea Level Rise Projection). All proposed land use amendments and County capital projects falling within the PPA are evaluated for climate resilience and incorporation of this projection in the planning and design.

#### Storm Surge and Coastal Water Elevations

The County has assessed the potential for coastal flooding under the combined conditions of high-frequency storm surge, king tides, and sea level rise. These model results informed the development of a consistent elevation requirement for tidal flood barriers (inclusive of sea walls, berms and other coastal infrastructure). This new standard (5.5-foot NAVD), which was adopted by the County in 2020, applies to all new construction, major renovation, and cited properties identified as the source of tidal flooding within coastal municipalities. The new standard has been incorporated into the County's land use plan.

#### County-wide Resilience Plan

The County is in the midst of contracting for the development of a County-wide Resilience Plan (anticipated award in 2022). Such Plan is anticipated to be designed to build upon the County's future conditions flood modeling of sea level rise, rainfall intensification, and groundwater table rise, with the addition of storm surge events (20- and 100-year) to develop a county-wide (inclusive of all 31 municipalities) infrastructure improvement and redevelopment plan. The County-wide Resilience Plan is expected to address flood risk on a 50-acre sub-basin scale along with specific adaptation recommendations for county-owned assets. Project deliverables are currently expected to include planning level cost estimates, quantified flood risk reductions, and a shared platform to support coordinated implementation of a multi-decade plan.

#### Collaboration with Florida Department of Transportation

The County has provided future conditions technical input to the flood risk analyses focused on stormwater improvements along Highway A1A, a major evacuation route in the County. Such input has resulted in the Florida Department of Transportation's use of County rainfall predictions for climate analyses. The County is providing cost

share support for pump installations to address sea level rise induced flooding at several locations along Highway A1A within the City of Hollywood where the County has park assets of interest.

### **Insurance Coverage**

The Utility is exposed to various risks related to alleged torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Utility purchases its own insurance policies as well as participates in some of the County's programs.

There is no assurance that such insurance will be sufficient to cover any particular incident or claim. For further information regarding insurance, see Section 7.4 of "APPENDIX C – ENGINEER'S REPORT."

### **Cyber-Security**

Computer networks and systems used for data transmission and collection are vital to the efficient operations of the County, including the Utility. County systems provide support to departmental operations and constituent services by collecting and storing sensitive data, including intellectual property, security information, proprietary business process information, information applying to suppliers and business partners, and personally identifiable information of customers, constituents and employees. The secure processing, maintenance and transmission of this information is critical to departmental operations and the provision of citizen services. Increasingly, governmental entities are being targeted by cyberattacks seeking to obtain confidential data or disrupt critical services. A rapidly changing cyber risk landscape may introduce new vulnerabilities that attackers/hackers can exploit in attempts to effect breaches or service disruptions. Employee error and/or malfeasance may also contribute to data loss or other system disruptions. Any such breach could compromise networks and the confidentiality, integrity and availability of systems and the information stored there. The potential disruption, access, modification, disclosure or destruction of data could result in interruption of the efficiency of County commerce, initiation of legal claims or proceedings, liability under laws that protect the privacy of personal information, regulatory penalties, disruptions in operations and the services provided, and the loss of confidence in County operations, ultimately adversely affecting County revenues, including Utility revenues.

The County maintains a comprehensive information security program to protect the confidentiality, integrity, and availability of the County's critical systems and sensitive data. The solution is designed to assess and mitigate current threats and the risk of data breaches to local government.

### **Completion of 2022 Project**

The Utility may need additional repairs and improvements beyond those projected by the County. The cost of additional repairs would have to be financed by Net Revenues, debt proceeds, capital recovery charges, contributions from Large Users, grants and future borrowings. Any of these alternatives could potentially require an increase in the rates, fees and charges of the Utility.

### **Changes in Federal and State Regulations**

Federal and State regulations pertaining to the Utility are subject to change at any time and the County can provide no assurance as to how such changes may impact the Utility, its operations or its ability to collect Pledged Revenues.

## **PENSION PLANS AND OTHER POST-EMPLOYMENT BENEFITS**

With a few exceptions, all full-time and part-time employees working for the County in regularly established positions are members of the Florida Retirement System ("FRS"), a multiple-employer cost-sharing public employee retirement system administered by the State. Benefits under FRS are established pursuant to State statutes and are currently computed on the basis of age, average final compensation, and service credit. The County has no responsibility to the FRS other than to make the periodic payments required by Florida Statutes. The FRS establishes contribution rates annually which are applied to the covered employee payroll of the County, including the Utility.



Additionally, the County's single-employer, defined benefit healthcare plan allows its employees and their beneficiaries to continue obtaining health, dental and other insurance benefits upon retirement. The benefits of the plan conform to Florida Statutes, which are the legal authority for the plan. The plan has no assets and does not issue separate financial reports. See "APPENDIX A - GENERAL INFORMATION REGARDING BROWARD COUNTY- Florida Retirement System" and " - Other Postemployment Benefit Plans," and "APPENDIX B - GENERAL PURPOSE FINANCIAL STATEMENTS OF THE COUNTY FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020 AND FINANCIAL STATEMENTS OF THE COUNTY'S WATER AND WASTEWATER FUND FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2020 AND 2019 - Note 13 - Other Post Employment Benefits (OPEB)" and "- Note 14 – Retirement Plans" for further information regarding the FRS and the retirement plans available to County employees.

## **INVESTMENT POLICY**

The County adopted a detailed written investment policy on September 27, 1995, as most recently amended on June 13, 2017, that applies to all funds (cash, cash equivalents and investments) held by or for the benefit of the Board, except for proceeds of refunded bond issues which are deposited in escrow, debt service funds governed by their bond indentures and funds of the constitutional officers and other components of the County governed by independent boards, unless as authorized by mutual agreement.

The objectives of the investment policy are: (a) preservation of capital, (b) liquidity, (c) yield maximization, (d) investment responsibility, and (e) exceeding the average return on the Bank of America Merrill Lynch 1-3 year Treasury & Agency Index.

Subject to certain restrictions in the County's investment policy concerning maximum allowable percentages, the County may invest in the following types of securities: (a) direct obligations, or obligations guaranteed by the United States Government, (b) obligations of federal agencies of the United States of America (as outlined in the investment policy), (c) obligations issued by government sponsored enterprises, (d) the Florida Local Government Surplus Funds Trust Fund, (e) repurchase agreements, (f) commercial paper, (g) state and/or local government taxable and/or tax-exempt debt, (h) bank time deposits, (i) registered investment companies, (j) collateralized mortgage obligations, (k) World Bank notes, bonds and discount notes, (l) obligations of the Tennessee Valley Authority, (m) reverse repurchase agreements, (n) SEC registered money market funds and (o) bonds, notes or instruments backed by the full faith and credit of the government of Israel. Investments in any derivative securities, including interest only or principal only and inverse floaters investments, are prohibited unless specifically designated above.

The County utilizes portfolio diversification as a way to control risk. Investment managers are expected to display prudence in the selection of securities as a way to minimize default risk. To control risk of illiquidity, a minimum of 2%, but not less than \$40 million, of the County's total portfolio shall be held in overnight repurchase agreements, U.S. Treasury instruments and/or money market/mutual funds.

The County's investment policy may be further modified from time to time by the Board.

## **LITIGATION**

There is no litigation of any nature now pending or, to the best knowledge of the County, threatened against the County in the Circuit Court for the Seventeenth Judicial Circuit of the State of Florida in and for Broward County and in the United States District Court for the Southern District of Florida or in any other Court for which the County has received actual notice which, in the opinion of the County Attorney, will have any material adverse effect on the receipts or sources of income to be collected or Revenues derived by the County from the Utility.

At the time of the delivery of the Series 2022A Bonds, the County will deliver a certificate to the effect that no litigation or other proceedings are pending or, to the best knowledge of the County, threatened against the County in the Circuit Court for the Seventeenth Judicial Circuit of the State of Florida in and for Broward County and in the United States District Court for the Southern District of Florida or in any other Court for which the County has received actual notice in any way (i) restraining or enjoining the issuance, sale or delivery of the Series 2022A Bonds, (ii) questioning or affecting the validity of said Series 2022A Bonds or any proceedings of the County taken with respect to the authorization, sale, execution or issuance of the Series 2022A Bonds or of the pledge of any moneys or other

security provided for the Series 2022A Bonds, or (iii) which could have a material adverse effect on the Utility or Pledged Revenues.

The County is currently actively engaged in numerous lawsuits. These include cases where the redress sought is for other than monetary damages, i.e., mandamus, injunction, declaratory relief and cases for which the County has insurance or is named as a nominal defendant. The County Attorney is of the opinion that the possible exposure resulting from any ultimate resolution of litigation in which the County is a defendant would not have a material adverse economic effect upon the County.

## TAX MATTERS

Opinion of Co-Bond Counsel. In the opinion of Co-Bond Counsel, the form of which is included as APPENDIX E hereto, the interest on the Series 2022A Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax under existing statutes, regulations, rulings and court decisions. Failure by the County to comply subsequently to the issuance of the Series 2022A Bonds with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), including but not limited to requirements regarding the use, expenditure and investment of Series 2022A Bond proceeds and the timely payment of certain investment earnings to the Treasury of the United States, may cause interest on the Series 2022A Bonds to become includable in gross income for federal income tax purposes retroactive to their date of issuance. The County has covenanted in the Resolution to comply with all provisions of the Code necessary to, among other things, maintain the exclusion from gross income of interest on the Series 2022A Bonds for purposes of federal income taxation. In rendering its opinion, Co-Bond Counsel has assumed continuing compliance with such covenants.

Internal Revenue Code of 1986. The Code contains a number of provisions that apply to the Series 2022A Bonds, including, among other things, restrictions relating to the use of investment of the proceeds of the Series 2022A Bonds and the payment of certain arbitrage earnings in excess of the "yield" on the Series 2022A Bonds to the Treasury of the United States. Noncompliance with such provisions may result in interest on the Series 2022A Bonds being included in gross income for federal income tax purposes retroactive to their date of issue.

Collateral Tax Consequences. Except as described above, Co-Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of, the Series 2022A Bonds. Prospective purchasers of the Series 2022A Bonds should be aware that the ownership of the Series 2022A Bonds may result in other collateral federal tax consequences. For example, ownership of the Series 2022A Bonds may result in collateral tax consequences to various types of corporations relating to (1) denial of interest deduction to purchase or carry such Series 2022A Bonds, (2) the branch profits tax, and (3) the inclusion of interest on the Series 2022A Bonds in passive income for certain Subchapter S corporations. In addition, the interest on the Series 2022A Bonds may be included in gross income by recipients of certain Social Security and Railroad Retirement benefits.

**PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2022A BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL OR CORPORATE BONDHOLDERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE BONDHOLDERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.**

Other Tax Matters. Interest on the Series 2022A Bonds may be subject to state or local income taxation under applicable state or local laws in other jurisdictions. Purchasers of the Series 2022A Bonds should consult their tax advisors as to the income tax status of interest on the Series 2022A Bonds in their particular state or local jurisdictions.

During recent years legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2022A Bonds. In some cases these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the Series 2022A Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2022A Bonds and their market value. No assurance can be given that additional legislative proposals will not be introduced or enacted that would or might

apply to, or have an adverse effect upon, the Series 2022A Bonds. For example, proposals have been discussed in connection with deficit spending reduction, job creation and other tax reform efforts, that could significantly reduce the benefit of, or otherwise effect the exclusion from gross income of, interest on obligations such as the Series 2022A Bonds. The further introduction or enactment of one or more of such proposals could affect the market price or marketability of the Series 2022A Bonds.

