2424
DPFG Management & Consulting, LLC

AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT

Agenda Package

Board of Supervisors Meeting

Date & Time:
Thursday
August 24, 2017
11:30 a.m.

Location:
Cagan Crossing
Community Library
16729 Cagan Oaks
Clermont, Florida

Note: The Advanced Meeting Package is a working document and thus all materials are considered DRAFTS prior to presentation and Board acceptance, approval or adoption.

Avalon Groves
Community Development District

DPFG Management & Consulting, LLC

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Maitland, Florida 32751
321-263-0134

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Tampa, Florida 33647
813-374-9105

August 17, 2017

Board of Supervisors
Avalon Groves Community
Development District

Dear Board Members:

The Regular Meeting of the Board of Supervisors of the Avalon Groves Community Development District is scheduled for Thursday August 24, 2017 at 11:30 a.m. at the Cagan Crossing Community Library, 16729 Cagan Oaks, Clermont, Florida.

The advanced copy of the agenda for the meeting is attached along with associated documentation for your review and consideration. Any additional support material will be distributed at the meeting.

The balance of the agenda is routine in nature. Staff will present their reports at the meeting. If you have any questions, please contact me. I look forward to seeing you there.

Sincerely,

Patricia Comings-Thibault
Patricia Comings-Thibault
District Manager

cc: Attorney
Engineer
District Records

District: AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT
Date of Meeting: **Thursday, August 24, 2017**
Time: 11:30 a.m.
Location: Cagan Crossing Community Library
16729 Cagan Oaks
Clermont, FL

Dial-in Number: 712-775-7031
Guest Access Code: 109-516-380

Revised Agenda

I. Roll Call

II. Audience Comments

III. Administrative Matters

A. Approval of Minutes of June 22, 2017 Meeting — Exhibit 1

B. Acceptance of the Unaudited June, 2017 Financials — Exhibit 2

IV. Business Items

A. Public Hearing on Fiscal Year 2017-2018 Budget — Exhibit 3
- Open the Public Hearing
- Presentation of the Fiscal Year 2017-2018 Budget
- Public Comment & Testimony
- Close the Public Hearing

B. Consideration of Resolution 2017-18, Annual Appropriation Resolution Adopting the Fiscal Year 2017-2018 Budget — Exhibit 4

C. Consideration of Resolution 2017- 19 , Imposing Special Assessments to Fund Fiscal Year 2017-2018 Budget — Exhibit 5

D. Consideration of FY 2018 Budget Deficit Funding Agreement — Exhibit 6

E. Discussion Regarding Sawgrass Bay Blvd. Construction Design Project — Exhibit 7

F. Consideration of Jon M. Hall Change Order Increase - $73,828 — Exhibit 8

G. Consideration of Jon M. Hall Change Order Increase - $214,786.80 — Exhibit 9

H. Presentation of Final Version of Randy Suggs Contract Previously Authorized By the Board — Exhibit 10

I. Consideration of FPL Streetlight Proposal - $5,204.49 monthly — Exhibit 11

V. Staff Reports

A. Manager

B. Attorney

C. Engineer

VI. Supervisors Requests

VII. Adjournment

EXHIBIT 1.

MINUTES OF MEETING
AVALON GROVES
COMMUNITY DEVELOPMENT DISTRICT

The Regular Meeting of the Board of Supervisors of the Avalon Groves Community Development District was held on Thursday, June 22, 2017 at 11:30 p.m. at the Cagan Crossing Community Library, 16729 Cagan Oaks, Clermont, Florida.

FIRST ORDER OF BUSINESS - Roll Call

Ms. Comings-Thibault called the meeting to order.

Present and constituting a quorum were:

Jim Harvey	Board Supervisor, Chairman
Greg Meath	Board Supervisor, Vice Chairman
Candice Smith	Board Supervisor, Assistant Secretary

Also present were:

Patricia Comings-Thibault	District Manager
Jere Earlywine	District Counsel *(via phone)*

SECOND ORDER OF BUSINESS – Audience Comments

There being none, the next item followed.

THIRD ORDER OF BUSINESS – Administrative Matters

A. Approval of the Minutes of May 25, 2017

Ms. Comings-Thibault presented the Minutes of the May 25, 2017 meeting and asked for comments, questions or corrections.

On a MOTION by Mr. Meath, SECONDED by Mr. Harvey, WITH ALL IN FAVOR, the Board approved the May 25, 2017 Minutes for the Avalon Groves Community Development District.

B. Approval of Minutes of April 27, 2017

Ms. Comings-Thibault presented the Minutes of April 27, 2017 and asked for comments, questions or corrections.

On a MOTION by Mr. Meath, SECONDED by Mr. Harvey, WITH ALL IN FAVOR, the Board approved the April 27, 2017 Minutes for the Avalon Groves Community Development District.

C. Acceptance of the Unaudited May 2017 Financial Statements

Ms. Comings-Thibault presented the Unaudited May 2017 Financial Statements and asked for comments or questions.

On a MOTION by Mr. Harvey, SECONDED by Mr. Meath, WITH ALL IN FAVOR, the Board approved the Unaudited May 2017 Financial Statements for the Avalon Groves Community Development District.

FOURTH ORDER OF BUSINESS – Business Items

A. Consideration and Approval of Sawgrass Bay Blvd. Extension Landscape & Irrigation Construction Service

1. Randy Suggs Landscaping, Inc.
2. Southern Landscaping & Irrigation Systems
3. Yellowstone Landscape

Ms. Comings-Thibault presented Consideration and Approval of Sawgrass Bay Blvd. Extension and asked for comments or questions.

The Board reviewed and discussed the criteria of each bid. Consensus was: Randy Suggs Landscaping – 97, Yellowstone Landscape – 83 and Southern Landscaping – 88.

On a MOTION by Mr. Harvey, SECONDED by Mr. Meath, WITH ALL IN FAVOR, the Board awarded the contract to Randy Suggs Landscaping, Inc. for the Sawgrass Bay Blvd. Extension Landscape & Irrigation Construction Service for the Avalon Groves Community Development District.

B. Consideration and Approval of Sawgrass Bay Blvd. Extension Hardscape Construction Services

1. Seminole Masonry, LLC
2. Hardscapes 2, Inc. DBA Cornerstone Solutions Group

Ms. Comings-Thibault presented Consideration and Approval of Sawgrass Bay Blvd. Extension Hardscape Construction Services and asked for comments or questions.

The Board reviewed and discussed the criteria of each bid. Consensus was: Hardscapes 2, Inc. DBA Cornerstone Solutions Group – 75 and Seminole Masonry, LLC – 62.

On a MOTION by Mr. Harvey SECONDED by Mr. Meath, WITH ALL IN FAVOR, the Board approved Hardscapes 2, Inc. DBA Cornerstone Solutions Group for the Sawgrass Bay Blvd. Extension Hardscape Construction Services, pending clarification on bonding and permitting and with the schedule to be no more than 60 days after the permitting process is complete, for the Avalon Groves Community Development District.

FIFTH ORDER OF BUSINESS – Staff Reports

A. Manager

There being none, next item followed.

B. Attorney

There being none, next item followed.

C. Engineer

There being none, next item followed.

SIXTH ORDER OF BUSINESS – Supervisor Request

There being none, next item followed.

SEVENTH ORDER OF BUSINESS – Adjournment

On a MOTION by Mr. Harvey, SECONDED by Mr. Meath, WITH ALL IN FAVOR, the Board adjourned the meeting for the Avalon Groves Community Development District.

**Each person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.*

Meeting minutes were approved at a meeting by vote of the Board of Supervisors at a publicly noticed meeting held on _____.

Signature	**Signature**
Printed Name	**Printed Name**
Title: □ Secretary □ Assistant Secretary	**Title: □ Chairman □Vice Chairman**

EXHIBIT 2.

Avalon Groves
Community Development District

Summary Financial Statements
(Unaudited)

Period Ending
June 30, 2017

Avalon Groves Community Development District
Balance Sheet
Unaudited
June 30, 2017

	GENERAL FUND	2017 (AA1)	2017A-1 (AA2)	2017A-2 (AA2)	CIP	TOTAL
ASSETS:						
CASH	$ 159	$ -	$ -	$ -		$ 159.29
INVESTMENTS:						
CAP INTEREST	-	145,363	455,616	282,772	-	883,751.00
DS RESERVE	-	170,602	518,621	264,410	-	953,633.00
COST OF ISSUANCE	-	4,924	16,568	7,078	-	28,570.00
ACQ. & CONST. 2017 (AA1)	-	-	-	-	1,478,795	1,478,795.00
ACQ. & CONST. 2017A-1 (AA2)	-	-	-	-	2,868,557	2,868,557.00
ACQ. & CONST. 2017A-2 (AA2)	-	-	-	-	2,376,861	2,376,861.00
ACCOUNTS RECEIVABLE	26,627	-	-	-	-	26,627.00
TOTAL ASSETS	**$ 26,786**	**$ 320,889**	**$ 990,805**	**$ 554,260**	**$ 6,724,213**	**$ 8,616,953**
LIABILITIES:						
ACCOUNTS PAYABLE	$ 26,547	$ -	$ -	$ -	$ 3,707,493	**$ 3,734,040**
FUND BALANCE:						
NONSPENDABLE:						
PREPAID AND DEPOSITS	-	-	-	-	-	-
ASSIGNED:						
OPERATING RESERVES	-	-	-	-	-	-
RESERVES - ROADWAYS	-	-	-	-	-	-
UNASSIGNED:	239	320,889	990,805	554,260	3,016,720	4,882,913
TOTAL LIABILITIES & FUND BALANCE	**$ 26,786**	**$ 320,889**	**$ 990,805**	**$ 554,260**	**$ 6,724,213**	**$ 8,616,953**

Avalon Groves Community Development District
Statement of Revenue, Expenditures And Change In Fund Balance
For The Period Ending June 30, 2017

	FY2017 ADOPTED BUDGET	BUDGET YEAR-TO-DATE	ACTUAL YEAR-TO-DATE	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
SPECIAL ASSESSMENTS (LANDOWNER OFF-ROLL)	$ 220,035	$ 165,026	$ 111,857	$ (53,169)
TOTAL REVENUES	**220,035**	**165,026**	**111,857**	**(53,169)**
EXPENDITURES				
GENERAL ADMINISTRATIVE				
DISTRICT MANAGEMENT SERVICES	32,000	20,000	36,000	(16,000)
BANK FEES	150	113	27	86
AUDITING SERVICES	5,500	4,125	-	4,125
REGULATORY & PERMIT FEES	175	175	175	-
ADMINISTRATIVE (Postage, Freight, Copies,)	-	-	1,250	(1,250)
LEGAL ADVERTISEMENTS	750	563	3,417	(2,855)
ENGINEERING SERVICES	10,000	7,500	4,100	3,400
LEGAL SERVICES	10,000	7,500	59,169	(51,669)
TECHNOLOGY & WEBSITE ADMIN.	960	720	720	-
APPRAISAL REPORT	-	-	4,300	(4,300)
MISC. OFFICE (PRINTING)	500	375	50	325
TOTAL GENERAL ADMINISTRATIVE	**60,035**	**41,070**	**109,208**	**(68,138)**
INSURANCE				
INSURANCE (PUBLIC OFFICIALS)	3,300	-	-	-
INSURANCE (PROPERTY & CASUALTY)	7,500	2,410	2,410	-
TOTAL INSURANCE	**10,800**	**2,410**	**2,410**	**-**
UTILITIES			-	
UTILITIES-ELECTRICITY	2,500	-	-	-
TOTAL UTILITIES	**2,500**	**-**	**-**	**-**
PHYSICAL ENVIRONMENT				
LAKE & POND MAINTENANCE	2,500	1,875	-	1,875
LANDSCAPE MAINTENANCE	25,000	18,750	-	18,750
LANDSCAPE - MISCELLANEOUS	5,000	3,750	-	3,750
WETLAND MITIGATION & MAINTENANCE	5,000	3,750	-	3,750
FIELD CONTINGENCY	100,000	75,000	-	75,000
TOTAL PHYSICAL ENVIRONMENT EXPENDITURES	**137,500**	**103,125**	**-**	**103,125**
TOTAL EXPENDITURES	**220,035**	**146,605**	**111,618**	**34,987**
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	**-**	**-**	**239**	**239**
FUND BALANCE - BEGINNING	-	-	(19,497)	(19,497)
FUND BALANCE - ENDING	**$ -**	**$ -**	**$ (19,258)**	**$ (19,258)**

Avalon Groves Community Development District
2017 (AA1)
Statement of Revenue, Expenditures And Changes In Fund Balance
For The Period Ending June 30, 2017

	ACTUAL YEAR-TO-DATE
REVENUES	
BOND PROCEEDS	$ 353,645
INTEREST	498
TOTAL REVENUES	**354,143**
EXPENDITURES	
LEGAL EXPENSES	21,207
UNDERWRITERS FEES	6,884
MGMT. SERVICES & CONSULTING	5,163
TOTAL EXPENSE	**33,254**
TOTAL EXPENDITURES	**33,254**
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	**320,889**
TRANSFER IN	-
TRANSFER OUT	-
FUND BALANCE - BEGINNING	-
FUND BALANCE - ENDING	**$ 320,889**

Avalon Groves Community Development District

2017A-1 (AA2)

Statement of Revenue, Expenditures And Changes In Fund Balance

For The Period Ending June 30, 2017

	ACTUAL YEAR-TO-DATE
REVENUES	
BOND PROCEEDS	$ 1,086,760
INTEREST	1,538
TOTAL REVENUES	**1,088,298**
EXPENDITURES	
UNDERWRITERS FEES	20,572
MGMT. SERVICES & CONSULTING	15,429
LEGAL EXPENSES	61,493
TOTAL EXPENSE	**97,494**
TOTAL EXPENDITURES	**97,494**
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	**990,804**
TRANSFER IN	-
TRANSFER OUT	-
FUND BALANCE - BEGINNING	-
FUND BALANCE - ENDING	**$ 990,804**

Avalon Groves Community Development District

2017A-2 (AA2)

Statement of Revenue, Expenditures And Changes In Fund Balance

For The Period Ending June 30, 2017

	ACTUAL YEAR-TO-DATE
REVENUES	
BOND PROCEEDS	$ 615,877
INTEREST	861
TOTAL REVENUES	**616,738**
EXPENDITURES	
UNDERWRITERS FEES	12,544
MGMT. SERVICES & CONSULTING	9,408
LEGAL EXPENSES	40,525
TOTAL EXPENSE	**62,477**
TOTAL EXPENDITURES	**62,477**
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	**554,261**
TRANSFER IN	-
TRANSFER OUT	-
FUND BALANCE - BEGINNING	-
FUND BALANCE - ENDING	**$ 554,261**

Avalon Groves Community Development District
Construction In Progress
Statement of Revenue, Expenditures And Changes In Fund Balance
For The Period Ending June 30, 2017

	ACTUAL YEAR-TO-DATE
REVENUES	
BOND PROCEEDS	$ 11,370,543
INTEREST	12,597
TOTAL REVENUES	**11,383,140**
EXPENDITURES	
CONSTRUCTION IN PRGRESS	8,366,419
TRUSTEE FEES	-
TOTAL EXPENSE	**8,366,419**
TOTAL EXPENDITURES	**8,366,419**
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	**3,016,721**
TRANSFER IN	-
TRANSFER OUT	-
FUND BALANCE - BEGINNING	-
FUND BALANCE - ENDING	**$ 3,016,721**

Avalon Groves Community Development District
General Fund - Bank Reconciliation
Operating Accounts
June 30, 2017

		BU
Balance Per Bank Statement	$	159.29
Less: Outstanding AP Checks		-
Adjusted Bank Balance	**$**	**159.29**
Beginning Bank Balance Per Books	$	221.29
Deposits & Interest		257.50
Cash Disbursements		(319.50)
Balance Per Books	**$**	**159.29**

Avalon Groves CDD

Check Register

Operating Account

FY 2017

DATE	CK NO.	PAYEE	TRANSACTION	DEPOSIT	DISBURSMT	BALANCE
9/30/2016		**EOM**	**Balance**			**0.00**
10/21/2016		Deposit	Funding Request 01	19,448.99		19,448.99
10/26/2016	9997	DPFG	CDD Management		8,000.00	11,448.99
10/26/2016	9999	Egis Insurance Risk Advisors	Insurance - FY 2017		2,410.00	9,038.99
10/26/2016	9998	Hopping Green & Sams	Legal Services		7,416.50	1,622.49
10/26/2016	ACH102616	BANK UNITED	New Acct. Checks Ordered		14.80	1,607.69
10/31/2016		**EOM**	**Balance**	**19,448.99**	**17,841.30**	**1,607.69**
11/11/2016	1001	FLORIDA DEPT OF ECONOMIC OPPORTUNIT	Annual Filing FY 2016		100.00	1,507.69
11/11/2016	1002	Orlando Sentinel	Legal Ad		260.50	1,247.19
11/11/2016	1003	Venturesin.com, Inc.	Web Site/Domain		256.99	990.20
11/14/2016	1004	Venturesin.com, Inc.	Web Site Hosting - Nov		80.00	910.20
11/29/2016	1005	FLORIDA DEPT OF ECONOMIC OPPORTUNIT	Annual Filing Fee - FY 2017		175.00	735.20
11/30/2016		**EOM**	**Balance**	**0.00**	**872.49**	**735.20**
12/09/2016		Deposit	Developer funding	7,838.30		8,573.50
12/12/2016	1006	DPFG	CDD Meeting - Oct		4,000.00	4,573.50
12/12/2016	1007	Hopping Green & Sams	Legal Services - Aug/Sep		3,427.55	1,145.95
12/12/2016	1008	Orlando Sentinel	Legal Ad		235.75	910.20
12/31/2016		**EOM**	**Balance**	**7,838.30**	**7,663.30**	**910.20**
01/06/2017		Developer Funding	GF 2017-04	7,933.10		8,843.30
01/09/2017	1009	DPFG	CDD Meeting - November		4,000.00	4,843.30
01/09/2017	1010	Hopping Green & Sams	Legal Svcs - October		3,525.20	1,318.10
01/09/2017	1011	The Daily Commercial	Voided		0.00	1,318.10
01/09/2017	1012	Venturesin.com, Inc.	Web Site Hosting - December		80.00	1,238.10
01/19/2017		Developer Funding	GF 2017-05	7,330.55		8,568.65
01/20/2017	1013	DPFG	CDD Meeting - December		4,000.00	4,568.65
01/20/2017	1014	Hopping Green & Sams	Legal Services		3,330.55	1,238.10
01/23/2017		Developer Funding	GF 2017-06	4,380.00		5,618.10
01/23/2017	1015	Pinel & Carpenter, Inc.	Appraisal Report		4,300.00	1,318.10
01/23/2017	1016	Venturesin.com, Inc.	Web Site Hosting - January		80.00	1,238.10
1/31/2017		**EOM**	**Balance**	**19,643.65**	**19,315.75**	**1,238.10**
02/09/2017		Developer Funding	GF 2017-07	6,691.20		7,929.30
02/09/2017	1017	DPFG	CDD Mtg - Jan		4,000.00	3,929.30
02/09/2017	1018	Orlando Sentinel	Legal Ads		2,691.20	1,238.10
02/14/2017	1019	Heidt Design	Engineering Svcs - Dec		812.50	425.60
02/14/2017	1020	Venturesin.com, Inc.	Web Site Hosting - Feb		80.00	345.60
02/15/2017	1021	Orlando Sentinel	Legal Ad		124.31	221.29
02/17/2017		Developer Funding	GF 2017-08	5,911.00		6,132.29
02/24/2017	1022	Hopping Green & Sams	Legal Services - Dec		5,911.00	221.29
2/28/2017		**EOM**	**Balance**	**12,602.20**	**13,619.01**	**221.29**
03/03/2017		Developer Funding	GF 2017-10	1,000.00		1,221.29
03/07/2017	1023	Devo Seereeram, PH.D., P.E., LLC	Environmental Site Assessment		1,000.00	221.29
03/20/2017		Developer Funding	GF 2017-11	4,000.00		4,221.29
03/21/2017	1024	DPFG MANAGEMENT AND CONSULTING, LLC	CDD Mtg - February		4,000.00	221.29
3/31/2017		**EOM**	**Balance**	**5,000.00**	**5,000.00**	**221.29**
04/10/2017		Developer Funding	GF 2017-12	8,306.69		8,527.98
04/12/2017	1025	Hopping Green & Sams	Legal Services		8,226.69	301.29
04/12/2017	1026	Venturesin.com, Inc.	Web Site Hosting - March		80.00	221.29
4/30/2017		**EOM**	**Balance**	**8,306.69**	**8,306.69**	**221.29**
05/01/2017		Developer Funding	GF 2017-14, 15	10,412.74		10,634.03
05/01/2017	1027	DPFG MANAGEMENT AND CONSULTING, LLC	CDD Meeting - March		4,000.00	6,634.03
05/01/2017	1028	Hopping Green & Sams	Legal Svcs - Land Acquisition & Escrow		5,731.50	902.53
05/01/2017	1029	Orlando Sentinel	Legal Ad		601.24	301.29
05/01/2017	1030	Venturesin.com, Inc.	Web Site Hosting - April		80.00	221.29
05/09/2017		Developer Funding	GF 2017-16	2,030.00		2,251.29
05/10/2017	1031	Heidt Design	Engineering Services		2,030.00	221.29
05/11/2017		Developer Funding	GF 2017-13, 18	9,145.74		9,367.03
05/12/2017	1032	Hopping Green & Sams	Legal Services		7,895.74	1,471.29
05/12/2017	1033	Image Master, LLC	Mailing		1,250.00	221.29
05/25/2017		Developer Funding	GF 2017-19	10,160.91		10,382.20
05/26/2017	1034	DPFG MANAGEMENT AND CONSULTING, LLC	CDD Meeting - April		4,000.00	6,382.20
05/26/2017	1035	Hopping Green & Sams	Legal Services		6,080.91	301.29
05/26/2017	1036	Venturesin.com, Inc.	Web Site Hosting - May		80.00	221.29
5/31/2017		**EOM**	**Balance**	**31,749.39**	**31,749.39**	**221.29**
06/07/2017	1037	LAKE COUNTY PROPERTY APPRAISER	Non Ad Valorem Collections		50.00	171.29
06/19/2017		Developer Funding	GF 2017-20	257.50		428.79
06/19/2017	1038	Heidt Design	Engineering Svcs - April		257.50	171.29
06/30/2017		BANK UNITED	Service Charge		12.00	159.29
6/30/2017		**EOM**	**Balance**	**257.50**	**319.50**	**159.29**

EXHIBIT 3.

STATEMENT 1
AVALON GROVES
GENERAL FUND
FY 2018 PROPOSED

	FY 2017 ADOPTED	FY 2017 3/31/2017	FY 2018 PROPOSED	VARIANCE 2017-2018
REVENUE:				
SPECIAL ASSESEMENTS (LANDOWNER OFF-ROLL)	$ 216,735	$ 87,247	$ 300,474	$ 83,739
TOTAL REVENUE:	**216,735**	**87,247**	**300,474**	**83,739**
EXPENDITURES:				
GENERAL ADMINISTRATIVE:				
DISTRICT MANAGEMENT SERVICES	32,000	24,000	8,000	(24,000)
DISTRICT ACCOUNTING SERVICES	-	-	24,000	24,000
BANK FEES	150	15	150	-
AUDITING	5,500	-	3,500	(2,000)
REGULATORY AND PERMIT FEES	175	175	175	-
LEGAL ADVERTISEMENTS	750	3,417	750	-
ENGINEERING SERVICES	10,000	3,843	10,000	-
LEGAL SERVICES	10,000	28,889	16,000	6,000
TECHNOLOGY & WEBSITE ADMIN.	960	480	960	-
MISCELLANEOUS (appraisal, etc.)	500	4,300	500	-
TOTAL GENERAL ADMIN.	**60,035**	**65,119**	**64,035**	**4,000**
INSURANCE:				
INSURANCE	7,500	2,410	5,851	(1,649)
TOTAL INSURANCE	**7,500**	**2,410**	**5,851**	**(1,649)**
DEBT SERVICE ADMIN. :				
DISCLOSURE REPORT	5,000	-	5,000	-
ARBITRAGE REBATE	700	-	700	-
TRUSTEE FEES	3,500	-	3,800	300
TOTAL DEBT SERVICE ADMIN.	**9,200**	**-**	**9,500**	**300**
UTILITIES:				
UTILITIES-ELECTRICITY	2,500	-	2,500	-
STREETLIGHTS	-	-	62,454	62,454
UTILITY CONTINGENCY	-		5,000	5,000
TOTAL UTILITIES:	**2,500**	**-**	**69,954**	**67,454**
PHYSICAL ENVIRONMENT:				
LAKE & POND MAINTENANCE	2,500	-	20,400	17,900
LANDSCAPE MAINTENANCE(Ponds, Ph 1A & Serenoa Blvd.)	25,000	-	95,734	70,734
LANDSCAPE - MISC.	5,000	-	5,000	-
WETLAND MITIGATION & MONITORING	5,000	-	14,000	9,000
FIELD MANAGEMENT	-	-	6,000	6,000
FIELD CONTINGENCY	100,000	-	5,000	(95,000)
HARDSCAPE REPAIRS & MAINT.	-	-	5,000	5,000
BUILDOUT CONTINGENCY	-	-	-	-
TOTAL PHYSICAL ENVIRONMENT	**137,500**	**-**	**151,134**	**13,634**
TOTAL EXPENDITURES:	**216,735**	**67,529**	**300,474**	**83,739**
EXCESS OVER (UNDER) REVENUES:	-	19,718	-	-

STATEMENT 2
AVALON GROVES
FY 2018 PROPOSED BUDGET
GENERAL FUND (O&M) ASSESSMENT ALLOCATION

1. ERU Assignment and Calculation

Phase	Planned Lots	ERU / Lots	Total ERU
AA 1	580	1.00	580
AA 2	479	1.00	479
Total	**1059**		**1059**

1a. ERU Allocation Driver based on Development Status of Lots

	Platted	Un-Platted	Total Lots
Assessment Area One	195	385	**580**
Assessment Area Two	221	258	**479**
Total Lots	**416**	**643**	**1059**
Assigned ERU	1.00	1.00	
Total Assigned ERU	**416**	**643**	**1059**
% Allocation per share of ERU	39.28%	60.72%	

2. O&M Assessment Requirement ("AR") - IF all assessments are ON Roll

Expenditures	Platted Lots	Un-Platted Lots	Grand Total /(1)	Share of Total	Benefit to Un-Platted /(2)
GENERAL ADMINISTRATIVE	25,154	38,881	64,035	21.31%	Yes
INSURANCE	2,298	3,553	5,851	1.95%	Yes
DEBT ADMINISTRATION	9,500	-	9,500	3.16%	No
UTILITIES	69,954	-	69,954	23.28%	No
PHYSICAL ENVIRONMENT	151,134	-	151,134	50.30%	No
Subtotal (Net) /[a]	**258,041**	**42,433**	**300,474**	100.0%	
Early Payment Discount	11,219	1,845	13,064		
County Charges	11,219	1,845	13,064		
Total (Gross)	**280,479**	**46,123**	**326,602**	[b]	
Share of Total Expenditures	85.88%	14.12%	100.00%		
Total ERU	416.0	643.0	1,059.0	[c]	
Total AR / ERU - GROSS	$ 674.23	$ 71.74	$ 308.41	[b] / [c]	
Total AR / ERU - NET	$ 620.30	$ 66.00	$ 283.74	[a] / [c]	

2a. Allocation of O&M Assessment: FY 2018

Status	ERU / Lot	AR / ERU	Gross Assmt / Lot	Lots	Total Gross Assmt
Platted	1.00	$ 674	$ 674	416	$ 280,480
Un-Platted	1.00	$ 72	$ 72	643	$ 46,129
Total				**1059**	**$ 326,609**