Original Issue Premium. The Series 2022A Bonds (the "Premium Bonds") may be offered and sold to the public at a price in excess of the principal amount of such Premium Bond, which excess constitutes to an initial purchaser amortizable bond premium which is not deductible from gross income for Federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of the Premium Bonds which term ends on the earlier of the maturity or call date for each Premium Bond which minimizes the yield on said Premium Bonds to the purchaser. For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation in the initial offering to the public at the initial offering price is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Premium Bonds. The federal income tax consequences of the purchase, ownership and sale or other disposition of Premium Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. Owners of the Premium Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

### **ENGINEER'S REPORT**

The County has retained Hazen and Sawyer (the "Engineer"), Hollywood, Florida, as its consulting engineer to develop reports relating to the Utility, the CIP and certain financial matters. The Engineer has prepared the Engineer's Report dated [December 2021], included as APPENDIX C to this Official Statement, which is included in this Official Statement in reliance upon the authority of such firm as experts in engineering and related financial matters. The Engineer's Report should be read in its entirety for a complete discussion of asset conditions, operating revenues, expenses of operation and maintenance, and the assumptions and rationale underlying its forecast. To the extent that actual conditions differ from those assumed in preparing such forecasted amounts, the actual results will vary from those shown therein. "APPENDIX C – ENGINEER'S REPORT."

### **ENFORCEABILITY OF REMEDIES**

The remedies available to the owners of the Series 2022A Bonds upon an event of default under the Bond Resolution are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically Title II of the United States Code, the remedies specified by the federal bankruptcy code and the Bond Resolution may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2022A Bonds (including Co-Bond Counsel's approving opinions) will be qualified, as to the enforceability of the remedies provided in the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery.

### **LEGAL MATTERS**

Certain legal matters incident to the validity of the Series 2022A Bonds are subject to the approval of Nabors, Giblin & Nickerson, P.A., Fort Lauderdale, Florida, and Manuel Alonso-Poch, P.A., Miami, Florida, Co-Bond Counsel, whose approving opinion substantially in the form attached hereto as "APPENDIX E - FORM OF CO-BOND COUNSEL OPINION" will be furnished without charge to the purchasers of the Series 2022A Bonds at the time of their delivery. The actual legal opinion to be delivered may vary from that text if necessary to reflect facts and law on the date of delivery.

Certain legal matters will be passed upon for the County by the Office of the County Attorney, Broward County, Florida. Certain matters relating to disclosure will be passed upon for the County by GrayRobinson, P.A., Tampa, Florida and the Pittman Law Group, P.L., Tallahassee, Florida, Co-Disclosure Counsel, and delivered

substantially in the form attached hereto as "APPENDIX F - FORM OF CO-DISCLOSURE COUNSEL OPINION," and for the Underwriters by their counsel, Weiss Serota Helfman Cole & Bierman, P.L., Fort Lauderdale, Florida. The fees payable to Co-Bond Counsel, Co-Disclosure Counsel and Counsel to the Underwriters are contingent upon the issuance and delivery of the Series 2022A Bonds.

### **DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS**

Pursuant to Section 517.051, Florida Statutes, as amended, no person may directly or indirectly offer or sell securities of the County except by an offering circular containing full and fair disclosure of all defaults as to principal or interest on its obligations since December 31, 1975, as provided by rule of the Florida Department of Banking and Finance (the "Department"). Pursuant to Rule 3E-400.003, Florida Administrative Code, the Department has required the disclosure of the amounts and types of defaults, any legal proceedings resulting from such defaults, whether a trustee or receiver has been appointed over the assets of the County, and certain additional financial information, unless the County believes in good faith that such information would not be considered material by a reasonable investor. The County is not and has not been in default on any bond issued since December 31, 1975 which would be considered material by a reasonable investor.

The County has not undertaken an independent review or investigation of securities for which it has served as conduit issuer. The County does not believe that any information about any default on such securities is appropriate and would be considered material by a reasonable investor in the Series 2022A Bonds because the County would not have been obligated to pay the debt service on any such securities except from payments made to it by the private companies on whose behalf such securities were issued and no funds of the County would have been pledged or used to pay such securities or the interest thereon.

### **RATINGS**

Moody's and S&P have assigned ratings to the Series 2022A Bonds of "[\_\_\_\_]" with a "[\_\_\_\_]" outlook" and "[\_\_\_\_]" with a "[\_\_\_\_]" outlook," respectively.

The ratings reflect only the views of said rating agencies and an explanation of the ratings may be obtained only from said rating agencies. There is no assurance that such ratings will continue for any given period of time or that they will not be lowered or withdrawn entirely by the rating agencies, or any of them, if in their judgment, circumstances so warrant. A downward change in or withdrawal of any of such ratings, may have an adverse effect on the market price of the Series 2022A Bonds. An explanation of the significance of the ratings or any outlooks or other statements given with respect thereto from each identified agency may be obtained as follows:

Moody's Investors Service, Inc.  
7 World Trade Center  
New York, New York 10007  
(212) 553-0300

S&P Global Ratings  
55 Water Street  
New York, New York 10041  
(212) 438-2000

### **FINANCIAL STATEMENTS**

The general purpose financial statements of Broward County, Florida for the Fiscal Year ended September 30, 2020 appended hereto as APPENDIX B as part of this Official Statement have been audited by RSM US LLP, independent certified public accountants, as set forth in their report dated April 13, 2021, which report is also appended hereto. The Financial Statements of the County's Water and Wastewater Fund for the Fiscal Years Ended September 30, 2020 and 2019, also appended hereto as APPENDIX B as part of the Official Statement have been audited by RSM US LLP, certified public accountants, set forth in their report dated April 13, 2021, which report is also appended hereto. RSM US LLP has not participated in the preparation of this Official Statement. The financial statements are attached hereto as a matter of public record. The consent of RSM US LLP has not been sought.

### **UNDERWRITING**

The Series 2022A Bonds are being purchased by Siebert Williams Shank & Co., LLC, for itself and as representative of Citigroup Global Markets Inc. and Raymond James & Associates, Inc. (collectively, the "Underwriters") at an aggregate purchase price of \$\_\_\_\_\_ (representing the par amount of the Series 2022A Bonds

of \$\_\_\_\_\_, [plus/less net original issue premium/discount of \$\_\_\_\_\_ and] less Underwriters' discount of \$\_\_\_\_\_). The Underwriters' obligations are subject to certain conditions precedent described in the Bond Purchase Contract entered into between the County and the Underwriters, and they will be obligated to purchase all of the Series 2022A Bonds if any Series 2022A Bonds are purchased. The Underwriters will reoffer such Series 2022A Bonds at the public offering prices or yields set forth on the inside cover page.

The Series 2022A Bonds may be offered and sold to certain dealers (including dealers depositing such Series 2022A Bonds into investment trusts) at prices lower or yields higher than such public offering prices or yields and prices or yields may be changed, from time to time, by the Underwriters.

In addition, the Underwriters may have entered into distribution agreements with other broker-dealers (that have not been designated by the County as Underwriters) for the distribution of the Series 2022A Bonds at the original issue prices. Such agreements generally provide that the relevant Underwriters will share a portion of its underwriting compensation or selling concession with such broker-dealers.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various investment banking services for the County, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the County. The Underwriters and their affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

#### **CONTINUING DISCLOSURE**

The County will covenant for the benefit of the Series 2022A Bondholders to provide certain financial information and operating data relating to the County and the Series 2022A Bonds in each year, commencing with the Fiscal Year ending September 30, 2021, and to provide notices of the occurrence of certain enumerated notice events. The County has agreed to file annual financial information and operating data and its audited financial statements and notices of certain enumerated events when and if they occur, with each entity authorized and approved by the SEC to act as a repository (each a "Repository") for purposes of complying with Rule 15c2-12 adopted by the SEC (the "Rule").

The specific nature of the financial information, operating data, and of the type of events which trigger a disclosure obligation, and other details of the undertaking are described in "APPENDIX G - FORM OF DISSEMINATION AGENT AGREEMENT" attached hereto. The Dissemination Agent Agreement shall be executed by the County simultaneously with the issuance of the Series 2022A Bonds. These covenants have been made in order to assist the Underwriters in complying with the continuing disclosure requirements of the Rule.

With respect to the Series 2022A Bonds, no party other than the County is obligated to provide, nor is expected to provide, any continuing disclosure information with respect to the Rule.

The County was a borrower under loans from the First Florida Governmental Financing Commission (the "Commission"), funded by the Commission's revenue bonds, Series 2002A, Series 2005B, Series 2006 and Series 2007 and, as such, an "obligated person" under the Rule. Pursuant to its undertakings with the Commission, the County is required to file certain annual financial information, including its Comprehensive Annual Financial Report ("CAFR") and certain operating data, with the Municipal Securities Rulemaking Board, not later than 180 days after the end of the County's Fiscal Year. For Fiscal Year 2016, the County timely filed its CAFR with respect to certain

series of bonds, but failed to include a table containing certain operating data related to debt service capacity and debt service summary. The omitted data was filed on September 21, 2017.

For Fiscal Year 2016, the County timely filed its CAFR but failed to include a table related to historical operating revenues related to the County's civic arena bonds. This omitted operating data was filed on September 28, 2017.

The County's annual report related to the County's Aviation Department for Fiscal Year 2014 and the annual report related to the Utility for Fiscal Year 2015 were timely filed but certain line items were subsequently adjusted during the County's audit. Although the adjusted line items were included in the respective audited financial filings of the County's Aviation Department and the Utility for Fiscal Year 2015, the adjustments were not incorporated into subsequent annual report filings. The County filed corrective filings on October 17, 2019.

The County's Fiscal Year 2019 annual report was timely filed, but the portion of the annual report related to the Civic Center Arena Project was subsequently updated to (i) show the corrected amounts for certain non-ad valorem revenue for Fiscal Year 2019, (ii) include the dollar amount for "Non-Revenue Sources/Fund Balance" which was inadvertently omitted, and (iii) correct the title of the table. The update to the annual report was filed on August 25, 2020. The County's Fiscal Year 2019 annual report related to the Civic Arena project was further updated to (i) show additional corrected amounts for certain non-ad valorem revenue sources for Fiscal Year 2019, and (ii) make corresponding changes in the "Total Gross Non-Ad Valorem Revenues" and the "Total Net Available Non-Ad Valorem Revenues" for Fiscal Year 2019. Such further update was filed on September 25, 2020.

The County does not believe that any past failure to comply with its continuing disclosure undertakings was material to bondholders.

Except as described in the immediately preceding paragraphs, the County has complied and is currently in compliance in all material respects with its continuing disclosure undertakings made with respect to the Rule. The County has retained Digital Assurance Certification, L.L.C. ("DAC") as its dissemination agent. Working with DAC, the County has adopted a municipal securities disclosure policy to help ensure compliance with its continuing disclosure undertakings made with respect to the Rule.

#### **FINANCIAL ADVISOR**

Public Resources Advisory Group, Inc., St. Petersburg, Florida is serving as Financial Advisor to the County with respect to the issuance and sale of the Series 2022A Bonds. The Financial Advisor assisted in the preparation of this Official Statement and in other matters relating to the planning, structuring and issuance of the Series 2022A Bonds. The Financial Advisor is not obligated to undertake and has not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement and is not obligated to review or ensure compliance with the undertakings by the County to provide continuing secondary market disclosure.

Public Resources Advisory Group, Inc. is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal or other public securities. The fee payable to the Financial Advisor is contingent upon the issuance and delivery of the Series 2022A Bonds.

#### **ACCURACY AND COMPLETENESS OF OFFICIAL STATEMENT**

The references, excerpts, and summaries of all documents, statutes, and information concerning the County and the Utility and certain reports and statistical data referred to herein do not purport to be complete, comprehensive and definitive and each such summary and reference is qualified in its entirety by reference to each such document for full and complete statements of all matters of fact relating to the Series 2022A Bonds, the security for the payment of the Series 2022A Bonds and the rights and obligations of the owners thereof and to each such statute, report or instrument.

The appendices attached hereto are integral parts of this Official Statement and must be read in their entirety together with all foregoing statements. The information and expressions of opinions herein are subject to change

without notice and neither the delivery of this Official Statement nor any sale made hereunder is to create, under any circumstances, any implication that there has been no change in the affairs of the County from the date hereof.

#### **AUTHORIZATION OF OFFICIAL STATEMENT**

The execution and delivery of this Official Statement has been duly authorized and approved by the County. At the time of delivery of the Series 2022A Bonds, the County will furnish a certificate to the effect that nothing has come to its attention which would lead it to believe that the Official Statement (other than information herein related to DTC and the book-entry only system of registration as to which no opinion shall be expressed), as of its date and as of the date of delivery of the Series 2022A Bonds, contains an untrue statement of a material fact or omits to state a material fact which should be included therein for the purposes for which the Official Statement is intended to be used, or which is necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading.

#### **MISCELLANEOUS**

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Official Statement nor any statement that may have been made verbally or in writing is to be construed as a contract with the owners of the Series 2022A Bonds.

[Remainder of page intentionally left blank]

This Official Statement has been duly executed and delivered by the Mayor of Broward County, Florida and by the County Administrator of Broward County, Florida.

**BROWARD COUNTY, FLORIDA**

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

By: \_\_\_\_\_  
County Administrator



**APPENDIX A**

**GENERAL INFORMATION REGARDING BROWARD COUNTY**

**APPENDIX B**

**GENERAL PURPOSE FINANCIAL STATEMENTS OF BROWARD COUNTY, FLORIDA  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020 AND  
FINANCIAL STATEMENTS OF THE COUNTY'S WATER AND WASTEWATER FUND FOR  
THE FISCAL YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

**APPENDIX C**  
**ENGINEER'S REPORT**

**APPENDIX D**  
**RESOLUTION**

**APPENDIX E**  
**FORM OF CO-BOND COUNSEL OPINION**

**APPENDIX F**  
**FORM OF CO-DISCLOSURE COUNSEL OPINION**

**APPENDIX G**  
**FORM OF DISSEMINATION AGENT AGREEMENT**

**EXHIBIT "C"**

**DISCLOSURE DISSEMINATION AGENT AGREEMENT**



## DISCLOSURE DISSEMINATION AGENT AGREEMENT

This Disclosure Dissemination Agent Agreement (this "Disclosure Agreement"), dated as of \_\_\_\_\_, 2022, is executed and delivered by Broward County, Florida (the "Issuer") and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the "Disclosure Dissemination Agent" or "DAC") for the benefit of the Holders (hereinafter defined) of the Bonds (hereinafter defined) and in order to provide certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the "Rule").

The services provided under this Disclosure Agreement solely relate to the execution of instructions received from the Issuer through use of the DAC system and do not constitute "advice" within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act"). DAC will not provide any advice or recommendation to the Issuer or anyone on the Issuer's behalf regarding the "issuance of municipal securities" or any "municipal financial product," as defined in the Act, and nothing in this Disclosure Agreement shall be interpreted to the contrary.

SECTION 1. Definitions. Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned to such terms in the Rule or, to the extent not in conflict with the Rule, in the Official Statement (hereinafter defined). The capitalized terms shall have the following meanings:

"Annual Filing Date" means the date, set in Sections 2(a) and 2(f), by which the Annual Report is to be filed with the MSRB.

"Annual Financial Information" means annual financial information, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

"Annual Report" means an Annual Report described in and consistent with Section 3 of this Disclosure Agreement.

"Audited Financial Statements" means the financial statements and accompanying information of the Issuer for the prior Fiscal Year, certified by an independent auditor, as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(b) of this Disclosure Agreement.

"Bonds" means the bonds listed on the attached Exhibit A, with the 9-digit CUSIP numbers relating thereto.

"Certification" means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Voluntary Report, Notice Event notice or Failure to File Event notice delivered to the Disclosure Dissemination

Agent is the Annual Report, Audited Financial Statements, Voluntary Report, Notice Event notice or Failure to File Event notice required to be submitted to the MSRB under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the Issuer and include the full name of the Bonds and the 9-digit CUSIP numbers for all Bonds to which the document applies.

"Disclosure Dissemination Agent" means Digital Assurance Certification, L.L.C., acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the Issuer pursuant to Section 9 hereof.

"Disclosure Representative" means the Chief Financial Officer and Director, Finance and Administrative Services Department of the Issuer or his or her designee, or such other person as the Issuer shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

"Failure to File Event" means the Issuer's failure to file an Annual Report on or before the Annual Filing Date.

"Financial Obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as a security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "Financial Obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Force Majeure Event" means: (i) acts of God, war, or terrorist action; (ii) failure or shut-down of the Electronic Municipal Market Access system maintained by the MSRB; or (iii) to the extent beyond the Disclosure Dissemination Agent's reasonable control, interruptions in telecommunications or utilities services, failure, malfunction or error of any telecommunications, computer or other electrical, mechanical or technological application, service or system, computer virus, interruptions in Internet service or telephone service (including due to a virus, electrical delivery problem or similar occurrence) that affect Internet users generally, or in the local area in which the Disclosure Dissemination Agent or the MSRB is located, or acts of any government, regulatory or any other competent authority the effect of which is to prohibit the Disclosure Dissemination Agent from performance of its obligations under this Disclosure Agreement.

"Holder" means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) treated as the owner of any Bonds for federal income tax purposes.

"Information" means the Annual Financial Information, the Audited Financial Statements (if any), the Notice Event notices, the Failure to File Event notices and the Voluntary Reports.

"MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

"Notice Event" means any of the events enumerated in paragraph (b)(5)(i)(C) of the Rule and listed in Section 4(a) of this Disclosure Agreement.

"Obligated Person" means any person, including the Issuer, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities).

"Official Statement" means that Official Statement prepared by the Issuer in connection with the Bonds.

"Voluntary Report" means the information provided to the Disclosure Dissemination Agent by the Issuer pursuant to Section 7.

## SECTION 2. Provision of Annual Reports.

(a) The Issuer shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent, not later than thirty (30) days prior to the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to the MSRB not later than one hundred eighty (180) days after the end of each Fiscal Year, commencing with the Fiscal Year ended September 30, 2021. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15<sup>th</sup>) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing that the Issuer will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Disclosure Dissemination Agent that a Failure to File Event has occurred and to immediately send a notice to the MSRB in substantially the form attached as Exhibit B.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 10:00 a.m. Eastern time on the Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter) for the Annual Report, a Failure to File Event shall have occurred and the Issuer irrevocably directs the Disclosure Dissemination Agent to immediately send a notice to the MSRB in substantially the form attached as Exhibit B, without reference to the anticipated filing date for the Annual Report.

(d) If Audited Financial Statements of the Issuer are prepared but not available prior to the Annual Filing Date, the Issuer may provide an electronic copy of its unaudited financial statements to the Disclosure Dissemination Agent and shall, when the Audited Financial Statements are available, provide in a timely manner an electronic copy of the Audited Financial Statements to the Disclosure Dissemination Agent, accompanied by a Certification, in each case for filing with the MSRB. Compliance with the provisions of this Section 2(d) shall constitute the Issuer's filing of the Annual Report until the Audited Financial Statements are filed.

(e) The Disclosure Dissemination Agent shall:

(i) verify the filing specifications of the MSRB each year prior to the Annual Filing Date;

(ii) upon receipt, promptly file each Annual Report received under Sections 2(a) and 2(b) with the MSRB;

(iii) upon receipt, promptly file each of the unaudited financial statements and each of the Audited Financial Statements received under Section 2(d) with the MSRB;

(iv) upon receipt, promptly file the text of each Notice Event received under Sections 4(a) and 4(b)(ii) with the MSRB, identifying the Notice Event as instructed by the Issuer pursuant to Section 4(a) or 4(b)(ii) (being any of the categories set forth below) when filing pursuant to Section 4(c) of this Disclosure Agreement:

1. "Principal and interest payment delinquencies;"
2. "Non-Payment related defaults, if material;"
3. "Unscheduled draws on debt service reserves reflecting financial difficulties;"
4. "Unscheduled draws on credit enhancements reflecting financial difficulties;"
5. "Substitution of credit or liquidity providers, or their failure to perform;"
6. "Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax

status of the security, or other material events affecting the tax status of the security;"

7. "Modifications to rights of securities holders, if material;"
8. "Bond calls, if material, and tender offers;"
9. "Defeasances;"
10. "Release, substitution, or sale of property securing repayment of the securities, if material;"
11. "Rating changes;"
12. "Bankruptcy, insolvency, receivership or similar event of the obligated person;"
13. "The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;"
14. "Appointment of a successor or additional trustee or the change of name of a trustee, if material;"
15. "Incurrence of a Financial Obligation of an Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of an Obligated Person, any of which affect Bondholders, if material;" and
16. "Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of an Obligated Person, any of which reflect financial difficulties."

(v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this Disclosure Agreement, as applicable), promptly file a completed copy of Exhibit B to this Disclosure Agreement with the MSRB, identifying the filing as "Failure to provide annual information as required" when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure Agreement;

(vi) upon receipt, promptly file the text of each Voluntary Report received under Section 7 with the MSRB; and

(vii) provide the Issuer evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The Issuer may adjust the Annual Filing Date upon change of its Fiscal Year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent and the MSRB, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(g) Any Information received by the Disclosure Dissemination Agent before 6:00 p.m. Eastern time on any business day that it is required to file with the MSRB pursuant to the terms of this Disclosure Agreement and that is accompanied by a Certification and all other information required by the terms of this Disclosure Agreement will be filed by the Disclosure Dissemination Agent with the MSRB no later than 11:59 p.m. Eastern time on the same business day; provided, however, the Disclosure Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event, provided that the Disclosure Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

### SECTION 3. Content of Annual Reports.

(a) Each Annual Report shall contain the following Annual Financial Information with respect to the Issuer, including updates of the following information provided in the Official Statement, to the extent such information is not set forth in the Audited Financial Statements, for the prior Fiscal Year:

(i) the tabular information and operating data for the prior Fiscal Year of the type included in the Official Statement with respect to the Water and Sewer Utility and contained in the table entitled "Schedule of Historic and Projected Net Revenues, Debt Service and Coverage" under the caption "THE WATER AND WASTEWATER UTILITY – Overview of Financial Operations."

(b) Audited Financial Statements prepared in accordance with generally accepted accounting principles ("GAAP") will be included in the Annual Report, but may be provided in accordance with Section 2(d).