STATEMENT 3
AVALON GROVES CDD
FY 2018 PROPOSED CONTRACT SUMMARY

FINANCIAL STATEMENT CATEGORY	SERVICE PROVIDER (VENDOR)	ANNUAL CONTRACT $	COMMENTS (SCOPE OF SERVICE)
DISTRICT MANAGEMENT SERVICES	DPFG	$8,000	Estimated at $1,333 per meeting with 6 meetings estimated
DISTRICT ACCOUNTING SERVICES	DPFG	$24,000	Estimated at $2,000 per month
CONSTRUCTION ACCOUNTING SERVICES	DPFG	$0	
BANK FEES	Bank United	$150	
AUDITING SERVICES	TBD	$3,500	
REGULATORY AND PERMIT FEES	State of Florida	$175	
LEGAL ADVERTISEMENTS	Daily Commercial	$750	Does not include any additional advertisements for RFP for contracts
ENGINEERING SERVICES	Heidt Design	$10,000	
LEGAL SERVICES	Hopping Green & Sams	$16,000	
TECHNOLOGY & WEBSITE ADMINISTRATION	Atlas Professional Services	$960	
MISCELLANEOUS		$500	
INSURANCE	EGIS	$5,851	Professional Liability is $2,651. General liability estimated at $3,200. Will need to add property schedule as completed.
DISCLOSURE REPORT	DPFG	$5,000	
ARBITRAGE REBATE		$700	
TRUSTEE FEES		$3,800	
UTILITIES		$2,500	Estimated for lift stations, etc.
STREETLIGHTS		$62,454	Streetlights for FY 2018 includes 70 poles. Estimated at $55 per pole per month. Build out will be at 100 poles
UTILITY CONTINGENCY		$5,000	Estimated
LAKE & POND MAINTENANCE	Aquatic Systems	$20,400	Estimated at $1,700 for all of the ponds
LANDSCAPE MAINTENANCE		$95,734	Ponds 12x yr. CSA ponds 8x year, Boulevard and roadway phases 1&2 42x year
LANDSCAPE MISC.		$5,000	Miscellaneous
WETLAND MITIGATION & MAINTENANCE	BioTech	$14,000	Collector Road - $6,000. One time baseline setup-$3,600. Phase 1A-$2,800 and One time baseline setup-$1,600
FIELD MANAGEMENT		$6,000	
FIELD CONTINGENCY		$5,000	
HARDSCAPE REPAIRS & MAINTENANCE		$5,000	
Total		**$300,474**	

AVALON GROVES CDD
FY 2018 PROPOSED BUDGET
SERIES 2017 ASSESSMENT AREA ONE

	BUDGET
REVENUE	
SPECIAL ASSESSMENTS - ON-ROLL/OFF ROLL	$ 185,153
CAPITAL INTEREST	-
INTEREST - INVESTMENT	-
FUND BALANCE FORWARD	-
LESS: DISCOUNT ASSESSMENTS	(7,715)
TOTAL REVENUE	**177,439**
EXPENDITURES	
COUNTY - ASSESSMENT COLLECTION FEES	7,715
INTEREST EXPENSE	
05/01/18	67,856
11/01/18	67,856
PRINCIPAL RETIREMENT	
05/01/18	-
TOTAL EXPENDITURES	**143,427**
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	**34,010**
FUND BALANCE - BEGINNING	-
FUND BALANCE - ENDING	**$ 34,010**

Table 1. Allocation of Maximum Annual Debt Service (MADS) to Lots (AA One)

Lot Width	Units	ERU	Total ERU	% ERU	Annual Assmt	Annual Assmt/Unit
50	580	1.00	580.00	100.00%	170,338	294
Total	**580**		**580.00**	**100.00%**	**170,338**	

MADS Assmt. per ERU - net	294
MADS Assmt. per ERU - gross	319
Total revenue - gross	185,153

AVALON GROVES CDD
$2,415,000 SPECIAL ASSESSMENT BONDS SERIES 2017 AREA ONE
Debt Service Requirement

Period Ending	Principal /(a)	Coupon	Interest /(a)	Debt Service	Annual Dbt Srvc	Principal Balance
4/6/2017						2,415,000
11/1/2017		5.000%	77,280.73	77,280.73	77,280.73	2,415,000
5/1/2018		5.000%	67,856.25	67,856.25		2,415,000
11/1/2018		5.000%	67,856.25	67,856.25	135,712.50	2,415,000
5/1/2019	35,000	5.000%	67,856.25	102,856.25		2,380,000
11/1/2019		5.000%	66,981.25	66,981.25	169,837.50	2,380,000
5/1/2020	35,000	5.000%	66,981.25	101,981.25		2,345,000
11/1/2020		5.000%	66,106.25	66,106.25	168,087.50	2,345,000
5/1/2021	35,000	5.000%	66,106.25	101,106.25		2,310,000
11/1/2021		5.000%	65,231.25	65,231.25	166,337.50	2,310,000
5/1/2022	40,000	5.000%	65,231.25	105,231.25		2,270,000
11/1/2022		5.000%	64,231.25	64,231.25	169,462.50	2,270,000
5/1/2023	40,000	5.000%	64,231.25	104,231.25		2,230,000
11/1/2023		5.000%	63,231.25	63,231.25	167,462.50	2,230,000
5/1/2024	45,000	5.000%	63,231.25	108,231.25		2,185,000
11/1/2024		5.000%	62,106.25	62,106.25	170,337.50	2,185,000
5/1/2025	45,000	5.000%	62,106.25	107,106.25		2,140,000
11/1/2025		5.000%	60,981.25	60,981.25	168,087.50	2,140,000
5/1/2026	45,000	5.000%	60,981.25	105,981.25		2,095,000
11/1/2026		5.000%	59,856.25	59,856.25	165,837.50	2,095,000
5/1/2027	50,000	5.000%	59,856.25	109,856.25		2,045,000
11/1/2027		5.000%	58,606.25	58,606.25	168,462.50	2,045,000
5/1/2028	50,000	5.000%	58,606.25	108,606.25		1,995,000
11/1/2028		5.000%	57,356.25	57,356.25	165,962.50	1,995,000
5/1/2029	55,000	5.750%	57,356.25	112,356.25		1,940,000
11/1/2029		5.750%	55,775.00	55,775.00	168,131.25	1,940,000
5/1/2030	60,000	5.750%	55,775.00	115,775.00		1,880,000
11/1/2030		5.750%	54,050.00	54,050.00	169,825.00	1,880,000
5/1/2031	60,000	5.750%	54,050.00	114,050.00		1,820,000
11/1/2031		5.750%	52,325.00	52,325.00	166,375.00	1,820,000
5/1/2032	65,000	5.750%	52,325.00	117,325.00		1,755,000
11/1/2032		5.750%	50,456.25	50,456.25	167,781.25	1,755,000
5/1/2033	70,000	5.750%	50,456.25	120,456.25		1,685,000
11/1/2033		5.750%	48,443.75	48,443.75	168,900.00	1,685,000
5/1/2034	75,000	5.750%	48,443.75	123,443.75		1,610,000
11/1/2034		5.750%	46,287.50	46,287.50	169,731.25	1,610,000
5/1/2035	80,000	5.750%	46,287.50	126,287.50		1,530,000
11/1/2035		5.750%	43,987.50	43,987.50	170,275.00	1,530,000
5/1/2036	80,000	5.750%	43,987.50	123,987.50		1,450,000
11/1/2036		5.750%	41,687.50	41,687.50	165,675.00	1,450,000
5/1/2037	85,000	5.750%	41,687.50	126,687.50		1,365,000
11/1/2037		5.750%	39,243.75	39,243.75	165,931.25	1,365,000
5/1/2038	90,000	5.750%	39,243.75	129,243.75		1,275,000
11/1/2038		5.750%	36,656.25	36,656.25	165,900.00	1,275,000
5/1/2039	95,000	5.750%	36,656.25	131,656.25		1,180,000
11/1/2039		5.750%	33,925.00	33,925.00	165,581.25	1,180,000

AVALON GROVES CDD
$2,415,000 SPECIAL ASSESSMENT BONDS SERIES 2017 AREA ONE
Debt Service Requirement

Period Ending	Principal /(a)	Coupon	Interest /(a)	Debt Service	Annual Dbt Srvc	Principal Balance
5/1/2040	105,000	5.750%	33,925.00	138,925.00		1,075,000
11/1/2040		5.750%	30,906.25	30,906.25	169,831.25	1,075,000
5/1/2041	110,000	5.750%	30,906.25	140,906.25		965,000
11/1/2041		5.750%	27,743.75	27,743.75	168,650.00	965,000
5/1/2042	115,000	5.750%	27,743.75	142,743.75		850,000
11/1/2042		5.750%	24,437.50	24,437.50	167,181.25	850,000
5/1/2043	120,000	5.750%	24,437.50	144,437.50		730,000
11/1/2043		5.750%	20,987.50	20,987.50	165,425.00	730,000
5/1/2044	130,000	5.750%	20,987.50	150,987.50		600,000
11/1/2044		5.750%	17,250.00	17,250.00	168,237.50	600,000
5/1/2045	135,000	5.750%	17,250.00	152,250.00		465,000
11/1/2045		5.750%	13,368.75	13,368.75	165,618.75	465,000
5/1/2046	145,000	5.750%	13,368.75	158,368.75		320,000
11/1/2046		5.750%	9,200.00	9,200.00	167,568.75	320,000
5/1/2047	155,000	5.750%	9,200.00	164,200.00		165,000
11/1/2047		5.750%	4,743.75	4,743.75	168,943.75	165,000
5/1/2048	165,000	5.750%	4,743.75	169,743.75		-
Total	**$2,415,000.00**		**2,833,174.48**	**5,248,174.48**	**5,078,430.73**	

Max annual ds: $170,337.50

Footnote:

(a) Data herein for the CDD's budgetary process purposes only.

AVALON GROVES CDD
FY 2018 PROPOSED BUDGET
SERIES 2017A-1 ASSESSMENT AREA TWO

	BUDGET
REVENUE	
SPECIAL ASSESSMENTS - ON-ROLL/OFF ROLL	$ 562,845
CAPITAL INTEREST	-
INTEREST - INVESTMENT	-
FUND BALANCE FORWARD	-
LESS: DISCOUNT ASSESSMENTS	(23,452)
TOTAL REVENUE	**539,393**
EXPENDITURES	
COUNTY - ASSESSMENT COLLECTION FEES	23,452
INTEREST EXPENSE	
05/01/18	212,684
11/01/18	212,684
PRINCIPAL RETIREMENT	
05/01/18	-
TOTAL EXPENDITURES	**448,821**
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	**90,570**
FUND BALANCE - BEGINNING	-
FUND BALANCE - ENDING	**$ 90,570**

Table 1. Allocation of Maximum Annual Debt Service (MADS) to Lots (2017A-1)

Lot Width	Units	ERU	Total ERU	% ERU	Annual Assmt	Annual Assmt/Unit
40	83	0.90	74.70	15.21%	78,764	949
50	294	1.00	294.00	59.87%	309,993	1,054
60	102	1.20	122.40	24.92%	129,059	1,265
Total	**479**		**491.10**	**100.00%**	**517,816**	

MADS Assmt. per ERU - net	1,054
MADS Assmt. per ERU - gross	1,146
Total revenue - gross	562,845

AVALON GROVES CDD
$7,215,000 SPECIAL ASSESSMENT BONDS SERIES 2017A-1 AREA TWO
Debt Service Requirement

Period Ending	Principal /(a)	Coupon	Interest /(a)	Debt Service	Annual Dbt Srvc	Principal Balance
4/6/2017						7,215,000
11/1/2017		5.375%	242,224	242,224	242,224	7,215,000
5/1/2018		5.375%	212,684	212,684		7,215,000
11/1/2018		5.375%	212,684	212,684	425,369	7,215,000
5/1/2019	95,000	5.375%	212,684	307,684		7,120,000
11/1/2019		5.375%	210,131	210,131	517,816	7,120,000
5/1/2020	100,000	5.375%	210,131	310,131		7,020,000
11/1/2020		5.375%	207,444	207,444	517,575	7,020,000
5/1/2021	105,000	5.375%	207,444	312,444		6,915,000
11/1/2021		5.375%	204,622	204,622	517,066	6,915,000
5/1/2022	110,000	5.375%	204,622	314,622		6,805,000
11/1/2022		5.375%	201,666	201,666	516,288	6,805,000
5/1/2023	115,000	5.375%	201,666	316,666		6,690,000
11/1/2023		5.375%	198,575	198,575	515,241	6,690,000
5/1/2024	120,000	5.375%	198,575	318,575		6,570,000
11/1/2024		5.375%	195,350	195,350	513,925	6,570,000
5/1/2025	130,000	5.375%	195,350	325,350		6,440,000
11/1/2025		5.375%	191,856	191,856	517,206	6,440,000
5/1/2026	135,000	5.375%	191,856	326,856		6,305,000
11/1/2026		5.375%	188,228	188,228	515,084	6,305,000
5/1/2027	145,000	5.375%	188,228	333,228		6,160,000
11/1/2027		5.375%	184,331	184,331	517,559	6,160,000
5/1/2028	150,000	5.375%	184,331	334,331		6,010,000
11/1/2028		5.375%	180,300	180,300	514,631	6,010,000
5/1/2029	160,000	6.000%	180,300	340,300		5,850,000
11/1/2029		6.000%	175,500	175,500	515,800	5,850,000
5/1/2030	170,000	6.000%	175,500	345,500		5,680,000
11/1/2030		6.000%	170,400	170,400	515,900	5,680,000
5/1/2031	180,000	6.000%	170,400	350,400		5,500,000
11/1/2031		6.000%	165,000	165,000	515,400	5,500,000
5/1/2032	190,000	6.000%	165,000	355,000		5,310,000
11/1/2032		6.000%	159,300	159,300	514,300	5,310,000
5/1/2033	205,000	6.000%	159,300	364,300		5,105,000
11/1/2033		6.000%	153,150	153,150	517,450	5,105,000
5/1/2034	215,000	6.000%	153,150	368,150		4,890,000
11/1/2034		6.000%	146,700	146,700	514,850	4,890,000
5/1/2035	230,000	6.000%	146,700	376,700		4,660,000
11/1/2035		6.000%	139,800	139,800	516,500	4,660,000
5/1/2036	245,000	6.000%	139,800	384,800		4,415,000
11/1/2036		6.000%	132,450	132,450	517,250	4,415,000
5/1/2037	260,000	6.000%	132,450	392,450		4,155,000
11/1/2037		6.000%	124,650	124,650	517,100	4,155,000
5/1/2038	275,000	6.000%	124,650	399,650		3,880,000
11/1/2038		6.000%	116,400	116,400	516,050	3,880,000
5/1/2039	290,000	6.000%	116,400	406,400		3,590,000
11/1/2039		6.000%	107,700	107,700	514,100	3,590,000
5/1/2040	310,000	6.000%	107,700	417,700		3,280,000
11/1/2040		6.000%	98,400	98,400	516,100	3,280,000
5/1/2041	330,000	6.000%	98,400	428,400		2,950,000

AVALON GROVES CDD
$7,215,000 SPECIAL ASSESSMENT BONDS SERIES 2017A-1 AREA TWO
Debt Service Requirement

Period Ending	Principal /(a)	Coupon	Interest /(a)	Debt Service	Annual Dbt Srvc	Principal Balance
11/1/2041		6.000%	88,500	88,500	516,900	2,950,000
5/1/2042	350,000	6.000%	88,500	438,500		2,600,000
11/1/2042		6.000%	78,000	78,000	516,500	2,600,000
5/1/2043	370,000	6.000%	78,000	448,000		2,230,000
11/1/2043		6.000%	66,900	66,900	514,900	2,230,000
5/1/2044	395,000	6.000%	66,900	461,900		1,835,000
11/1/2044		6.000%	55,050	55,050	516,950	1,835,000
5/1/2045	420,000	6.000%	55,050	475,050		1,415,000
11/1/2045		6.000%	42,450	42,450	517,500	1,415,000
5/1/2046	445,000	6.000%	42,450	487,450		970,000
11/1/2046		6.000%	29,100	29,100	516,550	970,000
5/1/2047	470,000	6.000%	29,100	499,100		500,000
11/1/2047		6.000%	15,000	15,000	514,100	500,000
5/1/2048	500,000	6.000%	15,000	515,000		-
Total	**$7,215,000.00**		**8,934,183**	**16,149,183**	**15,634,183**	

Max annual ds: $517,815.63

Footnote:

(a) Data herein for the CDD's budgetary process purposes only.

AVALON GROVES CDD
FY 2018 PROPOSED BUDGET
SERIES 2017A-2 ASSESSMENT AREA TWO

	BUDGET
REVENUE	
SPECIAL ASSESSMENTS - ON-ROLL/OFF ROLL	$ 286,957
CAPITAL INTEREST	-
INTEREST - INVESTMENT	-
FUND BALANCE FORWARD	-
LESS: DISCOUNT ASSESSMENTS	(11,957)
TOTAL REVENUE	**275,000**
EXPENDITURES	
COUNTY - ASSESSMENT COLLECTION FEES	11,957
INTEREST EXPENSE	
05/01/18	132,000
11/01/18	132,000
PRINCIPAL RETIREMENT	
05/01/18	-
TOTAL EXPENDITURES	**275,957**
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	**(960)**
FUND BALANCE - BEGINNING	-
FUND BALANCE - ENDING	**$ (960)**

Table 1. Allocation of Maximum Annual Debt Service (MADS) to Lots (2017A-2)

Lot Width	Units	ERU	Total ERU	% ERU	Annual Assmt	Annual Assmt/Unit
40	53	0.90	47.70	20.86%	55,063	1,039
50	103	1.00	103.00	45.04%	118,898	1,154
60	65	1.20	78.00	34.11%	90,039	1,385
Total	**221**		**228.70**	**100.00%**	**264,000**	

MADS Assmt. per ERU - net	1,154
MADS Assmt. per ERU - gross	1,255
Total revenue - gross	286,957

AVALON GROVES CDD
$4,400,000 SPECIAL ASSESSMENT BONDS SERIES 2017A-2 AREA TWO
Debt Service Requirement

Period Ending	Principal /(a)	Coupon	Interest /(a)	Debt Service	Annual Dbt Srvc	Principal Balance
4/6/2017						4,400,000
11/1/2017		6.000%	150,333	150,333	150,333	4,400,000
5/1/2018		6.000%	132,000	132,000		4,400,000
11/1/2018		6.000%	132,000	132,000	264,000	4,400,000
5/1/2019		6.000%	132,000	132,000		4,400,000
11/1/2019		6.000%	132,000	132,000	264,000	4,400,000
5/1/2020		6.000%	132,000	132,000		4,400,000
11/1/2020		6.000%	132,000	132,000	264,000	4,400,000
5/1/2021		6.000%	132,000	132,000		4,400,000
11/1/2021		6.000%	132,000	132,000	264,000	4,400,000
5/1/2022		6.000%	132,000	132,000		4,400,000
11/1/2022		6.000%	132,000	132,000	264,000	4,400,000
5/1/2023		6.000%	132,000	132,000		4,400,000
11/1/2023		6.000%	132,000	132,000	264,000	4,400,000
5/1/2024		6.000%	132,000	132,000		4,400,000
11/1/2024		6.000%	132,000	132,000	264,000	4,400,000
5/1/2025		6.000%	132,000	132,000		4,400,000
11/1/2025		6.000%	132,000	132,000	264,000	4,400,000
5/1/2026		6.000%	132,000	132,000		4,400,000
11/1/2026		6.000%	132,000	132,000	264,000	4,400,000
5/1/2027		6.000%	132,000	132,000		4,400,000
11/1/2027		6.000%	132,000	132,000	264,000	4,400,000
5/1/2028		6.000%	132,000	132,000		4,400,000
11/1/2028		6.000%	132,000	132,000	264,000	4,400,000
5/1/2029	4,400,000	6.000%	132,000	4,532,000		-
Total	**$4,400,000.00**		**3,186,333**	**7,586,333**	**3,054,333**	

Max annual ds: $264,000.00

Footnote:

(a) Data herein for the CDD's budgetary process purposes only.

EXHIBIT 4.

RESOLUTION 2017-18

THE ANNUAL APPROPRIATION RESOLUTION OF THE AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT ("DISTRICT") RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2017, AND ENDING SEPTEMBER 30, 2018; AUTHORIZING BUDGET AMENDMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District was established by Ordinance No. 2016-16 of the Board of County Commissioners of Lake County, Florida on April 27, 2016; and

WHEREAS, the District Manager on May 25, 2017, submitted to the Board of Supervisors ("**Board**") the proposed budget for Fiscal Year 2017/2018, along with an explanatory and complete financial plan for each fund of the District, pursuant to the provisions of Section 190.008(2)(a), Florida Statutes; and

WHEREAS, at least sixty (60) days prior to the adoption of the proposed annual budget ("**Proposed Budget**"), the District filed a copy of the Proposed Budget with the local governing authorities having jurisdiction over the area included in the District pursuant to the provisions of Section 190.008(2)(b), Florida Statutes; and

WHEREAS, the Board set August 24, 2017 as the date for a public hearing thereon and caused notice of such public hearing to be given by publication pursuant to Section 190.008(2)(a), Florida Statutes; and

WHEREAS, the District Manager posted the Proposed Budget on the District's website at least two days before the public hearing, and timely transmitted the Proposed Budget to the administrator of Lake County for posting on its website; and

WHEREAS, Section 190.008(2)(a), Florida Statutes, requires that, prior to October 1st of each year, the District Board, by passage of the Annual Appropriation Resolution, shall adopt a budget for the ensuing fiscal year and appropriate such sums of money as the Board deems necessary to defray all expenditures of the District during the ensuing fiscal year; and

WHEREAS, the District Manager has prepared a Proposed Budget, whereby the budget shall project the cash receipts and disbursements anticipated during a given time period, including reserves for contingencies for emergency or other unanticipated expenditures during the fiscal year.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. BUDGET

a. The Board of Supervisors has reviewed the District Manager's Proposed Budget, a copy of which is on file with the office of the District Manager and at the District's Records Office, and hereby approves certain amendments thereto, as shown in Section 2 below.

b. The District Manager's Proposed Budget, attached hereto as **Exhibit "A,"** as amended by the Board, is hereby adopted in accordance with the provisions of Section 190.008(2)(a), Florida Statutes, and incorporated herein by reference; provided, however, that the comparative figures contained in the adopted budget may be subsequently revised as deemed necessary by the District Manager to reflect actual revenues and expenditures.

c. The adopted budget, as amended, shall be maintained in the office of the District Manager and at the District's Records Office and identified as "The Budget for the Avalon Groves Community Development District for the Fiscal Year Ending September 30, 2018," as adopted by the Board of Supervisors on May 25, 2017.

d. The final adopted budget shall be posted by the District Manager on the District's official website within thirty (30) days after adoption. District Manager is directed to transmit the final adopted budget to the administrator of Lake County for posting on its website.

SECTION 2. APPROPRIATIONS

There is hereby appropriated out of the revenues of the Avalon Groves Community Development District, for the fiscal year beginning October 1, 2017, and ending September 30, 2018, the sum of $_____ to be raised by the levy of assessments and otherwise, which sum is deemed by the Board of Supervisors to be necessary to defray all expenditures of the District during said budget year, to be divided and appropriated in the following fashion:

TOTAL GENERAL FUND	$_____
DEBT SERVICE (SERIES 2017)	$_____
DEBT SERVICE (SERIES 2017A-1)	$_____
DEBT SERVICE (SERIES 2017A-2)	$_____
TOTAL ALL FUNDS	$_____

SECTION 3. BUDGET AMENDMENTS

Pursuant to Section 189.016, Florida Statutes, the District at any time within the fiscal year or within 60 days following the end of the fiscal year may amend its budget for that fiscal year as follows:

a. The Board may authorize an increase or decrease in line item appropriations within a fund by motion recorded in the minutes if the total appropriations of the fund do not increase.

b. The District Manager or Treasurer may authorize an increase or decrease in line item appropriations within a fund if the total appropriations of the fund do not increase and if the aggregate change in the original appropriation item does not exceed $10,000 or 10% of the original appropriation.

c. By resolution, the Board may increase any appropriation item and/or fund to reflect receipt of any additional unbudgeted monies and make the corresponding change to appropriations or the unappropriated balance.

d. Any other budget amendments shall be adopted by resolution and consistent with Florida law.

The District Manager or Treasurer must establish administrative procedures to ensure that any budget amendments are in compliance with this Section 3 and Section 189.016 of the Florida Statutes, among other applicable laws. Among other procedures, the District Manager or Treasurer must ensure that any amendments to budget(s) under subparagraphs c. and d. above are posted on the District's website within 5 days after adoption. The District's Secretary is directed to transmit such amendments to the administrator of Lake County for posting on its websites.

SECTION 4. EFFECTIVE DATE. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED THIS 24th DAY OF AUGUST, 2017.

ATTEST:

AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT

_____
Secretary/Assistant Secretary

By: _____

Its: _____

EXHIBIT 5.

\

RESOLUTION 2017-19

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT MAKING A DETERMINATION OF BENEFIT AND IMPOSING SPECIAL ASSESSMENTS FOR FISCAL YEAR 2017/2018; PROVIDING FOR THE COLLECTION AND ENFORCEMENT OF SPECIAL ASSESSMENTS, INCLUDING BUT NOT LIMITED TO PENALTIES AND INTEREST THEREON; CERTIFYING AN ASSESSMENT ROLL; PROVIDING FOR AMENDMENTS TO THE ASSESSMENT ROLL; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Avalon Groves Community Development District ("**District**") is a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes,* for the purpose of providing, operating and maintaining infrastructure improvements, facilities and services to the lands within the District; and

WHEREAS, the District is located in Lake County, Florida ("**County**"); and

WHEREAS, the District has constructed or acquired various infrastructure improvements and provides certain services in accordance with the District's adopted capital improvement plan and Chapter 190, *Florida Statutes*; and

WHEREAS, the Board of Supervisors ("**Board**") of the District hereby determines to undertake various operations and maintenance and other activities described in the District's budget (**"Adopted Budget**") for the fiscal year beginning October 1, 2017 and ending September 30, 2018 (**"Fiscal Year 2017/2018"**), attached hereto as **Exhibit "A**;" and

WHEREAS, the District must obtain sufficient funds to provide for the operation and maintenance of the services and facilities provided by the District as described in the Adopted Budget; and

WHEREAS, the provision of such services, facilities, and operations is a benefit to lands within the District; and

WHEREAS, Chapter 190, *Florida Statutes*, provides that the District may impose special assessments on benefitted lands within the District; and

WHEREAS, it is in the best interests of the District to proceed with the imposition of the special assessments for operations and maintenance in the amount set forth in the Adopted Budget; and

WHEREAS, the District has previously levied an assessment for debt service, which the District desires to collect for Fiscal Year 2017/2018; and

WHEREAS, Chapter 197, *Florida Statutes*, provides a mechanism pursuant to which such special assessments may be placed on the tax roll and collected by the local tax collector ("**Uniform Method**"), and the District has previously authorized the use of the Uniform Method by, among other things, entering into agreements with the Property Appraiser and Tax Collector of the County for that purpose; and

WHEREAS, it is in the best interests of the District to adopt the assessment roll ("**Assessment Roll**") attached to this Resolution as **Exhibit "B**," and to certify the portion of the Assessment Roll related to certain developed property ("**Tax Roll Property**") to the County Tax Collector pursuant to the Uniform Method and to directly collect the portion of the Assessment Roll relating to the remaining property ("**Direct Collect Property**"), all as set forth in **Exhibit "B;"** and

WHEREAS, it is in the best interests of the District to permit the District Manager to amend the Assessment Roll adopted herein, including that portion certified to the County Tax Collector by this Resolution, as the Property Appraiser updates the property roll for the County, for such time as authorized by Florida law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE AVLON GROVES COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. BENEFIT & ALLOCATION FINDINGS. The provision of the services, facilities, and operations as described in **Exhibit "A"** confers a special and peculiar benefit to the lands within the District, which benefit exceeds or equals the cost of the assessments. The allocation of the assessments to the specially benefitted lands is shown in **Exhibits "A" and "B,"** and is hereby found to be fair and reasonable.

SECTION 2. ASSESSMENT IMPOSITION. Pursuant to Chapter 190, *Florida Statutes*, and using the procedures authorized by Florida law for the levy and collection of special assessments, a special assessment for operation and maintenance is hereby imposed and levied on benefitted lands within the District and in accordance with **Exhibits "A" and "B."** The lien of the special assessments for operations and maintenance imposed and levied by this Resolution shall be effective upon passage of this Resolution. Moreover, pursuant to Section 197.3632(4), *Florida Statutes*, the lien amount shall serve as the "maximum rate" authorized by law for operation and maintenance assessments.

SECTION 3. COLLECTION AND ENFORCEMENT; PENALTIES; INTEREST.

A. **Tax Roll Assessments.** The operations and maintenance special assessments and previously levied debt service special assessments imposed on the Tax Roll Property shall be collected at the same time and in the same manner as County taxes in accordance with the Uniform Method, as set forth in **Exhibits "A" and "B."**

A. **Direct Bill Assessments.** The operations and maintenance special assessments and previously levied debt service special assessments imposed on the Direct Collect

Property, as well as debt service special assessments imposed for the Special Assessment Bonds, Series 2017A-2 (Assessment Area Two Project), shall be collected directly by the District in accordance with Florida law, as set forth in **Exhibits "A" and "B."** Assessments directly collected by the District are due according to the following schedule:

- Debt service assessments – 100% due no later than October 15, 2018; and
- Operations and maintenance assessments – 40% on October 2, 2017, and 20% on each of the following dates: January 8, 2017, April 2, 2017, and July 2, 2018.