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the Issuer is an Obligated Person, which have been previously filed with the Securities and Exchange Commission or available to the public on the MSRB Internet Website. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Issuer will clearly identify each such document so incorporated by reference.

Any Annual Financial Information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

SECTION 4. Reporting of Notice Events.

(a) The occurrence of any of the following events with respect to the Bonds constitutes a Notice Event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements relating to the Bonds reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the Bonds;
7. Modifications to rights of Bond holders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes on the Bonds;
12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

*Note: for the purposes of the event identified in this subsection 4(a)(12), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the*

*existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.*

13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;

15. Incurrence of a Financial Obligation of an Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of an Obligated Person, any of which affect Bondholders, if material; and

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of an Obligated Person, any of which reflect financial difficulties.

The Issuer shall, in a timely manner not in excess of ten (10) business days after its occurrence, notify the Disclosure Dissemination Agent in writing of the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c) of this Section 4 and shall be accompanied by a Certification. Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth (10<sup>th</sup>) business day after the occurrence of the Notice Event).

(b) The Disclosure Dissemination Agent is under no obligation to notify the Issuer or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within two (2) business days of receipt of such notice (but in any event not later than the tenth (10<sup>th</sup>) business day after the occurrence of the Notice Event, if the Issuer determines that a Notice Event has occurred), instruct the Disclosure Dissemination Agent that (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to Section 4(c), together with a Certification. Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization



of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth (10<sup>th</sup>) business day after the occurrence of the Notice Event).

(c) If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in subsection (a) or (b)(ii) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall promptly file a notice of such occurrence with the MSRB in accordance with Section 2(e)(iv) hereof.

**SECTION 5. CUSIP Numbers.** Whenever providing information to the Disclosure Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements, notices of Notice Events, Failure to File Events and Voluntary Reports filed pursuant to Section 7(a), the Issuer shall indicate the full name of the Bonds and the 9-digit CUSIP numbers for the Bonds as to which the provided information relates.

**SECTION 6. Additional Disclosure Obligations.** The Issuer acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Issuer, and that the failure of the Disclosure Dissemination Agent to so advise the Issuer shall not constitute a breach by the Disclosure Dissemination Agent of any of its duties and responsibilities under this Disclosure Agreement. The Issuer acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

**SECTION 7. Voluntary Reports.**

(a) The Issuer may instruct the Disclosure Dissemination Agent to file information with the MSRB from time to time pursuant to a Certification of the Disclosure Representative accompanying such information (a "Voluntary Report").

(b) Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Audited Financial Statements, Voluntary Report, Notice Event notice or Failure to File Event notice, in addition to that required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report, Audited Financial Statements, Voluntary Report, Notice Event notice, or Failure to File Event notice in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Audited Financial Statements, Voluntary Report, Notice Event notice or Failure to File Event notice.

(c) **SECTION 8. Termination of Reporting Obligation.** The obligations of the Issuer and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate with respect to the Bonds upon the legal defeasance, prior redemption or payment in full of all of the

Bonds, when the Issuer is no longer an Obligated Person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Disclosure Dissemination Agent of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required.

**SECTION 9. Disclosure Dissemination Agent.** The Issuer has appointed Digital Assurance Certification, L.L.C. as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The Issuer may, upon thirty (30) days written notice to the Disclosure Dissemination Agent, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the Issuer or DAC, the Issuer agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to assume all responsibilities of Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. Notwithstanding any replacement or appointment of a successor, the Issuer shall remain liable until payment in full for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty (30) days' prior written notice to the Issuer.

**SECTION 10. Remedies in Event of Default.** In the event of a failure of the Issuer or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Disclosure Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Bonds or under any other document relating to the Bonds, including the Resolution, and all rights and remedies shall be limited to those expressly stated herein.

**SECTION 11. Duties, Immunities and Liabilities of Disclosure Dissemination Agent.**

(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Issuer has provided such information to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information or any other information, disclosures or notices provided to it by the Issuer and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Holders of the Bonds or any other party. The Disclosure Dissemination Agent shall have no responsibility for the Issuer's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Issuer has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon certifications of the Issuer at all times.

The obligations of the Issuer under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the Issuer.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Disclosure Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

SECTION 12. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Disclosure Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to both the Issuer and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Bonds and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof, but taking into account any subsequent change in or official interpretation of the Rule; provided, however, that neither the Issuer nor the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

If any provision of Section 3 hereof is amended or waived, the first Annual Report containing any amended, or omitting any waived, operating data or financial information shall explain, in narrative form, the reasons for the amendment or waiver and the impact of the change in the type of operating data or financial information being provided.

If the provisions of this Disclosure Agreement specifying the accounting principles to be followed in preparing the Audited Financial Statements are amended or waived, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to the Holders to enable them to evaluate the ability of the Issuer to meet its obligations. To the extent reasonably feasible, the comparison shall also be quantitative.

SECTION 13. Sources of Payments; No Personal Liability. Notwithstanding anything to the contrary contained in this Disclosure Agreement, the Issuer shall be required to use only Pledged Revenues to pay any costs and expenses to be incurred in the performance of this Disclosure Agreement by it, and the performance of its obligations hereunder shall be subject to the availability of sufficient Pledged Revenues for that purpose. This Disclosure Agreement does not and shall not constitute a general obligation of the Issuer. No covenant, stipulation, obligation or agreement of the Issuer contained in this Disclosure Agreement shall be deemed to be a

covenant, stipulation, obligation or agreement of any present or future officer, agent or employee of the Issuer in other than that person's official capacity.

SECTION 14. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Disclosure Dissemination Agent, the Underwriters, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 15. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Florida.

SECTION 16. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Remainder of Page Intentionally Left Blank]

The Disclosure Dissemination Agent and the Issuer have caused this Disclosure Agreement to be executed, on the date first written above, by their respective undersigned officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION, L.L.C.,  
as Disclosure Dissemination Agent

By: \_\_\_\_\_  
DIANA O'BRIEN, Senior Vice President

BROWARD COUNTY, FLORIDA,  
as Issuer

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

**EXHIBIT A**

**NAME, DATES AND INITIAL CUSIP NUMBERS OF BONDS**

Name of Issuer: Broward County, Florida  
Obligated Person: Broward County, Florida  
Name of Bond Issue: Water and Sewer Utility Revenue Bonds, Series 2022A  
Date of Issuance: \_\_\_\_\_, 2022  
Date of Official Statement: \_\_\_\_\_, 2022

Initial CUSIP Numbers:

<u>Maturity Date</u> <u>(September 1)</u>	<u>Initial</u> <u>CUSIP Number</u>	<u>Maturity Date</u> <u>(September 1)</u>	<u>Initial</u> <u>CUSIP Number</u>
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**EXHIBIT B**

**NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: Broward County, Florida  
Obligated Person: Broward County, Florida  
Name of Bond Issue: Water and Sewer Utility Revenue Bonds, Series 2022A  
Date of Issuance: \_\_\_\_\_, 2022

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds, as required by the Disclosure Dissemination Agent Agreement, dated as of \_\_\_\_\_, 2022, between the Issuer and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent. The Issuer has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by \_\_\_\_\_.

Dated: \_\_\_\_\_

DIGITAL ASSURANCE CERTIFICATION, L.L.C.,  
as Disclosure Dissemination Agent,  
on behalf of the Issuer

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

cc: Broward County, Florida

**EXHIBIT "D"**

**THIRD AMENDMENT AND SUPPLEMENT TO CONSTRUCTION ACCOUNT  
AND RESERVE ACCOUNT TRUST INDENTURE**



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**THIRD AMENDMENT AND SUPPLEMENT TO  
CONSTRUCTION ACCOUNT AND RESERVE ACCOUNT  
TRUST INDENTURE**

**BETWEEN**

**BROWARD COUNTY, FLORIDA**

**and**

**REGIONS BANK,  
AS TRUSTEE**

**DATED AS OF**

\_\_\_\_\_, 2022

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**THIRD AMENDMENT AND SUPPLEMENT TO  
CONSTRUCTION ACCOUNT AND RESERVE ACCOUNT  
TRUST INDENTURE**

THIS THIRD AMENDMENT AND SUPPLEMENT TO CONSTRUCTION ACCOUNT AND RESERVE ACCOUNT TRUST INDENTURE dated as of \_\_\_\_\_, 2022, by and between BROWARD COUNTY, FLORIDA, a body corporate and politic duly organized and existing under the laws of the State of Florida (hereinafter called the "County"), and REGIONS BANK, a banking corporation organized and existing under the laws of the State of Alabama and qualified to exercise trust powers under the laws of the State of Florida, with its designated corporate trust office in Jacksonville, Florida, as Trustee (hereinafter called the "Trustee") amends and supplements that certain Construction Account and Reserve Account Trust Indenture dated as of February 1, 2009 as previously amended and supplemented, between the Issuer and the Trustee (the "Original Indenture," collectively with this Third Supplemental Indenture, the "Indenture").

**W I T N E S S E T H:**

**WHEREAS**, the County, a political subdivision of the State of Florida (the "State") and a chartered, home rule county pursuant to the Constitution and the laws of the State, now owns and operates a water and sewer utility (the "Water and Sewer Utility"); and

**WHEREAS**, under and pursuant to Resolution No. 88-4066, adopted on September 6, 1988, by the Board of County Commissioners (the "Board") of the County, as amended and supplemented by Resolution No. 88-4913, adopted by the Board on November 1, 1988, and by Resolution No. 2003-89, adopted by the Board on February 18, 2003 (collectively, the "Resolution"), the Board adopted Resolution No. \_\_\_\_ on \_\_\_\_\_, 2022 (the "2022A Bonds Series Resolution," collectively with the Resolution, the "Resolutions") authorizing, inter alia, the issuance of its \$\_\_\_\_\_ Water and Sewer Utility Revenue Bonds, Series 2022A (the "Series 2022A Bonds") together with other legally available monies, if any, to: (i) pay all or a portion of the costs of additional Improvements to the County's Water and Sewer Utility (the "2022A Project"); (ii) fund the increase in the Reserve Account Requirement; and (iii) pay the costs of issuance of the Series 2022A Bonds.