In the event that an assessment payment is not made in accordance with the schedule stated above, the whole assessment – including any remaining partial, deferred payments for Fiscal Year 2017/2018, shall immediately become due and payable; shall accrue interest, penalties in the amount of one percent (1%) per month, and all costs of collection and enforcement; and shall either be enforced pursuant to a foreclosure action, or, at the District's sole discretion, collected pursuant to the Uniform Method on a future tax bill, which amount may include penalties, interest, and costs of collection and enforcement. Any prejudgment interest on delinquent assessments shall accrue at the rate of any bonds secured by the assessments, or at the statutory prejudgment interest rate, as applicable. In the event an assessment subject to direct collection by the District shall be delinquent, the District Manager and District Counsel, without further authorization by the Board, may initiate foreclosure proceedings pursuant to Chapter 170, *Florida Statutes*, or other applicable law to collect and enforce the whole assessment, as set forth herein.

B. **Future Collection Methods.** The decision to collect special assessments by any particular method – e.g., on the tax roll or by direct bill – does not mean that such method will be used to collect special assessments in future years, and the District reserves the right in its sole discretion to select collection methods in any given year, regardless of past practices.

SECTION 4. ASSESSMENT ROLL. The Assessment Roll, attached to this Resolution as **Exhibit "B,"** is hereby certified for collection. That portion of the Assessment Roll which includes the Tax Roll Property is hereby certified to the County Tax Collector and shall be collected by the County Tax Collector in the same manner and time as County taxes. The proceeds therefrom shall be paid to the District.

SECTION 5. ASSESSMENT ROLL AMENDMENT. The District Manager shall keep apprised of all updates made to the County property roll by the Property Appraiser after the date of this Resolution, and shall amend the Assessment Roll in accordance with any such updates, for such time as authorized by Florida law, to the County property roll. After any amendment of the Assessment Roll, the District Manager shall file the updates in the District records.

SECTION 6. SEVERABILITY. The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

SECTION 7. EFFECTIVE DATE. This Resolution shall take effect upon the passage and adoption of this Resolution by the Board.

PASSED AND ADOPTED this 24TH day of August, 2017.

ATTEST:

AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT

_____
Secretary / Assistant Secretary

By:_____

Its:_____

Exhibit A: Budget
Exhibit B: Assessment Roll (Uniform Method)
Assessment Roll (Direct Collect)

EXHIBIT 6.

FY 2018 BUDGET DEFICIT FUNDING AGREEMENT

This Agreement ("**Agreement**") is made and entered into the 1st day of October, 2017, by and between:

Avalon Groves Community Development District, a local unit of special-purpose government established pursuant to Chapter 190, Florida Statutes, and located in Lake County, Florida ("**District**"), and

VK Avalon Groves, LLC, a Delaware limited liability company, the primary developer of lands within the boundary of the District, and whose address is 701 South Olive Ave., Suite 104, West Palm Beach, Florida 33401 ("**Developer**").

Recitals

WHEREAS, the District was established by ordinance of the Board of County Commissioners of Lake County, Florida for the purpose of planning, financing, constructing, acquiring, operating and/or maintaining certain infrastructure; and

WHEREAS, the District, pursuant to Chapter 190, Florida Statutes, is authorized to levy such taxes, special assessments, fees and other charges as may be necessary in furtherance of the District's activities and services; and

WHEREAS, Developer presently owns and/or is developing the majority of all real property ("**Property**") within the District, which Property will benefit from the timely construction and acquisition of the District's facilities, activities and services and from the continued operations of the District; and

WHEREAS, the District is adopting its general fund budget ("**FY 2018 O&M Budget**") for the Fiscal Year 2017-2018, which year commences on October 1, 2017, and concludes on September 30, 2018; and

WHEREAS, this general fund budget, which both parties recognize may be amended from time to time in the sole discretion of the District, is attached hereto and incorporated herein by reference as **Exhibit A**; and

WHEREAS, the District has the option of levying non-ad valorem assessments ("**FY 2018 O&M Assessments**") on all land, including the Property, that will benefit from the activities, operations and services set forth in the FY 2018 O&M Budget, or utilizing such other revenue sources as may be available to it; and

WHEREAS, the District has accordingly allocated FY 2018 O&M Assessments on benefitted property within its boundaries to fund the District's activities, operations and services set forth in the FY 2018 O&M Budget; and

WHEREAS, due to the ongoing nature of the construction and/or acquisition of District infrastructure throughout the upcoming fiscal year, the District is not able to predict with absolute certainty the amount of monies necessary to fund the District's activities, operations and services set forth in the FY 2018 O&M Budget; and

WHEREAS, accordingly there may potentially exist a deficit ("**FY 2018 O&M Deficit**") between the approved FY 2018 O&M Assessments, as may be amended from time to time in the District's sole discretion at a publicly noticed meeting, and the total amount of revenues needed to operate the District; and

WHEREAS, in contemplation of the foregoing, and in consideration of the District's desire to not levy additional FY 2018 O&M Assessments to fund the FY 2018 O&M Deficit, if any, the Developer desires to provide a portion of the monies necessary to fund the FY 2018 O&M Deficit, if such deficit occurs, in order to adequately fund the District's activities, operations and services for the Fiscal Year 2017/2018.

NOW, THEREFORE, based upon good and valuable consideration and the mutual covenants of the parties, the receipt of which and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Recitals.** The recitals so stated are true and correct and by this reference are incorporated into and form a material part of this Agreement.

2. **Funding of O&M Deficit; Reimbursement.** The Developer agrees to make available to the District the monies necessary for the operation of the District and in order to fund any FY 2018 O&M Deficit, within thirty (30) days of written request by the District. The funds shall be placed in the District's general checking account and used to fund the operations of the District. To the extent permitted by law, and subject to the District undertaking any lawful processes relating to the same, the District agrees to levy and impose special assessments prior to October 1, 2018 and reimburse the Developer for any funds provided by the Developer pursuant to this Agreement. Any such reimbursement shall be made within 30 days after the District's receipt of the special assessment monies.

3. **Amendment.** This instrument shall constitute the final and complete expression of the agreement between the parties relating to the subject matter of this Agreement. Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by both of the parties hereto.

4. **Authority.** The execution of this Agreement has been duly authorized by the appropriate body or official of all parties hereto, each party has complied with all the requirements of law, and each party has full power and authority to comply with the terms and provisions of this instrument.

5. **Assignment.** This Agreement may not be assigned, in whole or in part, by either party except upon the written consent of the other. Any purported assignment without such consent shall be void.

6. **Default.** A default by either party under this Agreement shall entitle the other to all remedies available at law or in equity, which shall include, but not be limited to, the right of damages, injunctive relief and specific performance.

7. **Attorneys' Fees.** In the event that either party is required to enforce this Agreement by court proceedings or otherwise, then the parties agree that the prevailing party shall be entitled to recover from the other all costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

8. **Beneficiaries.** This Agreement is solely for the benefit of the formal parties herein and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third party not a formal party hereto. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the parties hereto any right, remedy or claim under or by reason of this Agreement or any provisions or conditions hereof; and all of the provisions, representations, covenants and conditions herein contained shall inure to the sole benefit of and shall be binding upon the parties hereto and their respective representatives, successors and assigns.

9. **Applicable Law.** This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida.

10. **Negotiation at Arm's Length.** This Agreement has been negotiated fully between the parties as an arm's length transaction. The parties participated fully in the preparation of this Agreement with the assistance of their respective counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, the parties are each deemed to have drafted, chosen and selected the language, and the doubtful language will not be interpreted or construed against any party.

11. **Effective Date.** The Agreement shall take effect as of October 1, 2017.

IN WITNESS WHEREOF, the parties execute this Agreement the day and year first written above.

AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT

_____

By: _____

Its: _____

VK AVALON GROVES, LLC

By:_____

Name: _____

Title: _____

Exhibit A: FY 2018 O&M Budget

EXHIBIT 7.

Hopping Green & Sams

Attorneys and Counselors

July 28, 2017

Via E-Mail and Overnight Delivery
Mr. David Stokes
Madden Moorhead & Stokes, Inc.
431 E. Horation Ave., Suite 260
Maitland, Florida 32751

Re: Avalon Groves Community Development District's Notice of Claim to Madden Moorhead & Stokes, Inc. regarding design defect of Sawgrass Bay Boulevard

Dear Mr. Stokes:

This firm represents the Avalon Groves Community Development District ("District"). As you are aware, issue have arisen with a portion of Sawgrass Bay Boulevard being constructed at too low of an elevation. This issue derives from an incorrect design. Lake County has issued a stop-work order and required the road be demolished and constructed to the appropriate elevation. I attach a copy of the letter from for your review.

As you know, time is of the essence, and the District wishes to begin the demolition and construction very soon. Accordingly, before the portion of the roadway is demolished, the District is offering you the opportunity to inspect, document, survey, etc the defective roadway. As previously indicated, the District will be seeking damages, costs, fees, etc., related to the design defect and correcting the roadway from Moorhead and its insurer. To the extent Moorhead does not accept responsibility and the issue results in litigation, the District is providing this opportunity for Moorhead to preserve any evidence relating to the roadway before it is demolished and rebuilt to the appropriate elevation.

Please advise immediately whether Moorhead wishes to visit the site and collect any information regarding the roadway. The District anticipates demolition will begin approximately Saturday, August 5, 2017.

In the meantime, should there be any questions regarding the matter, please do not hesitate to let me know.

Sincerely,

Jere Earlywine
D. Kent Safriet

Enclosure
Cc: District Manager

LAKE COUNTY
FLORIDA

July 27, 2017

Candice Smith
Land Development Manager
Kolter Land Partners LLC
14025 Riveredge Drive, Suite 175
Tampa, FL 33637

Subject: **Sawgrass Bay Boulevard Extension Project**
Encountered Groundwater / Acceptable Correction

Dear Ms. Smith:

On June 26, 2017, an on-site field meeting was held with Kolter Land Partners, LLC (KLP) and Lake County Public Works (LCPW) staff regarding the Sawgrass Bay Boulevard Extension Project. At the meeting the groundwater elevations encountered during construction were discussed and determined to be higher than those elevations expected and utilized in design. It appears that the engineer hired by KLP to design the road plans for the project erroneously identified the encountered groundwater as the seasonal high water on the plans, which results in the subgrade and limerock being placed in the actual ground water. In addition, the actual seasonal high ground water (SHGW) elevation is higher than anticipated based on the final geotechnical information submitted and the stream flowing through wetlands was not provided culverts in the plans. Specifically, there were no cross culverts designed or installed. These errors may lead to road base failure and potential road overtopping of flood water. As a result of these findings, LCPW notified KLP to cease work within the affected area (Station 10+00 at the beginning of the project to approximately Station 50+00) until an acceptable correction was approved. The Department appreciates your cooperation and that the work has been stopped to allow for further investigation.

It is my understanding that you have agreed to revise the plans to account for the error caused by incorrect seasonal high water elevation, and to raise the level of the roadway to the proper elevations. This entails demolition of work already completed, including curb and gutter, adjustment in inlet elevations, limerock removal, and subgrade reconstruction. As this error was a direct result of the plans provided to LCPW by KLP, LCPW will not provide funding for this extra work. However, we will consider approving a change order for additional earthwork fill material needed as this material would have been required with the original design to get the road to the proper vertical elevation. The demolition and reconstruction of the subgrade, curb and gutter, limerock, etc. associated with the plan error will not be reimbursed.

To proceed from this point forward we ask that KLP provide to LCPW a revised design plan for the needed cross pipes, with calculations demonstrating that they will provide adequate conveyance of streamflow and flood waters. In addition, we ask KLP provide to LCPW revised construction plans which raise the road to provide sufficient groundwater separation consistent with the SHGW estimates by the Geotechnical Engineer. In order to help facilitate KLP's timeline for construction and deliverables related to the planned subdivisions, LCPW will allow the roadway revisions to be submitted, reviewed and approved in phases. This includes releasing the cease work order in phases. In accordance with the Roadway Improvement Agreement, paved roadway access must be constructed to completion for each requested PUD phase or sub-phase.

Please call me if you have any questions, or would like to discuss further.

Sincerely,

Jim Stivander, P.E., Director
Lake County Public Works

cc. Diana Johnson, Assistant County Attorney
Fred Schneider, P.E., County Engineer
Lori Koontz, Road Operations Div. Mngr.
Kristian Swenson, Facilities Director

EXHIBIT 8.

Change Order
No. _____

Date of Issuance: _____ Effective Date: _____

Project:	District: **Avalon Groves Community Development District**	District's Contract No.:
Contract: **Contractor Agreement**		Date of Contract: **March 23, 2017**
Contractor: **Jon M. Hall**		Engineer's Project No.:

The Contract Documents are modified as follows upon execution of this Change Order:

Description: **This Change Order adds Turn Lanes to Villages 1 and 2 to the existing Agreement as further described Exhibit A.**

Attachments: (List documents supporting change):

CHANGE IN CONTRACT PRICE:

Original Contract Price:

$_____

Increase from previously approved Change Orders No.___ __ to No._____:

Contract Price prior to this Change Order:

$_____

Increase of this Change Order:

$73,828.00

Contract Price incorporating this Change Order:

$_____

CHANGE IN CONTRACT TIMES: N/A

Original Contract Times: Working days Calendar days

Substantial completion (days or date):

Ready for final payment (days or date):

Decrease from previously approved Change Orders No._____ to No._____:

Substantial completion (days):

Ready for final payment (days):

Contract Times prior to this Change Order:

Substantial completion (days or date):

Ready for final payment (days or date):

Decrease of this Change Order:

Substantial completion (days or date):

Ready for final payment (days or date):

Contract Times with all approved Change Orders:

Substantial completion (days or date):

Ready for final payment (days or date):

ACCEPTED: **AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT**	ACCEPTED: **JON M. HALL COMPANY**
By: _____	By: _____
Title: _____ Date: _____	Title: _____ Date: _____

EXHIBIT A

JON M. HALL COMPANY
Site Development Since 1974

PROPOSAL DATE:	7/19/2017		RCO # 9

PROJECT: SAWGRASS BAY BLVD
OWNER: Kolter

PROPOSAL SUBMITTED TO:		
Kolter Land Partners LLC		
MAILING ADDRESS	E-MAIL	
14025 River Edge Drive, Suite 175	csmith@kolter.com	
CITY, STATE, ZIP:	PHONE	ATTN:
Tampa, Fl 33637	**813-615-1244**	**Candice Smith**

SCOPE OF WORK: Turn Lanes to Villages 1 and 2

ITEM	CODE	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	EXTENSION
		Turn Lanes - Village 1 North Entrance				$ -
1.01	5.200	3.5 Asphalt (2.5 SP-9.5 Structural, 1" Friction Course)	449	SY	21.00	$ 9,429.00
1.02	5.110	10" Limerock Base	449	SY	13.00	$ 5,837.00
1.03	5.050	12" Stabalized Subgrade LBR 40	449	SY	3.80	$ 1,706.20
1.04	5.500	Signage & striping	1	LS	400.00	$ 400.00
1.05	11.100	ADA Ramps	2	EA	1,066.00	$ 2,132.00
1.06	11.050	Median Curb	40	LF	10.76	$ 430.40
1.07	11.050	Valley Gutter	75	LF	11.00	$ 825.00
1.08	8.300	Storm Pipe Extension 30"	16	LF	55.50	$ 888.00
		Turn Lanes - Village 1 South Entrance				$ -
2.01	5.200	3.5 Asphalt (2.5 SP-9.5 Structural, 1" Friction Course)	469	SY	21.00	$ 9,849.00
2.02	5.110	10" Limerock Base	469	SY	13.00	$ 6,097.00
2.03	5.050	12" Stabalized Subgrade LBR 40	469	SY	3.80	$ 1,782.20
2.04	5.500	Signage & striping	1	LS	2,900.00	$ 2,900.00
2.05	11.100	ADA Ramps	3	EA	1,066.00	$ 3,198.00
2.06	11.050	Valley Curb	50	LF	11.00	$ 550.00
		Turn Lanes - Village 2 Entrance				$ -
3.01	5.200	3.5 Asphalt (2.5 SP-9.5 Structural, 1" Friction Course)	439	SY	21.00	$ 9,219.00
3.02	5.110	10" Limerock Base	439	SY	13.00	$ 5,707.00
3.03	5.050	12" Stabalized Subgrade LBR 40	439	SY	3.80	$ 1,668.20
3.04	5.500	Signage & striping	1	LS	2,900.00	$ 2,900.00
3.05	11.100	Sidewalks - Median	31	LF	28.00	$ 868.00
3.06	11.100	ADA Ramps	3	EA	1,066.00	$ 3,198.00
3.07	11.050	F Curb	150	LF	12.60	$ 1,890.00
3.08	11.050	Valley Curb	50	LF	11.00	$ 550.00
3.09	11.050	Concrete Flume	45	LF	28.00	$ 1,260.00
3.10	8.180	Storm Pipe Extension 18"	16	LF	34.00	$ 544.00
		TOTAL				**$ 73,828.00**

EXHIBIT 9.