**WHEREAS**, pursuant to the Original Indenture, the Trustee currently holds the Trust Estate (as defined in the Original Indenture) for the benefit of the County and beneficial owners of the Outstanding Bonds issued on parity with the Series 2022A Bonds (each as hereinafter defined) (the "Outstanding Parity Bonds"); and

**WHEREAS**, the Board has decided that it is in the best interest of the County and the beneficial owners of the Series 2022A Bonds that the Series 2022A Construction Fund and the Reserve Account, including the additions thereto related to the issuance of the

Series 2022A Bonds, be held by and administered by the Trustee as a part of the Trust Estate (all as hereinafter defined and described); and

**WHEREAS**, pursuant to Section 701 of the Original Indenture, the County and the Trustee are authorized to enter into supplements to the Original Indenture without notice to or the consent of the Bondholders (as hereinafter defined); and

**WHEREAS**, the County and the Trustee desire to amend and supplement the Original Indenture by this certain Third Supplemental Indenture to provide for the administration of the Series 2022A Construction Fund and the amounts deposited in the Reserve Account for the Series 2022A Bonds by the Trustee; and

**WHEREAS**, the execution and delivery of this Third Supplemental Indenture and the issuance of the Series 2022A Bonds have been in all respects fully and validly authorized by the 2022A Bonds Series Resolution duly adopted and approved by the County; and

**FURTHER WITNESSETH:**

**WHEREAS**, all things necessary to make the Series 2022A Bonds when issued as in the Resolutions provided, the valid, binding and legal obligations of the County according to the import thereof, and to constitute this Indenture a valid assignment and pledge of the portion of the Series 2022A Bonds proceeds to be held and expended as provided in the Resolutions and Article II hereof, subject to the terms hereof, have in all respects been duly authorized; and

**WHEREAS**, this Indenture further implements and facilitates the lien on the funds in the Series 2022A Construction Account and the Reserve Account created by and defined in the Resolutions; and

**WHEREAS**, all things necessary to constitute this Indenture a valid assignment and pledge of the Reserve Account to be held and expended as provided in the Resolutions and Article II hereof, subject to the terms hereof, have in all respects been duly authorized;

**NOW, THEREFORE, THIS INDENTURE OF TRUST WITNESSETH:**

That the County, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the purchase and acceptance of the Series 2022A Bonds by the purchasers thereof, Ten Dollars (\$10.00) duly paid to the County by the Trustee at or before the execution and delivery of these presents and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, and to secure the observance and performance by the County of covenants expressed or implied herein and in the Resolutions and in the Series 2022A Bonds, does hereby grant, bargain, sell, convey, assign and pledge unto Regions Bank, as Trustee, and unto its successors in trust, and to its assigns, all of the County's estate, right, title and interest in, to and under any and all of

the following described rights and interests as a part of the Trust Estate (as defined in the Original Indenture):

### **GRANTING CLAUSE**

(I) The portion of the proceeds of the sale of the Series 2022A Bonds required to be deposited in the Series 2022A Construction Account in the amount of \$\_\_\_\_\_ pursuant to and in accordance with Section 4 of the 2022A Bonds Series Resolution and Articles II and III hereof; (II) the portion of the proceeds of the sale of the Series 2022A Bonds required to be deposited in the Reserve Account in the amount of \$\_\_\_\_\_ pursuant to and in accordance with Section 3 of the 2022A Bonds Series Resolution and Articles II and III hereof; and (III) the present and continuing right to the enforcement of this Indenture all as more particularly hereinafter provided;

**TO HAVE AND TO HOLD** all and singular the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its respective successors in said Trust Estate and assigns forever;

**IN TRUST NEVERTHELESS**, upon the terms and trusts herein set forth for the equal and proportionate benefit, security and protection of all present and future holders and owners of the Series 2022A Bonds and the Outstanding Parity Bonds, issued under the Resolutions and secured thereunder and by this Indenture without privilege, priority or distinction as to the lien or otherwise of any of the Series 2022A Bonds over any of the Outstanding Parity Bonds all in accordance with the terms of the Resolutions;

**PROVIDED, HOWEVER**, that if the County, its successors or assigns shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of this Indenture, when no Series 2022A Bonds and Outstanding Parity Bonds remain Outstanding (under and as defined in the Resolutions) which are secured hereby and when all of the conditions set forth in Article V of the Original Indenture have been satisfied, then this Indenture and the rights hereby granted shall cease, determine and be void; otherwise this Indenture shall be and remain in full force and effect.

**THIS INDENTURE OF TRUST FURTHER WITNESSETH**, and it is expressly declared that all Series 2022A Bonds proceeds held hereunder for the Series 2022A Construction Account and all proceeds of the Outstanding Parity Bonds held hereunder for the Reserve Account, are to be dealt with and disposed of under, upon and subject to the terms, conditions, covenants, agreements, trusts, uses and purposes as hereinafter expressed and as provided in the Resolutions, and the County does hereby agree and covenant, with the Trustee and with the respective owners, from time to time, of the said Series 2022A Bonds and the Outstanding Parity Bonds, or any part thereof, as follows:

## **ARTICLE I DEFINITIONS**

**SECTION 1.01. WORDS AND TERMS.** Capitalized terms not specifically defined herein shall have the meanings given to them in the Original Indenture and the Resolutions.

**SECTION 1.02. INTERPRETATION.** Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter gender and vice versa. Unless the context shall otherwise indicate, words used herein shall include the plural as well as the singular number, and the word "person" shall include corporations, firms, associations, partnerships, and public bodies, as well as natural persons. All references to designated "Articles", "Sections," and other subdivisions shall be construed to refer to the designated Articles, Sections and other subdivisions of this Indenture.

## **ARTICLE II CREATION OF SERIES 2022A CONSTRUCTION ACCOUNT**

**SECTION 2.01. CREATION OF SERIES 2022A CONSTRUCTION ACCOUNT.** In the 2022A Bonds Series Resolution the County created the hereafter described trust fund, which is re-described in Section 2.02 hereof and incorporated by reference herein, and said trust fund shall be utilized in the administration and securing of the proceeds of the Series 2022A Bonds deposited to said fund as hereinafter provided.

**SECTION 2.02. SERIES 2022A CONSTRUCTION ACCOUNT.** Deposits shall be made to the Series 2022A Construction Account as required by Section 4 of the 2022A Bonds Series Resolution. Disbursements shall be made upon a Requisition of the County to pay the cost of the reimbursement, acquisition, equipping and construction of the 2022A Project and for payment of the authorized costs as permitted by the Resolutions, and as more fully described in Section 3.02 hereof.

**SECTION 2.03. RESERVE ACCOUNT.** Deposits shall be made to the Reserve Account from the proceeds of the Series 2022A Bonds as are required by the Resolutions, including Sections 3 and 4 of the 2022A Bonds Series Resolution, Section 505 of the Resolution and Section 308 of the Original Indenture, and disbursements shall only be made in accordance with the terms of the Resolutions and Section 3.07 hereof.

## **ARTICLE III CUSTODY AND APPLICATION OF PROCEEDS OF SERIES 2022A CONSTRUCTION ACCOUNT AND RESERVE ACCOUNT**

**SECTION 3.01. CUSTODY OF SERIES 2022A CONSTRUCTION ACCOUNT PROCEEDS.** Upon receipt of the proceeds of the Series 2022A Bonds, the County shall make the deposit required to the Series 2022A Construction Account to be

held in trust hereunder and thereafter the Trustee shall become custodian of such proceeds and disburse such funds to the County upon the delivery to the Trustee of a Requisition substantially in the form attached hereto as Exhibit "A," executed by the Authorized County Representative and containing the information required to complete Schedule A to such Requisition. In making any such disbursement from the Series 2022A Construction Account, the Trustee may rely conclusively on such Requisition and the Trustee shall be relieved of all liability with respect to making such disbursement in accordance with such Requisition and this Indenture without any investigation.

**SECTION 3.02. APPLICATION OF SERIES 2022A CONSTRUCTION ACCOUNT.** The moneys deposited in the Series 2022A Construction Account shall be held by the Trustee and the County authorizes and directs the Trustee to apply such moneys to the payment of the Costs of the 2022A Project. The County may requisition up to the amount on deposit therein.

All funds requested by Requisition disbursed from the Series 2022A Construction Account shall be made by: (i) wire funds originated by the Trustee, or (ii) as set forth in a Requisition. On an as needed basis, the Trustee shall reimburse the County or make payments from the Series 2022A Construction Account to the persons named in the Requisition but only upon delivery to the Trustee of the following: (1) a copy of the Requisition showing expenditures for the period in question, and (2) a certificate of the Authorized County Representative in the form of a Requisition stating: (a) that the Requisition (delivered pursuant to (1) above) is an accurate and complete summary list of all payments actually made by the County or obligations due in connection with the 2022A Project during the period in question, (b) that no item for which reimbursement or payment is sought has theretofore been the basis of reimbursement or payment made from the Series 2022A Construction Account, (c) that each item for which reimbursement or payment is proposed to be made is or was necessary in connection with acquisition, equipping construction or installation of the 2022A Project, (d) that the County has received appropriate affidavits and/or documentation, if applicable, attached to such certificate concerning the payment of vendors, laborers and materialmen in connection with such written order, if applicable, (e) the amount of money to be retained by the Trustee, if any, from this payment under a construction contract, and (f) that the provisions of the next paragraph hereof have been complied with. Trustee shall have three (3) Business Days to issue payment from the Series 2022A Construction Account.

In the case of any construction contract providing for the retention of a portion of the contract price, there shall be paid initially from the Series 2022A Construction Account only the net amount remaining after deduction of any such portion, (as set forth in a Requisition), and when the amount of any such retention is due and payable, then such retention may be paid from the Series 2022A Construction Account (upon receipt of another requisition).



**SECTION 3.03. MONEYS IN THE SERIES 2022A CONSTRUCTION ACCOUNT.** The moneys in the Series 2022A Construction Account shall be applied only in accordance with the provisions of the Resolutions and Section 3.02 hereof.

Upon receipt of each Requisition as required herein, the Trustee shall draw on the Series 2022A Construction Account to pay the amount or amounts of such statement to the County or to the person, persons or company entitled thereto. All Requisitions received by the Trustee, as required in this Article as conditions of payment from the Series 2022A Construction Account, may be relied upon by and shall be retained for a reasonable period in the possession of the Trustee, subject at all times to the inspection by the County and the agents and representatives thereof.

Any funds on deposit in such Series 2022A Construction Account shall be invested by the Trustee upon written instruction by the County in Investment Obligations in such amounts and having such maturities as are deemed desirable by the County in accordance with Section 602 of the Resolution.

**SECTION 3.04. APPLICATION OF EXCESS SERIES 2022A CONSTRUCTION ACCOUNT MONEYS.** Upon the completion of the 2022A Project authorized by the 2022A Bonds Series Resolution, as certified in writing by County to the Trustee, unused moneys, if any, remaining in the Series 2022A Construction Account shall be transferred to the County for deposit in the various funds to be used in accordance with and for the purposes required by the Resolutions.

**SECTION 3.05. PLEDGE OF SERIES 2022A CONSTRUCTION ACCOUNT.** Subject to the terms and conditions set forth in this Indenture, moneys deposited to the credit of the Series 2022A Construction Account are hereby pledged to and charged with the payments mentioned in this Article, and such moneys held in trust constitute part of the Trust Estate and are subject to a lien and charge in favor of the Bondholders of the Series 2022A Bonds for the further security of such Bondholders until paid out or transferred as herein provided.

**SECTION 3.06. REPAYMENT TO THE COUNTY FROM THE SERIES 2022A CONSTRUCTION ACCOUNT.** Should this Indenture be discharged under the provisions of Article V of the Original Indenture, any amounts remaining in the Series 2022A Construction Account established under the provisions of the Resolutions and this Indenture shall be paid as provided in Article V of the Original Indenture.

**SECTION 3.07. CUSTODY OF RESERVE ACCOUNT PROCEEDS.** The Series 2022A Bonds having been issued and the proceeds thereof being received as provided in the Resolutions, the County shall make the required deposit hereunder with the Trustee to the Reserve Account to fund the increase in the Reserve Account Requirement related to the issuance of the Series 2022A Bonds in the amount of \$\_\_\_\_\_.

## **ARTICLE IV GENERAL COVENANTS**

**SECTION 4.01. PERFORMANCE OF COVENANTS; COUNTY.** The County covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in the Resolution and the 2022A Bonds Series Resolution and this Indenture. The County covenants that it is duly authorized under the Constitution and laws of the State of Florida, to execute this Indenture; and to assign its interest in the proceeds of the Series 2022A Bonds and the Reserve Account in the manner and to the extent herein set forth; that all action on its part for the execution and delivery of this Indenture has been duly and effectively taken, and is a valid and enforceable obligation of the County according to the import thereof.

**SECTION 4.02. RIGHTS UNDER RESOLUTION.** The Resolutions set forth the covenants and obligations of the County and reference is hereby made to the Resolutions for a detailed statement of said covenants and obligations.

**SECTION 4.03. TRUSTEE'S FEES, CHARGES AND EXPENSES.** The County hereby covenants to pay to the Trustee after making required deposits of principal and interest pursuant to the Resolution: (1) the Trustee's ordinary expenses incurred under this Third Supplemental Indenture, all as described in the Fee Proposal Letter between the Trustee and the County dated \_\_\_\_\_; and (2) the reasonable fees, charges and expenses of the Trustee for any necessary extraordinary services and expenses of the Trustee or its counsel under this Third Supplemental Indenture in excess of those services usually rendered and those expenses usually incurred by a trustee under instruments similar to this Third Supplemental Indenture, as and when the same become due. Notwithstanding the foregoing, the fees, charges and expenses authorized to be paid to the Trustee pursuant to this Section 4.03 shall not create a lien on the proceeds of the Series 2022A Bonds or the proceeds of the Parity Bonds or funds held hereunder.

## **ARTICLE V SUPPLEMENTAL INDENTURES**

**SECTION 5.01. SUPPLEMENTAL INDENTURES NOT REQUIRING CONSENT OF BONDHOLDERS.** The County and the Trustee may, without the consent of or notice to any of the Bondholders, enter into an indenture or indentures supplemental to this Third Supplemental Indenture as shall not be inconsistent with the terms and provisions hereof for the purpose of curing any ambiguity or formal defect or omission in this Indenture.

## **ARTICLE VI MISCELLANEOUS**

**SECTION 6.01. RATIFICATION OF PREVIOUS ACTIONS.** All previous actions taken by the County and the Trustee in conformance with this Third Supplemental Indenture are hereby ratified and confirmed.

**SECTION 6.02. SEVERABILITY.** If any provision of this Third Supplemental Indenture shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses or sections in this Indenture contained, shall not affect the remaining portions of this Indenture, or any part thereof.

**SECTION 6.03. HEADINGS NOT PART OF INDENTURE.** Any headings preceding the text of the several Articles or Sections hereof, and any table of contents, shall be solely for convenience of reference and shall not constitute a part of this Third Supplemental Indenture, nor shall they affect its meaning, construction or effect.

**SECTION 6.04. COUNTERPARTS.** This Third Supplemental Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**SECTION 6.05. APPLICABLE LAW.** This Third Supplemental Indenture shall be governed by and construed in accordance with the laws of the State of Florida. Unless otherwise required by law, venue for any action or proceeding to construe or enforce the provisions of this Indenture or any matters associated therewith shall lie in the Circuit Court in and for Broward County, Florida.

**SECTION 6.06. INDENTURE EFFECTIVE UPON EXECUTION.** This Third Supplemental Indenture shall not become effective and shall be of no force and effect, unless and until it shall be fully executed and delivered.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO THIRD AMENDMENT AND SUPPLEMENT TO  
CONSTRUCTION ACCOUNT AND RESERVE ACCOUNT TRUST INDENTURE]

**IN WITNESS WHEREOF**, Broward County, Florida caused these presents to be signed in its name and behalf by its Mayor, and its corporate seal to be hereunto affixed and attested by its County Administrator, and to evidence its acceptance of the trust hereby created, Regions Bank has caused these presents to be signed in its name and behalf by one of its Vice Presidents and Trust Officers, all as of the \_\_\_\_ day of \_\_\_\_\_, 2022.

**BROWARD COUNTY, FLORIDA**

(OFFICIAL SEAL)

By: \_\_\_\_\_  
Dale V.C. Holness, Mayor

ATTEST:

By: \_\_\_\_\_  
Bertha W. Henry, County Administrator  
and ex officio Clerk of the  
Board of County Commissioners

**REGIONS BANK, as Trustee**

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

**EXHIBIT A**

**FORM OF REQUISITION**

\$ \_\_\_\_\_

**BROWARD COUNTY, FLORIDA**

**WATER AND SEWER UTILITY REVENUE BONDS, SERIES 2022A**

Requisition Number: \_\_\_\_\_

Requisition Date: \_\_\_/\_\_\_/\_\_\_

Total Requisition Amount: \$ \_\_\_\_\_

To: Regions Bank (the "Trustee")

Re: Payment of the amounts on the attached schedule in connection with the above-captioned Bonds.

Broward County, Florida (the "County") does hereby make application to you for payment of project Costs from proceeds of the Series 2022A Bonds issued pursuant to Resolution No. \_\_\_\_\_ of the County dated \_\_\_\_\_, 2022 (the "2022A Bonds Series Resolution"). This Requisition is delivered pursuant to the Construction Account and Reserve Account Trust Indenture, dated as of February 1, 2009, as amended and supplemented, in particular by the Third Amendment and Supplement to Construction Account and Reserve Account Trust Indenture dated as of \_\_\_\_\_, 2022 (collectively, the "Indenture"), by and between the County and the Trustee. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Indenture.

As required by Section 302 of the Indenture, by executing this Requisition with respect to any payment of Costs of the 2022A Project the County hereby certifies that: (a) Schedule A attached hereto is an accurate and complete summary list of all payments actually made by the County or obligations due in connection with the 2022A Project during the period in question, or retainage on prior payments, (b) no item for which reimbursement or payment is sought has theretofore been the basis of reimbursement or payment made from the Series 2022A Construction Account, (c) each item for which reimbursement or payment is proposed to be made is or was necessary in connection with acquisition, equipping, construction or installation of the 2022A Project, (d) the County has received appropriate affidavits and/or documentation, if applicable, concerning the payment of vendors, laborers and materialmen in connection with such writer order, if applicable, and (e) in submitting this Requisition the County has complied with the provisions of Section 302 of the Indenture.

You are hereby requested to make disbursements from the Series 2022A Construction Account of the amounts set forth on Schedule A attached to this certificate, to the payees listed on Schedule A, all as provided therein.

**BROWARD COUNTY, FLORIDA**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: Chief Financial Officer

**SCHEDULE A**  
**\$ \_\_\_\_\_**  
**BROWARD COUNTY, FLORIDA**  
**WATER AND SEWER UTILITY REVENUE BONDS, SERIES 2022A**

**INVOICES**

<b>Item No.</b>	<b>Payee</b>	<b>Description</b>	<b>Amount</b>	<b>Direct Pay or Reimbursement</b>
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				

## EXHIBIT "E"

### ASSURED GUARANTY DEBT SERVICE RESERVE ACCOUNT POLICY AGREEMENT

THIS INSURANCE AGREEMENT, dated \_\_\_\_\_ (the "Agreement"), by and between \_\_\_\_\_ (the "Issuer") and Assured Guaranty Municipal Corp. ("AGM").

In consideration of the issuance by AGM of its Municipal Bond Debt Service Reserve Insurance Policy No. \_\_\_\_\_ (the "Reserve Policy") with respect to [NAME OF BONDS] [Bonds] and any [parity bonds] (the "Bonds") issued under Resolution No. 88-4066, as amended and supplemented (the "Authorizing Document") [, which bonds are secured by the payments of the Issuer under the Authorizing Document and the other revenue and collateral described in the Authorizing Document,] and the payment to AGM, the parties hereby covenant and agree as follows:

1. Upon any payment by AGM under the Reserve Policy, AGM shall furnish to the Issuer written instructions as to the manner in which payment of amounts owed to AGM as a result of such payment under the Reserve Policy shall be made. Amounts drawn under the Reserve Policy shall be used solely to pay scheduled principal and interest due on the Bonds.

2. The Issuer shall pay AGM the principal amount of any draws under the Reserve Policy and pay all related reasonable expenses incurred by AGM and shall pay interest thereon from the date of payment by AGM at the Late Payment Rate. "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Bonds, and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate, the Prime Rate shall be the prime or base lending rate of such national bank as AGM shall designate. If the interest provisions of this Section 2 shall result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by AGM, with the same force and effect as if the Issuer had specifically



designated such extra sums to be so applied and AGM had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

3. Repayment of draws and payment of expenses and the interest accrued thereon at the Late Payment Rate (collectively, "Policy Costs") shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12th of the aggregate of Policy Costs related to such draw. Such payments shall be made after the payments required pursuant to Section \_\_\_\_\_ of the Authorizing Document have been satisfied. Amounts in respect of Policy Costs paid to AGM shall be credited first to interest due, then to the expenses due and then to principal due.

4. As and to the extent that payments are made to AGM on account of principal due, the coverage under the Reserve Policy will be increased by a like amount, subject to the terms of the Reserve Policy.

5. All cash and investments in the Reserve Account shall be transferred to the Sinking Fund for payment of debt service on all outstanding Bonds secured by such Reserve Account before any drawing may be made on the Reserve Policy or on any alternative credit instrument. Payment of any Policy Costs shall be made prior to replenishment of any such cash amounts, provided, however, that portion of the Policy Costs relating to accrued interest on draws under the Reserve Policy shall be payable after any such cash replenishment. Draws on all alternative credit instruments (including the Reserve Policy) on which there is available coverage shall be made on a pro rata basis (calculated by reference to available coverage under each such alternative credit instrument) after applying available cash and investments in the Reserve Account. Payment of Policy Costs and reimbursement of amounts with respect to alternative credit instruments shall be made on a pro-rata basis prior to replenishment of any cash drawn from the Account; provided, however, accrued interest on draws under such credit instruments shall be payable after any such cash replenishment. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

6. If the Issuer shall fail to pay any Policy Costs in accordance with the requirements of the Authorizing Document and this Agreement, AGM shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Authorizing Document, other than (i) acceleration of the maturity of the Bonds, or (ii) remedies which would adversely affect owners of the Bonds.

7. The Authorizing Document shall not be discharged until all Policy Costs owing to AGM shall have been paid in full. The Issuer's obligation to pay such amounts shall expressly survive payment in full of the Bonds.

8. In order to secure the Issuer's payment obligations with respect to the Policy Costs, the Issuer hereby grants a pledge of, and lien on, the Net Revenues (subordinate only to that of the owners of all outstanding Bonds issued under the Authorizing Document).

9. Policy Costs due and owing shall be included in debt service requirements for purposes of calculation of the additional bonds test and the rate covenant in the Authorizing Document.

10. \_\_\_\_\_ (the "Paying Agent") shall ascertain the necessity for a claim upon the Reserve Policy in accordance with the provisions of Section 5 hereof and shall provide notice to AGM in accordance with the terms of the Reserve Policy at least five business days prior to each date upon which interest or principal is due on the Bonds. Where deposits are required to be made by the Issuer with the Paying Agent to the Sinking Fund for the Bonds more often than semi-annually, the Paying Agent shall give notice to AGM of any failure of the Issuer to make timely payment in full of such deposits within two business days of the date due.