Change Order
No. _____

Date of Issuance: _____ Effective Date: _____

Project:	District: **Avalon Groves Community Development District**	District's Contract No.:
Contract: **Contractor Agreement**		Date of Contract: **December 5, 2016 Assigned to the District on April 6, 2017**
Contractor: **Jon M. Hall**		Engineer's Project No.:

The Contract Documents are modified as follows upon execution of this Change Order:

Description: **This Change Order adds Paving the Eastbound Lanes to Active Adult Entrance to the existing Agreement as further described Exhibit A.**

Attachments: (List documents supporting change):

CHANGE IN CONTRACT PRICE:

Original Contract Price:

$_____

Increase from previously approved Change Orders No.___ __ to No._____:

Contract Price prior to this Change Order:

$_____

Increase of this Change Order:

$214,786.80

Contract Price incorporating this Change Order:

$_____

CHANGE IN CONTRACT TIMES: N/A

Original Contract Times: Working days Calendar days

Substantial completion (days or date):

Ready for final payment (days or date):

Decrease from previously approved Change Orders No._____ to No._____:

Substantial completion (days):

Ready for final payment (days):

Contract Times prior to this Change Order:

Substantial completion (days or date):

Ready for final payment (days or date):

Decrease of this Change Order:

Substantial completion (days or date):

Ready for final payment (days or date):

Contract Times with all approved Change Orders:

Substantial completion (days or date):

Ready for final payment (days or date):

ACCEPTED: **AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT**	ACCEPTED: **JON M. HALL COMPANY**
By: _____	By: _____
Title: _____	Title: _____
Date: _____	Date: _____

EXHIBIT A

JON M. HALL COMPANY
Site Development Since 1974

PROPOSAL DATE:	7/19/2017		RCO # 8

PROJECT: SAWGRASS BAY BLVD
OWNER: Kolter

PROPOSAL SUBMITTED TO:		
Kolter Land Partners LLC		
MAILING ADDRESS	E-MAIL	
14025 River Edge Drive, Suite 175	csmith@kolter.com	
CITY, STATE, ZIP:	PHONE	ATTN:
Tampa, Fl 33637	**813-615-1244**	**Candice Smith**

SCOPE OF WORK: Paving Eastbound Lanes to Active Adult Entrance

ITEM	CODE	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	EXTENSION
1.01	5.200	3.5 Asphalt (2.5 SP-9.5 Structural, 1" Friction Course)	4,928	SY	$ 21.00	$ 103,488.00
1.02	5.110	10" Limerock Base	4,928	SY	$ 13.00	$ 64,064.00
1.03	5.050	12" Stabalized Subgrade LBR 40	4,928	SY	$ 3.80	$ 18,726.40
1.04	11.100	5" Sidewalk	800	LF	$ 18.75	$ 15,000.00
1.05	12.050	Right of Way Sod	4,928	SY	$ (1.95)	$ (9,609.60)
1.06	12.050	Medians Sod	7,200	SY	$ (1.95)	$ (14,040.00)
1.07	12.050	ROW Sod - South Side	4,800	SY	$ (1.95)	$ (9,360.00)
1.08	11.050	Median Curb	1,700	SY	$ 11.00	$ 18,700.00
1.09	11.050	F Curb	1,500	LF	$ 12.60	$ 18,900.00
1.10	5.500	Thermoplastic Striping	1	LS	$ 8,900.00	$ 8,900.00
		TOTAL				**$ 214,768.80**

EXHIBIT 10

Contractor Agreement

Effective Date:			
Owner:	Avalon Groves Community Development District		
	Address: 1060 Maitland Center Commons, Suite 340		
	City: Maitland		
	State: FL	**Zip:** 32751	
	Authorized Representative: Patricia Comings-Thibault		
Contractor:	**Full Legal Company Name:** Randy Suggs Landscaping, Inc.		
	Vendor Number: Click here to enter text.		
	Contractor State License No.: SCC131151565		
	Contractor County License No.: Click here to enter text.		
	Contractor City License No.: Click here to enter text.		
	Federal Employer I.D. No.: 59-3383000		
	Address: 3403 Rock Springs Road		**Phone:** 407-886-8835
	City: Apopka		**Fax:** Click here to enter text.
	State: Florida	**Zip:** 32704	**Email:** office@randysuggsinc.com
	Authorized Representative: Randy Suggs		**Cell Phone:** Click here to enter text.
Project:	Sawgrass Bay Blvd Extension – Landscape & Irrigation		
Project HOA Entity:	**Full Legal Company Name:** Click here to enter text.		
Project Location:	**County:** Lake County	**State:** Florida	**Zip:** Click here to enter text.

1. **Parties; Effective Date.** This Contractor Agreement ("**Agreement**") is between the above-identified Owner and Contractor, and is effective on the Effective Date set forth above. The above-identified Owner shall be deemed a third-party beneficiary of this Agreement with respect to any provision of this Agreement that benefits Project Owner. For the purposes of this Agreement, "Affiliate" means any person or entity that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with Owner or Contractor. As used in this definition "control" (including, with correlative meanings, "controlled by" and "under common control with") shall mean possession, directly or indirectly, of power to direct or cause the direction of management or policies (whether through ownership of securities or other ownership interest, by contract or otherwise). Owner and Contractor shall collectively be referred to in this Agreement as the "**Parties**".

Purpose of Agreement.

1.1 This Agreement is a **"LUMP SUM"** Agreement and sets forth the terms under which Owner may request and Contractor shall provide, as an independent contractor, certain labor, skills and supervision (collectively the "**Work**") to Owner in connection with the above-identified Project. Work includes all related procurement of materials, supplies, labor, and equipment (collectively the "**Materials and Labor**") included with and/or used in connection with Work, and/or designated by Owner in Specifications for the Project to complete the Serenoa Project in substantial conformance with plans and specifications as enumerated on Schedule "1" attached hereto. Contractor acknowledges that there is no guarantee of any amount of Work to be awarded under this Agreement but to the extent any Work is agreed to, the terms of this Agreement shall control. The intent of the Parties is to have the contractual terms agreed to in this Agreement so that the Parties can focus solely on the specific business terms of any Work. Contractor agrees to be bound to Owner by the terms of this Agreement and shall assume towards Owner all the obligations and responsibilities, including the responsibility for safety of the Work. Moreover, nothing in this Agreement shall prejudice or impair the rights of Owner. Additionally, Contractor agrees that nothing in any contract between Contractor and any sub-contractor shall prejudice or impair the rights of Owner contained in this Agreement.

2. Agreement Documents.

2.1 This Agreement consists of: (a) this Agreement, which defines the basic terms and conditions of the relationship between the parties; (b) Exhibits to this Agreement; and (c) any amendments agreed to in writing between the parties pursuant to this Agreement ((a) through (c) collectively, shall be referred to herein as the "**Agreement Documents**"). The provisions of the Agreement Documents shall, to the extent possible, be interpreted consistently, and in a manner as to avoid conflict. In the event of a conflict or inconsistency by and between the Agreement Documents, the greater or more stringent requirement shall apply, but in the event this does not resolve such a dispute, the following order of precedence shall apply: (i) Amendments to this Agreement; (ii) Exhibits to this Agreement; and (iii) the terms of this Agreement. Exhibits to this Agreement consist of: Exhibit A – Plans and Specifications; Exhibit B – Construction Schedule; Exhibit C – Trade Specific Scope of Work; Exhibit D – General Conditions; Exhibit E – Site Safety Rules N/A; Exhibit F – Emergency Action Plan; Exhibit G – Insurance Requirements; Exhibit H – Partial Waiver & Release of Lien; Exhibit I – Final Waiver & Release of Lien; Exhibit J – INTENTIONALLY OMITTED; Exhibit K – Sworn Statement Regarding Scrutinized Companies; Exhibit L – Sworn Statement Regarding Public Entity Crimes; and Exhibit M – Trench Safety Act Compliance Statement.

2.2 THIS AGREEMENT AND THE DOCUMENTS SPECIFICALLY INCORPORATED HEREIN BY REFERENCE REPRESENT THE ENTIRE AGREEMENT BETWEEN OWNER AND CONTRACTOR AND SUPERSEDE PRIOR NEGOTIATIONS, REPRESENTATIONS, AND AGREEMENTS - EITHER WRITTEN OR ORAL. TERMS AND CONDITIONS OF PROPOSALS, QUOTATIONS, DELIVERY TICKETS, INVOICES, WORK ORDERS AND OTHER SIMILAR ITEMS, UNLESS SPECIFICALLY MADE A PART OF THIS AGREEMENT, SHALL NOT BE APPLICABLE. ANY AND ALL TERMS OF ANY CONTRACTOR QUOTATIONS, ACKNOWLEDGEMENTS, INVOICES OR OTHER CONTRACTOR DOCUMENTATION RELATED TO THE PROJECT, INCLUDING BUT NOT LIMITED TO THOSE IDENTIFIED ABOVE, ARE HEREBY CANCELLED AND RENDERED NULL AND VOID TO THE EXTENT OF SUCH CONFLICT AND/OR INCONSISTENCY, AND THIS AGREEMENT WILL CONTROL. THIS AGREEMENT MAY BE AMENDED ONLY BY A WRITTEN MODIFICATION SIGNED BY BOTH PARTIES.

3. Ordering Process.

3.1 During the term of this Agreement, Owner may make available Specifications and related documents and information to Contractor related to the Project, and request from Contractor a bid or proposal for Work for the Project. For the purposes of this Agreement, "Specifications" includes all plans, reports, drawings,

sketches, renderings, specifications, option lists, and other related documents in connection with the Project, including all revisions thereto made throughout the progress of the Project.

3.2 If requested, Contractor may submit a bid or proposal to Owner in connection with the Project, in which case Contractor: (a) represents and warrants that it has inspected the Project jobsite, if necessary, has found the Project jobsite available and accessible, and has reviewed the Specifications and related documents and information for the Project in formulating and preparing its bid or proposal; (b) shall (as requested by Owner) identify all suppliers, subcontractors, laborers, material suppliers, engineers, agents, consultants and/or other persons from whom Contractor proposes to purchase and/or to contract for necessary Work, Materials and Labor required by Contractor for the Project and any other entity under the direction of Contractor (collectively, "**Contractor's Agents**"); (c) shall provide any information requested by Owner, including, without limitation, detailed take-offs, Material specifications and literature, quantities, unit costs, labor costs and hours, submittals, shop drawings, insurance costs and other overhead and (d) represents and warrants that it has investigated and confirmed that its proposed Work complies with all applicable local, state and federal ordinances, laws, rules and regulations, including but not limited to building codes, safety laws, all occupational safety and health standards promulgated by the Secretary of Labor under the Occupational Safety and Health Act (collectively, "Applicable Laws"), or has brought to the immediate attention of Owner in writing any portion of the Work that does not so comply.

3.3 Contractor agrees that all Specifications, including copies thereof, are the property of Owner and are not to be used on other work, except as required for the Work or when permitted by an officer of Owner in writing. Owner shall be deemed the author and owner of the Specifications and shall retain all common law, statutory and other reserved rights, including copyright. All Specifications shall be returned to Owner upon completion of the Work.

3.4 During the term of this Agreement, Owner may make available to Contractor: (a) notice to proceed and/or change orders; (b) Specifications, to the extent such Specifications are relevant to the Work; and/or (c) the schedule for the Project, including, but not limited to the Work to be performed by Contractor, that is prepared by Owner and provided to Contractor ("Construction Schedule"). A Construction Schedule may be delivered to Contractor, posted at the Project jobsite and/or published from time to time in electronic format. Any other notice by Owner under this Agreement may be written and/or electronic and may be placed in person by mail, fax, e-mail and/or by or through any other media or mode of communication selected by Owner.

3.5 **Acceptance of Work**. If Contractor commences performance of the Work, with or without a fully executed Agreement, it will be deemed to have accepted the terms and conditions of this Agreement. If Contractor commences Work without a fully executed Agreement, it shall do so at its own risk and cost.

3.6 Items of Work or Materials omitted from Contractor's bid or proposal that are clearly inferable from the Specifications presented by Owner shall be performed by Contractor and shall be deemed to be part of the Work, at no additional cost to Owner. The description of Work to be performed by Contractor shall not be deemed to limit the obligations of Contractor. Contractor shall immediately notify Owner in writing of any discrepancy, error, conflict or omission discovered by Contractor or Contractor's Agents in the Specifications at any time.

3.7 Contractor acknowledges and agrees that this is a non-exclusive agreement and that nothing herein constitutes a promise, guarantee, representation or commitment of any minimum or specified number of opportunities or that any Work shall be issued to Contractor hereunder.

4. Initiation of Work.

4.1 Contractor shall perform all Work described in the Specifications in accordance with this Agreement. Time is of the essence in connection with all of Contractor's obligations under this Agreement.

4.2 Contractor represents and warrants that it shall be properly authorized to do business in any jurisdiction where it shall perform Work, and that it shall be properly licensed by all necessary governmental authorities for the Work contemplated by this Agreement. Contractor shall, at its sole cost, obtain all permits required for Contractor to perform Work, other than general building permits, which shall be provided by Owner. It is the responsibility of the Contractor to maintain current copies of all licenses and certificates of competency required by all jurisdictions where Contractor shall perform Work, and to provide to and maintain with Owner current copies of these documents to Owner before commencement of Work, and continually throughout the course of the Project should any of these changes in any manner.

4.3 Contractor shall have no authority to commence Work at any location of the Project until Contractor has received written notice to proceed from Owner for the specific location.

4.4 Contractor represents and warrants that, prior to commencing Work on the Project initially, or at any subsequent time, it shall have:

(a) thoroughly inspected the then-current state of the Project jobsite and reviewed the latest version of the Specifications and Construction Schedules for the Project, it being Contractor's responsibility to stay informed regarding all changes in the jobsite, Specifications and Construction Schedules throughout the course of the Project;

(b) ascertained the jobsite conditions to be encountered in the performance of the Work, including verifications of all grades, measurements and the locations of all existing utilities;

(c) inspected all curbs, landscaping, common areas, walks, drives and streets, and reported any damage to Owner (damage found later may be charged to Contractor);

(d) verified that all Work, storage and access areas and surfaces related to or adjoining the Work are satisfactory for the commencement of the Work. The commencement of the Work by Contractor shall be deemed as Contractor's acceptance of the jobsite and all access and storage areas; and

(e) notified Owner, in writing, of any discrepancy, error, conflict or omission discovered by Contractor at the jobsite, in regards to the Specifications and/or work of others.

4.5 Contractor shall inspect the Project prior to beginning its Work. If any problems, vandalism, damage, differences from the Specifications, and/or irregularities in components, which are unacceptable exist as to pre-existing work, Contractor shall promptly notify Owner so that these items are corrected prior to Contractor beginning its Work. Commencement of any Work to be performed by Contractor constitutes an affirmation by Contractor that, to the best of Contractor's knowledge, the work which preceded Contractor's Work has been completed in a proper and acceptable fashion. In no event, should the Contractor be entitled to claim extra compensation as a result of unacceptable surface and/or areas unless same has been reported in writing prior to commencement of work. Thereafter, if any incorrect work by others preceding performance by Contractor necessitates all or a portion of Contractor's Work to be revised or replaced (as determined by Owner in its sole and absolute discretion), the costs of the same shall be borne by Contractor, and such Work shall be subject to Owner's review and acceptance. In addition, Contractor shall be liable and responsible to Owner if Contractor's Work results in problems, defects and/or delays in the work of other contractors or sub-contractors. The completion of any portion of the Work constitutes a warranty on Contractor's part that such portion of the Work is in accordance with all provisions of the Agreement Documents and all Applicable Laws. To the extent all or any portion of the Work fails to meet the foregoing standard, Contractor shall have 48 hours after learning of (or receiving notice of) such failure to begin curing the failure and any damage caused thereby. To the extent, Contractor fails to begin the cure within such 48-hour period, or thereafter fails to proceed diligently, then Owner may, in addition to any other remedies set forth in the Agreement Documents, complete any and all Work it deems necessary and may set off any amounts spent against amounts owed to Contractor by Owner or any of their Affiliates. Furthermore, to the extent that such amounts are insufficient to compensate Owner for monies spent, then Contractor shall remit such deficit to Owner within 5 days of request therefore by Owner.

5. Performance and Progress of Work.

5.1 The Contractor has prepared and provided a Construction Schedule (the "Schedule) (attached hereto as Exhibit B) for the Project. The Schedule includes a "Substantial Completion" date for these improvements. Should Contractor fail to meet this completion date, Owner has the right to subtract Liquidated Damages Amounts as outlined in Section 5.11.

5.2 From time to time Owner may issue instructions to Contractor identifying the Work to be performed at each specific location within the Project, and establishing a Construction Schedule for that portion of the Work. Contractor must review the Construction Schedule daily to verify, prior to commencing any Work any changes to the Construction Schedule and that the correct Materials, colors, options, and elevations are being used, as well as confirming that the schedule is current. Owner may amend the Construction Schedule for the Project from time to time by giving Contractor written notice of the new Construction Schedule, revised Specifications or specific Project jobsite conditions. Owner may also direct that certain parts of the Work be prosecuted in preference to others in order to maintain the progress of the Project.

5.3 Upon request, Contractor shall identify to Owner in writing all suppliers and other persons from whom Contractor proposes to purchase or to contract with or has purchased from or contracted with for necessary Materials, Work and other items which may be required by Contractor to fully perform its obligations hereunder. Unless otherwise directed in writing by Owner, Contractor shall furnish, at its own cost and expense, all Work, Materials, and Labor and equipment to perform Work in accordance with the terms of this Agreement. Contractor shall have the necessary personnel available to meet the Construction Schedule, including but not limited to personnel necessary to maintain the Construction Schedule due to any weather delays. Contractor shall pay all taxes, royalties and license fees applicable to Materials furnished by Contractor in the performance of this Agreement. Contractor shall secure and pay for all government approvals, if necessary, for the incorporation of Materials into the Project. Should Contractor use Owner's equipment or facilities, Contractor shall reimburse Owner at a pre-determined rate prior to the use thereof.

5.4 Contractor hereby agrees to comply with all provisions and requirements of the local jurisdiction within which the Project is located, including, but not limited to, those relating to construction noise. Unless otherwise specified by Owner, construction, alteration, or repair activities which are authorized by a valid permit shall be allowed between the hours permitted by the jurisdiction in which the Project is located. On weekends and federal holidays, construction shall be allowed only upon receipt of a weekend/holiday work permit from the local jurisdiction, if required, by its ordinances and/or any applicable homeowner's association rules. Contractor shall have the option, at its own cost, to provide and maintain feasible noise control measures. If mitigation is not feasible, then Work shall be scheduled during the hours when residents shall be least affected, at no additional cost to Owner. If blasting activities are required to perform the Work, Contractor shall conduct the blasting activities in compliance with all Applicable Laws. Contractor shall submit blasting plans to the local jurisdiction for review and obtain approval prior to commencing any on-site or off-site blasting activities.

5.5 Contractor shall perform all Work in accordance with the terms and conditions set forth in this Agreement. Contractor shall coordinate its Work with Owner and other contractors and sub-contractors of Owner and/or other contractors so that there will be no delay or interference with the Work being performed by Owner and its contractors. Contractor shall perform all Work promptly and efficiently and without delaying other work on the Project. Contractor agrees to remedy promptly, at its expense and to the satisfaction of the Owner, and all governmental bodies and agencies having jurisdiction, all defects in its Work (including replacement of defective materials where such materials have been furnished by Contractor or its suppliers) which appear within the Warranty Period (as defined in Section 12.2 of this Agreement). In addition to the foregoing and not by way of limitation thereof, Contractor agrees to repair or replace, to the satisfaction of the Owner and all governmental bodies and agencies having jurisdiction, any of its Work and Materials and any Work and/or Materials of others that are damaged as a result of improper or defective work or materials furnished by Contractor or those working under Contractor, which appear within the Warranty Period. If Contractor should fail or refuse to prosecute the Work properly and diligently or fail to perform any provisions of this Agreement, and should any such failure or refusal continue for 24 hours, or other

legally required times, after notice to Contractor, then such failure shall constitute a material breach of this Agreement. Such breach shall entitle Owner to immediately terminate this Agreement and remedy the situation with all Costs being borne by Contractor.

5.6 Owner shall have no liability to Contractor if any other laborer, supplier, sub-contractor or Contractor fails to comply with its respective Construction Schedule thereby delaying the progress of the Work of Contractor or Contractor's Agents. Contractor expressly agrees not to make, and hereby waives, any and all monetary claims for damages against Owner caused by any delay for any cause whatsoever, even those delays caused by Owner and those delays for which Owner may otherwise be liable. Contractor acknowledges that an extension of time shall be its sole and exclusive remedy in this regard. Should the Contractor be delayed in the prosecution of any Work solely by the acts of Owner or by a Force Majeure Event, the time allowed for completion of the Work shall be extended by the number of days that Contractor has been thus delayed, but no allowance or extension shall be made unless a claim therefore is presented in writing to Owner immediately upon the onset of such delay. For the purposes of this Agreement, "Force Majeure Event" shall mean any delay caused by any condition beyond the reasonable control of either Owner or Contractor, including, without limitation, an act of God; flood or other severe weather; war; embargo; fire or other casualty; the intervention of any governmental authority unrelated to any act or failure to act by the party claiming the Force Majeure Event; any act of terrorism or sabotage; and/or a civil riot.

5.7 Contractor shall give Owner immediate written notice if Contractor foresees, experiences and/or is advised of any constraint, shortage or insufficiency in the supply of any Materials, labor or other items necessary for Contractor to timely perform its obligations under this Agreement. The giving of such notice shall not excuse Contractor from its obligations hereunder. In the event of any such constraint, shortage or insufficiency, Contractor shall, at its own cost and expense: (a) use its best efforts to promptly resolve any such constraint, shortage or insufficiency and increase its forces, or work such overtime or expedite the delivery of Materials as may be required to bring its Work into compliance with applicable requirements; and (b) provide Owner with priority of supply and labor over any other customer of Contractor, at no additional cost to Owner. In addition, Owner may, at its sole discretion and option, locate, order and take delivery of the affected Materials directly from the manufacturer or an alternative supplier. If Owner exercises this option, then Contractor shall reimburse Owner for all of its Costs associated therewith, and Owner may, on a going forward basis, continue to order and take delivery of the affected Materials directly from the manufacturer or an alternative supplier. Owner may also, at its sole discretion and option, utilize labor from a different contractor to perform the Work.

5.8 Contractor shall make no changes in the Work to be performed by it including but not limited to additions, deletions or substitutions, nor shall Contractor perform any additional Work, without the prior written consent of Owner, it being understood that Contractor shall receive no sums in addition to the agreed to price for Work set forth in the Agreement ("Work Price"), and no extension in the Construction Schedule, without first obtaining such prior written consent of Owner. Any authorizations for changes in Work required to be performed by Contractor, including performance of additional Work, shall be subject to the terms of this Agreement and shall be upon such written forms as agreed to by Owner and Contractor. Should Owner so request, Contractor shall perform such additional Work so long as Owner agrees in writing to pay Contractor the specified cost of such additional Work together with Contractor's reasonable overhead and profit attributable thereto. Failure of Contractor to perform such additional Work shall constitute a material breach of this Agreement by Contractor, and any dispute concerning the performance of such additional Work, the amount to be paid Contractor by Owner and/or any adjustment in the Construction Schedule shall not affect Contractor's obligation to perform such additional Work. Touchup work, punch-list work and/or minor patching is considered a part of the Work, and shall not be considered additional Work.

5.9 If Contractor is delayed (such delay must be a critical path delay) at any time in the progress of the Work by any act of neglect of Owner, or by any agent or contractor employed by Owner, or by changes ordered in the scope of the Work, or by fire, adverse weather conditions not reasonably anticipated, or any other causes beyond the control of Contractor, then the required completion date or duration set forth in the Construction Schedule shall be extended by the amount of time that Contractor shall have been delayed

thereby, subject to Contractor taking all reasonable measures to mitigate the effects of such delay. However, to the fullest extent permitted by law, Owner and their agents and employees shall not be held responsible for any loss or damage sustained by Contractor, or additional costs incurred by Contractor, resulting from a delay caused by Owner, or their Contractors, agents or employees, or any other contractor, or supplier, or by abnormal weather conditions, or by any other cause, and Contractor agrees that the sole right and remedy therefore shall be an extension of time. Additionally:

(a) Contractor must submit any claim for an extension of time to Owner in writing before the completion of their task and Owner must respond with its response to the request for an extension of time, which shall be at the Owner's sole discretion. Contractor's failure to give such written notice to Owner shall deprive Contractor of its right to claim an extension of time and any damages or additional costs incurred by Contractor resulting from such delay. The giving of such notice shall not in and of itself establish the validity of the cause of delay or of the extension of time to remedy the delay. A written change order signed by both parties is required to extend the Substantial Completion date. When referenced in this Agreement, working days are defined as Monday through Friday, and exclude weekends and holidays.

(b) In the event a court of competent jurisdiction shall determine that this provision is inapplicable or unenforceable for any reason, then Contractor's sole right and remedy shall be the amount received by Owner from the party causing the delay on behalf of the Contractor for each day it is actually delayed by any act or neglect of Owner, or by any agent or contractor employed by Owner, or by changes ordered in the scope of the Work, or by fire, adverse weather conditions not reasonably anticipated, or any other causes beyond the control of Contractor. Contractor waives any claim for consequential damages against Owner arising out of or related to the Project and/or this Agreement, including but not limited to loss or use, income, profit, financing, bonding capacity, and/or office overhead.

(c) Contractor shall maintain a rain gauge onsite and shall provide to Owner's Authorized Representative, on a weekly basis, a report of daily rain in inches and any days of work progress lost due to rain. Extension to the contract time for rain may only be granted to Contractor if the work being completed at that time was on the critical path of the Schedule and in excess of rain days allowed for in the Schedule and less than four (4) hours of work were completed on such rain day.

5.10 Contractor shall prepare and submit to Owner's Authorized Representative, on a weekly basis, site work progress maps that show weekly updates in the work completed on the Project plans and any modifications to the Schedule based on progress to date.

5.11 Should Contractor fail to perform any of its obligations as provided in this Section 5, then Owner shall have the right to subtract the amounts (the "Liquidated Damage Amount(s)") specified in this Section 5 from all sums due to Contractor (whether or not such sums are related to this Project or Agreement) and retain such Liquidated Damage Amounts as liquidated damages under this Agreement. The parties hereto acknowledge and agree that the damages resulting to Owner as a result of the default by Contractor under this Section 5 shall not be subject to specific ascertainment and therefore the provision herein for liquidated damages is incorporated as a benefit to both parties. This provision for liquidated damages is a bona fide damage provision and is not a penalty. The following additional Liquidated Damage Amounts shall also apply to the following events:

(a) Should Contractor not show up for Work, the Liquidated Damage Amount shall be $1,000.00 per day.