11. The Issuer will pay or reimburse AGM to the extent permitted by law, and solely from Net Revenues, any and all charges, fees, costs, losses, liabilities and expenses which AGM may pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (i) any accounts established to facilitate payments under the Reserve Policy, (ii) the administration, enforcement, defense or preservation of any rights in respect of this Agreement, the Authorizing Document or any other document executed in connection with the Bonds (the "Related Documents"), including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the Issuer) relating to this Agreement, the Authorizing Document or any other Related Document, any party to this Agreement, the Authorizing Document or any other Related Document or the transaction contemplated by the Related Documents, (iii) the foreclosure against, sale or other disposition of any collateral securing any obligations under this Agreement, the Authorizing Document or any other Related Document, if any, or the pursuit of any remedies under this Agreement, the Authorizing Document or any other Related Document, to the extent such costs and expenses are not recovered from such foreclosure, sale or other disposition, (iv) any amendment, waiver or other action with respect to, or related to this Agreement, the Authorizing Document, the Reserve Policy or any other Related Document whether or not executed or completed, or (v) any action taken by AGM to cure a default or termination or similar event (or to mitigate the effect thereof) under the Authorizing Document or any other Related Document; costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of

AGM spent in connection with the actions described in clauses (ii)-(v) above. AGM reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Agreement, the Authorizing Document or any other Related Document. Amounts payable by the Issuer hereunder shall bear interest at the Late Payment Rate from the date such amount is paid or incurred by AGM until the date AGM is paid in full.

12. The obligation of the Issuer to pay all amounts due under this Agreement shall be an absolute and unconditional obligation of the Issuer and will be paid or performed strictly in accordance with this Agreement, irrespective of (i) any lack of validity or enforceability of or any amendment or other modifications of, or waiver with respect to the Bonds, the Authorizing Document or any other Related Document, or (ii) any amendment or other modification of, or waiver with respect to the Reserve Policy; (iii) any exchange, release or non-perfection of any security interest in property securing the Bonds, this Agreement, the Authorizing Document or any other Related Documents; (iv) whether or not such Bonds are contingent or matured, disputed or undisputed, liquidated or unliquidated; (v) any amendment, modification or waiver of or any consent to departure from this Agreement, the Reserve Policy, the Authorizing Document or all or any of the other Related Documents; (vi) the existence of any claim, setoff, defense (other than the defense of payment in full), reduction, abatement or other right which the Issuer may have at any time against the Paying Agent or any other person or entity other than AGM, whether in connection with this Agreement, the transactions contemplated herein, in the Authorizing Document or in any other Related Documents or any unrelated transactions; (vii) any statement or any other document presented under or in connection with the Reserve Policy proving in any and all respects invalid, inaccurate, insufficient, fraudulent or forged or any statement therein being untrue or inaccurate in any respect; or (viii) any payment by AGM under the Reserve Policy against presentation of a certificate or other document which does not strictly comply with the terms of the Reserve Policy.

13. Notices to AGM shall be sent to the following address (or such other address as AGM may designate in writing): Assured Guaranty Municipal Corp., [1633 Broadway, New York, New York 10019], Attention: Managing Director- Surveillance, Re: Policy No. \_\_\_\_\_ .

14. If any one or more of the agreements, provisions or terms of this Agreement shall be for any reason whatsoever held invalid, then such agreements, provisions or terms shall be deemed severable from the remaining agreements, provisions or terms of this Agreement and shall in no way affect the validity or enforceability of the other provisions of this Agreement.

15. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Authorizing Document. For all purposes of the Authorizing Document, the Reserve Policy, shall constitute a "Reserve Account Insurance Policy."

16. This Agreement may be executed in counterparts, each of which alone and all of which together shall be deemed one original Agreement.

17. This Agreement and the rights and obligations of the parties of the Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Florida.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO ASSURED GUARANTY DEBT SERVICE RESERVE  
ACCOUNT POLICY AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly  
executed in their respective names as of the date first written above.

[ISSUER]

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

[SIGNATURE PAGE TO ASSURED GUARANTY DEBT SERVICE RESERVE  
ACCOUNT POLICY AGREEMENT]

ASSURED GUARANTY MUNICIPAL CORP.

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

## EXHIBIT "F"

### BAM DEBT SERVICE RESERVE ACCOUNT POLICY AGREEMENT

DEBT SERVICE RESERVE AGREEMENT, dated \_\_\_\_\_ (the "Agreement"), by and between \_\_\_\_\_ (the "Issuer") and BUILD AMERICA MUTUAL ASSURANCE COMPANY ("BAM").

In consideration of the issuance by BAM of its Municipal Bond Debt Service Reserve Insurance Policy No. \_\_\_\_\_ (the "Reserve Policy") with respect to [NAME OF BONDS] [Bonds] and any [parity bonds] (the "Bonds" or "Insured Obligations") issued under Resolution No. 88-4066, as amended and supplemented (the "Authorizing Document") [, which bonds are secured by the payments of the Issuer under Authorizing Document and the other revenue and collateral described in the Authorizing Document,] and the payment to BAM of the Insurance Payment for the Reserve Policy, the Issuer and BAM hereby covenant and agree as follows:

1. The Issuer shall repay BAM any draws under the Reserve Policy and pay all Administrative Expenses (as defined below) incurred by BAM. Interest shall accrue and be payable on such draws and expenses from the date of payment by BAM at the Late Payment Rate. "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Insured Obligations and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate, the Prime Rate shall be the prime or base-lending rate of such national bank as BAM shall designate.

2. Repayment of draws and payment of Administrative Expenses and the interest accrued thereon at the Late Payment Rate (collectively, "Policy Costs") shall commence in the first month following each draw and each such monthly payment shall be in an amount at least equal to 1/12th of the aggregate of Policy Costs related to such draw. Amounts in respect of Policy Costs paid to BAM shall be credited first to interest due, then to the expenses due and then to principal due. [For Ca. RDA add: The Issuer shall include the repayment of Policy Costs in its Recognized Payment Obligation Schedule.]

3. As and to the extent that payments are made to BAM on account of principal due, the coverage under the Reserve Policy will be reinstated by a like amount, subject to the terms of the Reserve Policy.

4. All cash and investments in the debt service reserve fund or account securing the Insured Obligations (the "Reserve Account") shall be transferred to the debt service fund for payment of debt service on the Insured Obligations before any drawing may be made on the Reserve Policy or on any alternative credit instrument on deposit in the Reserve Account (the "Alternate Credit Instrument"). Payment of any Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Alternative Credit Instruments (including the Reserve Policy) on which there is available coverage shall be made on a pro rata basis (calculated by reference to available coverage under each such Alternative Credit Instrument) after applying available cash and investments in the Reserve Account. Payment of Policy Costs and reimbursement of amounts with respect to Alternative Credit Instruments shall be made on a pro-rata basis prior to replenishment of any cash drawn from the Reserve Account. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable Alternative Credit Instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

5. Draws on the Reserve Policy may only be used to make payments on the Insured Obligations (and for the avoidance of doubt, not any other obligations of the Issuer, whether issued on parity with the Insured Obligations, or otherwise).

6. The Reserve Policy shall be terminated on the earlier of \_\_\_\_\_ and the date the Insured Obligations are no longer outstanding.

7. If the Issuer shall fail to pay any Policy Costs in accordance with the requirements of the Authorizing Document and this Agreement, BAM shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Authorizing Document, other than (i) acceleration of the maturity of the Insured Obligations or (ii) remedies which would adversely affect owners of the Insured Obligations.

8. [Any Amendment, supplement, modification to, or waiver of the Authorizing Document that requires the consent of the holders of the Insured Obligations or adversely affects the rights and interests of BAM shall be subject to prior written consent of BAM.]

9. The Authorizing Document shall not be discharged until all Policy Costs owing to BAM shall have been paid in full. The Issuer's obligation to pay such amounts shall expressly survive payment in full of the Insured Obligations.

10. [In order to secure the Issuer's payment obligations with respect to the Policy Costs, there is hereby granted in favor of BAM a lien (subordinate only to that of the owners of the Insured Obligations) in all revenues and collateral pledged as security for the Insured Obligations.]



11. Policy Costs due and owing shall be included in debt service requirements for purposes of calculation of the additional bonds test and the rate covenant in the Authorizing Document.

12. \_\_\_\_\_ (the "Paying Agent") shall ascertain the necessity for a claim upon the Reserve Policy in accordance with the provisions of paragraph 4 hereof and shall provide notice to BAM in accordance with the terms of the Reserve Policy at least five business days prior to each date upon which interest or principal is due on the Insured Obligations. Where deposits are required to be made by the Issuer with the Paying Agent to the debt service fund for the Insured Obligations more often than semi-annually, the Paying Agent shall give notice to BAM of any failure of the Issuer to make timely payment in full of such deposits within two business days of the date due.

13. Payments made by BAM under the Reserve Policy with respect to claims for interest on or principal of the Insured Obligations shall not discharge the obligation of the Issuer with Respect to such Insured Obligations, and BAM shall become owner of such unpaid Insured Obligations and claims for the interest thereon. The Issuer and the Paying Agent recognize and agree that to the extent BAM makes payments directly or indirectly (e.g., by paying through the Paying Agent), on account of principal of or interest on the Insured Obligations, BAM will be subrogated to the rights of such holders to receive the amount of such principal and interest from the Issuer with interest thereon.

14. The Issuer agrees unconditionally that it will pay or reimburse BAM on demand any and all reasonable charges, fees, costs, losses, liabilities and expenses that BAM may pay or incur, including, but not limited to, fees and expenses of BAM's agents, attorneys, accountants, consultants, appraisers and auditors and reasonable costs of investigations, in connection with the administration (including waivers and consents, if any), enforcement, defense, exercise or preservation of any rights and remedies in respect of this Agreement, the Authorizing Document and any other document executed in connection with the Insured Obligations ("Administrative Expenses"). For purposes of the foregoing, costs and expenses shall include a reasonable allocation of compensation and overhead attributable to the time of employees of BAM spent in connection with the actions described in the preceding sentence. The Issuer agrees that failure to pay any Administrative Expenses on a timely basis will result in the accrual of interest on the unpaid amount at the Late Payment Rate, compounded semi-annually, from the date that payment is first due to BAM until the date BAM is paid in full.

15. The obligation of the Issuer to pay all amounts (including Policy Costs and Administrative Expenses) due under this Agreement shall be an absolute and unconditional obligation of the Issuer and will be paid or performed strictly in accordance with this Agreement but solely from the availability of Net Revenues as described in the Authorizing Document.

16. So long as a default or event of default has occurred and is continuing under this Agreement, the Authorizing Document or any other document executed in connection with the Insured Obligations, the Issuer shall not be eligible for a dividend or any other economic benefit under BAM 's organizational documents.

17. Notice and Other Information to be given to BAM.

- a. The Issuer will provide BAM with all notices and other information it is obligated to provide (i) under its Disclosure Dissemination Agent Agreement and (ii) to the holders of the Insured Obligations or the Paying Agent under the Authorizing Document.
- b. In addition, the Paying Agent shall provide BAM with the following notices and other information: (i) notice of any draw upon the Reserve Account within two (2) business days after knowledge thereof, other than in connection with withdrawals of amounts in excess of the Reserve Requirement; and (ii) prior written notice of the advance refunding or redemption of any of the Insured Obligations, including the principal amount, maturities and CUSIP numbers thereof.
- c. BAM shall be entitled to receive such additional information as it may reasonably request.

18. Notices to BAM shall be sent to the following address (or such other address as BAM may designate in writing): Build America Mutual Assurance Company, 200 Liberty Street, 27th Floor, New York, NY 10281, Attention: Surveillance, Re: Policy No. \_\_\_\_\_, Telephone: (212) 235-2500, Telecopier: (212) 235-1542, Email: notices@buildamerica.com; with a copy of such notice or other communication sent to the attention of the General Counsel at the same address and at claims@buildamerica.com or at Telecopier: (212) 235-5214.

19. The Issuer agrees that any disclosure document or other document relating to the issuance or sale of the Insured Obligations shall not contain any reference to BAM or the Reserve Policy, except as may be approved by BAM.

20. If any one or more of the agreements, provisions or terms of this Agreement shall be for any reason whatsoever held invalid, then such agreements, provisions or terms shall be deemed severable from the remaining agreements, provisions or terms of this Agreement and shall in no way affect the validity or enforceability of the other provisions of this Agreement. In the event of any conflict in the terms of this Agreement and the Authorizing Document, the terms of this Agreement shall control.

21. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Authorizing Document.

22. This Agreement may be executed in counterparts, each of which alone and all of which together shall be deemed one original Agreement.

23. This Agreement and the rights and obligations of the parties to the Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, each of the parties hereto has duly executed and delivered this Agreement as of the date first above written.

[ISSUER]

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

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

BUILD AMERICA MUTUAL ASSURANCE  
COMPANY

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

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

**EXHIBIT "G"**  
**FORM OF BOND**

No. RA\_\_\_ \$\_\_\_\_\_

United States of America  
State of Florida  
Broward County, Florida  
Water and Sewer Utility Revenue Bonds, Series 2022A

<u>Dated Date</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Cusip No.</u>
_____, 2022	_____%	_____, ____	

Registered Holder: Cede & Co.

Principal Amount: \_\_\_\_\_ Dollars

Broward County (herein called, the "County"), a political subdivision of the State of Florida, is justly indebted and for value received hereby promises to pay to the Registered Holder shown above or registered assigns or legal representative on the date specified above (or earlier as hereinafter referred to), upon the presentation and surrender hereof to \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, as the initial registrar for the Bonds (the "Bond Registrar"), the principal sum shown above, and to pay to the Registered Holder hereof, by check or draft mailed to the Registered Holder at such Registered Holder's address as it appears on the bond registration books of the County, or by wire transfer to the Registered Holder of at least \$1,000,000 principal amount of the Bonds, interest on such principal sum from the date hereof, such interest to the maturity or earlier redemption hereof being payable on October 1 and April 1 each year, commencing \_\_\_\_\_, 20\_\_\_\_ (the "Interest Payment Date"), at the rate per annum specified above, until payment of such principal sum. The interest so payable and punctually paid, or duly provided for, on any Interest Payment Date will be paid to the person in whose name this Bond is registered at the close of business on the Regular Record Date for such interest, which shall be the 15<sup>th</sup> day (whether or not a business day) of the calendar month next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Registered Holder on such Regular Record Date, and may be paid to the person in whose name this Bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Bond Registrar, notice whereof being given to the holders not less than

ten (10) days prior to such Special Record Date, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Bonds may be listed and upon such notice as may be required by such exchange, or as more fully provided in the hereinafter mentioned Resolution under which this Bond is issued or by wire transfer as mentioned above. If not paid by wire transfer as mentioned above, such payment of interest shall be by check mailed to the holder at such holder's address as it appears on the bond registration books maintained by the Bond Registrar. All such payments shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts. All capitalized terms used herein, which are not defined herein, shall have the meaning specified in the hereinafter defined Resolution, unless the context otherwise clearly requires.

This Bond shall not be deemed to constitute an indebtedness of the County within the meaning of any constitutional or statutory provision or limitation and the County is not obligated to pay the principal of, the premium, if any, or the interest on this Bond except from Net Revenues and, to the extent permitted by law, Impact Fees; and the full faith and credit of the County is not pledged to the payment of the principal of, the premium, if any, or the interest on this Bond. The issuance of this Bond shall not directly, indirectly or contingently obligate the County to levy or to pledge any taxes whatever therefor or to make any appropriation for the payment of the principal of, the premium, if any, or the interest on this Bond except as provided in the Resolution.

This Bond is one of a series of Bonds designated "Broward County, Florida Water and Sewer Utility Revenue Bonds, Series 2022A" (the "Bonds") and issued by the County for the principal purpose of paying all or a portion of the costs of acquisition and construction of various capital improvements to the County's Water and Sewer Utility. This Bond is issued under and pursuant to Resolution No. 88-4066 adopted by the Board of County Commissioners of the County (the "Board") on September 6, 1988, as amended and supplemented (the "Resolution"), and as specifically supplemented by Resolution No. \_\_\_\_\_ adopted by the Board on \_\_\_\_\_.

The Bonds shall be issued on a parity with certain obligations issued pursuant to the Resolution and any Additional Bonds or Refunding Bonds issued pursuant to the provisions of the Resolution from Net Revenues and, to the extent permitted by law, certain Impact Fees, all as provided in the Resolution.

Reference is hereby made to the Resolution for the provisions, amongst others, relating to the terms, lien and security of the Bonds, the custody and application of the proceeds of the Bonds, the rights and remedies of the Holders of the Bonds, the extent of and limitations on the County's rights, duties and obligations, and the provisions permitting the issuance of Additional Bonds to finance or refinance the costs of providing capital improvements to the Water and Sewer Utility, to all of which provisions the holder hereof assents by acceptance of this Bond.

[The Bonds maturing on October 1, \_\_\_\_ are subject to mandatory redemption prior to maturity at one hundred percent (100%) of the principal amount redeemed or paid, together with accrued interest to the redemption date without premium, as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
	\$		\$
		*	

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\*Maturity.

The Bonds maturing on October 1, \_\_\_\_ are subject to mandatory redemption prior to maturity at one hundred percent (100%) of the principal amount redeemed or paid, together with accrued interest to the redemption date without premium, as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
	\$		\$
		*	

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\*Maturity.]

The Bonds maturing on or after October 1, \_\_\_\_ are subject to optional redemption prior to maturity, in such manner as the County shall determine, on or after October 1, \_\_\_\_ as a whole or in part at any time, by lot if in part, at a redemption price equal to the following prices (expressed as a percentage of principal amount), plus accrued interest to the redemption date:

<u>Redemption Periods (inclusive)</u>	<u>Price</u>
_____, ____ through _____, ____	%
_____, ____ through _____, ____	
_____, ____ and thereafter	

At least thirty (30) days before the redemption date of any Bonds to be redeemed, whether such redemption be in whole or in part, the County shall cause a notice of such redemption to be filed with the Bond Registrar, mailed, first class postage prepaid, to all Registered Holders of Bonds to be redeemed in whole or in part at their addresses appearing upon the registration books of the County. However, in the case of an optional redemption, the notice of redemption may state that (1) it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Bond Registrar or a fiduciary institution acting as escrow agent no later than the redemption date or (2) the County retains the right to rescind such notice on or prior to the scheduled redemption date

(in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described herein. Any such notice of Conditional Redemption shall be captioned "Conditional Notice of Redemption." Any Conditional Redemption may be rescinded at any time prior to the redemption date if the Chief Financial Officer delivers a written direction to the Bond Registrar directing the Bond Registrar to rescind the redemption notice. The Bond Registrar shall give prompt notice of such rescission to the affected Bondholders. Any Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and neither the rescission nor the failure by the County to make such funds available shall constitute an Event of Default under the Resolution.

Further notice of redemption shall be provided in accordance with the terms of the Resolution. The failure to provide such further notice shall not affect the validity of such redemption. On the date fixed for redemption, notice having been given as aforesaid, the Bonds or portions thereof so called for redemption shall be due and payable at the redemption price provided for the redemption of such Bonds or portion thereof and, if moneys for payment of such redemption price and the accrued interest are held by the Bond Registrar or an appropriate fiduciary institution acting as escrow agent, as provided in the Resolution, interest on the Bonds or the portions thereof so called for redemption shall cease to accrue. If a portion of this Bond shall be called for redemption, a new Bond or Bonds in principal amount equal to the unredeemed portion hereof will be issued to the Registered Holder hereof or such Registered Holder's legal representative upon the surrender hereof.

The Holder of this Bond shall have no right to enforce the provisions of the Resolution, or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Resolution, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Resolution.

Modifications or alterations of the Resolution or of any resolution supplemental thereto may be made only to the extent and in the circumstances permitted by the Resolution.

The Bonds are issuable as fully registered Bonds in the denomination of \$5,000 or any whole multiple thereof. At the designated corporate trust office of the Bond Registrar, in the manner and subject to certain conditions provided in the Resolution, Bonds may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of authorized denomination and bearing interest at the same rate.

Subject to the provisions contained herein and in the Resolution regarding a book-entry system of registration for the Bonds, the Bond Registrar is required to keep at its designated corporate trust office the books of the County for the registration of Bonds and for the registration of transfers of Bonds. The transfer of this Bond may be registered only upon such books and as otherwise provided in the Resolution upon the surrender hereof to

the Bond Registrar together with an assignment duly executed by the Registered Holder hereof or such Registered Holder's attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer the Bond Registrar shall deliver in exchange for this Bond a new Bond or Bonds, registered in the name of the transferee, of authorized denominations, in an aggregate principal amount equal to the unredeemed principal amount of this Bond, of the same maturity and bearing interest at the same rate.

The Bond Registrar shall not be required to exchange or register any transfer of this Bond after this Bond has been selected for redemption.

The County has established a book-entry system of registration for the Bonds. Except as specifically provided otherwise in the Resolution, an agent will hold this Bond on behalf of the beneficial owner hereof. By acceptance of a confirmation of purchase, delivery or transfer, the beneficial owner of this Bond shall be deemed to have agreed to such arrangement.

This Bond is issued and the Resolution was adopted under and pursuant to the Charter of the County and the laws of the State of Florida. The 2022A Bonds Series Resolution provides for the creation of a special fund designated "Broward County Water and Sewer Utility Revenue Bonds Series 2022A Sinking Fund," which fund is pledged to and charged with the payment of the principal of, premium, if any, and the interest on all Bonds issued and outstanding under the 2022A Bonds Series Resolution, and the County has covenanted in the Resolution to deposit to the credit of said special fund a sufficient amount of the Net Revenues, and to the extent provided in the Resolution, Impact Fees, of the Water and Sewer Utility to provide for the payment of the principal of, premium, if any, and interest on the Bonds.

All acts, conditions and things required by the Constitution and laws of the State of Florida, and the ordinances and resolutions of the County to happen, exist and be performed precedent to and in the issuance of this Bond have happened, exist and have been performed as so required.



IN WITNESS WHEREOF, said Broward County, by resolution duly adopted by its Board of County Commissioners, has caused this Bond to be signed by the Mayor of the County and to be signed by its County Administrator and ex officio Clerk of its Board of County Commissioners and the official seal of the County to be affixed hereto, all as of the Dated Date.

[SEAL]

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Mayor, Broward County, Florida

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County Administrator and ex officio  
Clerk of the Board of County  
Commissioners

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the series designated herein and issued under the provisions of the within-mentioned 2022A Bonds Series Resolution.

\_\_\_\_\_,  
Bond Registrar

By: \_\_\_\_\_  
Authorized Signatory

Date of authentication: \_\_\_\_\_

## ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to register the transfer of the within bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: \_\_\_\_\_

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed:

NOTICE: Signatures must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or a trust company.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York Corporation ("DTC"), to the County or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Holder hereof, Cede & Co., has an interest herein.