(b) Should Contractor fail to perform as outlined in this Section 5, the Liquidated Damage Amount shall be $1,000.00 per day.

The Liquidated Damage Amounts apply only to a breach by Contractor of this Section 5 and shall not limit any other damage remedies provided in the Agreement, except with respect to this Section.

6. Receipt and Protection of Materials; Protection of Work.

6.1 If requested or provided, Contractor and Owner shall sign-off on detailed take-offs provided by Contractor and/or Owner. Once Contractor has signed-off on a take-off, Contractor shall be solely responsible to meet the expectations provided for in the applicable take-off, and no adjustments in the take-off and/or changes to prices charged by Contractor hereunder shall be permitted without Owner's prior express written consent. Contractor shall not over utilize or waste Materials or exceed specifications pursuant to the take-off. In the event of over utilization or waste, Contractor shall be responsible to obtain or procure Materials at Contractor's own expense to complete the Project.

6.2 All Materials placed onsite, delivered to and accepted by Contractor, and/or transported by Contractor to and from the jobsite, shall be at the sole risk and responsibility of Contractor. It shall be the duty and responsibility of Contractor to accept or reject all such Materials. Failure of Materials to conform to the Specifications shall be cause for rejection, and Contractor shall not install or use any damaged Materials.

6.3 Contractor shall keep, store and maintain all Materials in good order. Contractor shall take commercially reasonable efforts to protect all Materials from damage, theft and/or loss and to protect the Work to be performed by Contractor, and shall at all times be solely responsible for the good condition thereof until final completion of the Work.

6.4 Contractor assumes all responsibility and expense for Contractor's Materials and/or tools lost, damaged or stolen at the Project jobsite. Contractor shall protect all property adjacent to that upon which it is performing Work and the property, work and materials of other Contractors and sub-contractors from injury arising out of Contractor's Work. In no event, shall Owner be responsible for loss or damage to the Work or Materials belonging to, supplied to, or under the control of Contractor (except as a direct result of the intentional acts of Owner), and Contractor shall indemnify and hold Owner harmless from any such claims. Contractor acknowledges and agrees that Owner owes no duty to protect Contractor's Work, Materials or tools, and if Owner uses the services of any security service that such services are for Owner's exclusive benefit and that Contractor shall not rely upon such services.

6.5 Without limiting the generality of the foregoing, Contractor shall take all precautions and actions that may be appropriate, whether or not requested by Owner, to protect Materials and/or Work during a predicted natural disaster, e.g., tornado, hurricane, severe thunderstorm.

6.6 Contractor shall be responsible for any defect in the Work or damages, theft or loss of Materials caused by or resulting from its failure to adequately and properly protect such Work or Materials. Contractor shall be fully liable and responsible to Owner for all Costs associated with any damage, loss, theft and/or vandalism resulting from Contractor's failure to fully comply with the terms of this Section.

7. Quality, Inspection and Correction of Work.

7.1 Contractor is solely responsible for the finished quality of its Work. Contractor shall make efficient use of all labor and Materials for the Project, and shall perform the Work in a good and workmanlike manner, free of defects, in compliance with the Agreement, Applicable Laws, and all manufacturers' recommendations, installation guidelines and specifications, and to the satisfaction of Owner. Without limiting the generality of the foregoing, all Work to be performed by Contractor shall meet or exceed the highest standards of the industry for the type of Work being performed in the same geographic area.

7.2 Contractor shall thoroughly inspect all of its Work and Materials for quality and completion. Contractor shall schedule all inspections relative to its Work and shall perform any tests necessary, if required, to receive inspection approval. Contractor shall pay all re-inspection fees. In addition, Owner may from time to time hire third party inspectors, and Contractor shall cooperate with such inspectors and make corrective Work they require, at no additional cost to Owner.

7.3 Contractor shall promptly correct all Work which Owner, in its sole discretion, deems to be deficient or defective, or as failing to conform to this Agreement and Contractor shall bear all costs of correcting such rejected Work without any increase in the Work Price. Owner may nullify any previous approval of Work if it subsequently determines that the Work is defective or non–compliant. In addition, Contractor shall, within 1 business day after receiving notice from Owner, take down all portions of the Work and remove same which Owner rejects as unsound or improper, and Contractor shall make repair or replace all Work and/or Materials rejected, at Contractor's sole expense.

7.4 Should Owner exercise any of its options, remedies or rights granted it pursuant to the terms of this Agreement, in the event of any material failure of performance or breach by Contractor, Owner at its sole election may, but shall not be obligated so to do: (a) use any Materials, supplies, tools or equipment on the jobsite that belong to Contractor to complete the Work required to be completed by Contractor, whether such Work is completed by Owner or by others, and Contractor agrees that it shall not remove such Materials, supplies, tools and equipment from the jobsite unless directed in writing by Owner to do so; (b) eject Contractor from the jobsite; and/or (c) enforce any or all of the agreements that Contractor has with Contractor's Agents, true and complete copies of which (including all modifications and change orders) shall be provided immediately upon Owner's request. In exercising its rights under this Section 7.4(c), Owner shall only be acting as the authorized agent of Contractor and Owner shall not incur any independent obligation in connection therewith.

8. Labor Matters.

8.1 In the performance of the Work, Contractor shall only employ qualified persons to perform Work on the Project, shall not employ any person, who is disorderly, unreliable or otherwise unsatisfactory, and shall immediately remove or replace any such person upon notice from Owner. In connection with performance of the Work, Contractor agrees not to discriminate against any employee or applicant for employment because of race, color, sex, age, national origin, disability and/or any other protected class or status.

8.2 Contractor shall maintain labor harmony on the Project jobsite, and shall not employ any persons, means, Materials or equipment which may cause strikes, work stoppages or any disturbances of Contractor's Agents, Owner and/or any other contractor or sub-contractor on the Project. Contractor shall perform Work with labor that is compatible with that of other contractors performing work at the Project jobsite, and Contractor shall exercise all due diligence to overcome any strike or other labor dispute or action. Any strike or other labor difficulties shall not be considered a "Force Majeure Event" for the purposes of this Agreement, if such labor difficulties are caused by the action or inaction of Contractor.

8.3 Contractor is solely responsible for the verification of each of its employee's and Contractor's Agent's eligibility to work legally in the United States. Contractor represents and warrants that: (a) Contractor's employees and Contractor's Agents shall all be eligible to work legally in the United States, (b) Contractor will timely obtain, review and retain all documentation required by Applicable Law(s) to ensure that each of its employees and each of Contractor's Agents is eligible to work legally in the United States; (c) Contractor shall comply with all Applicable Laws and other governmentally required procedures and requirements with respect to work eligibility, including all verifications and affirmation requirements; and (d) Contractor shall not knowingly or negligently hire, use, or permit to be hired or used, any person not eligible to work legally in the United States in the performance of Contractor's Work.

9. General Environmental Compliance

9.1 Contractor and Contractor's Agents shall fully comply with all applicable federal, state and local environmental and natural resource laws, rules and regulations. Contractor shall solely be responsible for and shall defend, protect, indemnify and hold Owner harmless from and against any and all claims, losses, costs, penalties, attorney and consultant fees and costs, and damages, including, without limitation, consequential damages, arising from or related to Contractor's or Contractor's Agents' failure to comply with any federal, state and local environmental and natural resource laws, rules and regulations, including ordinances and policies.

9.2 Contractor is solely responsible for the proper use, storage and handling of all Materials, including but not limited to potential pollutants, used in Contractor's and Contractor's Agents' Work, and for the generation, handling and disposal of all wastes resulting from Contractor's and Contractor's Agents' Work, in full compliance with all applicable federal, state and local laws, rules and regulations. In addition, Contractor shall immediately notify Owner if Contractor or Contractor's Agents generate more than 100 kilograms of hazardous waste in any one month onsite.

9.3 Contractor and Contractor's Agents must not cause any unpermitted impacts to wetlands, waters or designated protected areas, whether on or off the jobsite.

9.4 Contractor and Contractor's Agents must minimize any vehicle or equipment fueling, washing, maintenance or repair on the jobsite and such activities should not result in run-off or releases onto the ground or off the jobsite or into a storm water management or conveyance system.

9.5 Contractor will take immediate steps, at Contractor's sole expense, to remediate in full compliance with and to the full extent required by Applicable Laws, rules and regulations, any release or discharge by Contractor of any hazardous or other regulated substance, whether on or off the jobsite while acting on behalf of or within the scope of its Work for Owner.

9.6 In the event that Contractor fails to correct any non-compliance with this Section after written notice from Owner, Owner may, without assuming any liability therefore, correct such non-compliance and charge the Costs of such correction to Contractor, through setoff of any amount which may be due Contractor under this or any other agreement, or otherwise, including, but not limited to repair and remediation Costs, and penalties and fines for noncompliance. In the event that there is not enough value of the Agreement remaining to allow the Owner to set-off against any sums due Contractor as a result of such non-compliance, then Contractor agrees to fully reimburse Owner the Costs of such correction immediately upon notice by Owner.

10. Storm Water Management.

10.1 Contractor shall comply with the Federal Water Pollution Control Act of 1972, as amended, (the "Clean Water Act" or "CWA"), and all federal, state and local laws, regulations, ordinances, and policies relating to storm water pollution, sedimentation control and erosion control. Owner, if applicable to the Work, in accordance with Paragraph 402(p) of the CWA, which establishes a framework for regulating storm water discharges under the National Pollution Discharge Elimination System ("NPDES") Program, has or will developed an erosion, sedimentation and storm water pollution control and prevention plan (a "SWPPP") for the Project in order to control erosion and storm water discharges and to prevent certain non-storm water discharges. Contractor and Contractor's Agents shall at all times comply with the NPDES Permit(s) and the SWPPP. Contractor shall solely be responsible for and shall irrevocably defend, protect, indemnify and hold Owner harmless from and against any and all past, present or future claims of any kind or nature, at law or in equity (including, without limitation, claims for personal injury, property damage or environmental remediation or restoration), losses, costs, penalties, obligations, attorney and consultant fees and costs, and damages, including, without limitation, consequential, special, exemplary and punitive damages contingent or otherwise, matured or unmatured, known or unknown, foreseeable or unforeseeable, arising from or in any way related to Contractor's or Contractor's Agents' failure to comply with the Clean Water Act, any federal, state and local laws, rules and regulations, including ordinances and policies,

relating to storm water pollution and erosion and sedimentation control and/or the SWPPP as they may be applicable to the Work. Such failures shall constitute a material breach of this Agreement.

10.2 Contractor shall designate a Contractor employee representative with authority from Contractor to oversee, instruct, and direct Contractor's employees and Contractor's Agents regarding compliance with the requirements of the CWA and any federal, state or local laws, regulations or ordinances relating to storm water pollution or erosion control and the requirements of the SWPPP for the Project. Prior to commencing Work at the Project or within a reasonable time after, the designated Contractor representative shall contact Owner's jobsite Project Manager to request information on storm water management at the Project. Contractor and Contractor's Agents shall review prior to commencing Work on the jobsite, and shall abide by at all times, all storm water and jobsite orientation materials and direction provided by Owner to Contractor, and as may be required by the CWA, any federal, state or local laws, regulations, ordinances, or policies relating to storm water pollution or erosion control, and the SWPPP, shall file all notifications, plans and forms required by the CWA, any federal, state or local laws, regulations, ordinances, or policies relating to storm water pollution or erosion control, and the SWPPP. Contractor is responsible for circulating information provided by Owner regarding storm water management to its employees and Contractor's Agents who will be working on the Project.

10.3 Contractor shall require Contractor's Agents to immediately notify Contractor and Owner of any source pollutants that Contractor's Agents intend to use on the jobsite that are not identified in the SWPPP, and shall require that each of Contractor's Agents on the Project immediately notify Contractor and Owner of any corrections or recommended changes to the SWPPP that would reduce or eliminate the discharge of pollutants and/or sediments from the jobsite. Further, neither Contractor nor any of Contractor's Agents shall discharge any prohibited non-storm water discharges to storm water systems or from the jobsite. If requested by Owner, Contractor shall annually or at the completion of the Work, certify that the Work was performed in compliance with the requirements of the CWA, any federal, state or local laws, regulations, ordinances, or policies relating to storm water pollution or erosion control, and the SWPPP.

10.4 Contractor acknowledges that periodic changes may have to be made to the SWPPP during the progress of the Work, and Contractor shall at all times comply with, and shall require that Contractor's Agents at all times comply with, the most current version of the SWPPP. Contractor and Contractor's Agents shall use best efforts to comply with the SWPPP practices and procedures, including, without limitation, the "best management practices," and Contractor shall implement "best management practices" to control erosion and sedimentation and to prevent the discharge of pollutants including sediments. Contractor shall ensure that all of Contractor's and Contractor's Agent's personnel are appropriately trained in the appropriate "best management practices", and trained to comply with the SWPPP and with all Applicable Laws and regulations.

10.5 Contractor shall immediately notify Owner if it observes, discovers and/or becomes aware of (i) any spill of any hazardous or toxic substance or material or other pollutants on the jobsite, (ii) any discharge of any hazardous or toxic substance or material or other pollutants into or on the jobsite which leaves the jobsite or is capable of being washed from the jobsite during a rain event, (iii) any failure by any party to comply with the requirements of the SWPPP, the Clean Water Act, and/or any federal, state or local laws, regulations, ordinances, or policies relating to storm water pollution or erosion control, and (iv) any damage to or failure of a "best management practice" or any other stormwater or erosion control measure. Contractor shall retain all records relating to the SWPPP, the CWA, and any federal, state or local laws, regulations, ordinances, or policies relating to storm water pollution or erosion control, and any and all violations of the same for a period of 5 years following completion of the Project, or longer as required by Applicable Law.

10.6 Notwithstanding anything to the contrary contained herein, Owner shall have the right, but not the obligation, to immediately remedy any violation of the CWA, any federal, state or local laws, regulations, ordinances, or policies relating to storm water pollution or erosion and sedimentation control, and/or the SWPPP for which Contractor is responsible, without the necessity of providing Contractor with any notice or right to cure. Should Owner remedy any such violation, Owner shall have the right to back-charge Contractor for the Costs to remedy the violation. Conversely, Owner shall have the right, in Owner's sole

and absolute discretion, to require Contractor to reimburse Owner for the Costs incurred by Owner to remedy such violation and/or for fines or penalties paid for such violation, and unless Contractor reimburses Owner for such Costs within 10 days after receiving Owner's written request for payment of the same, Contractor will be in default of this Agreement, and Owner shall have all rights and remedies available to Owner as a result of a Contractor default. Nothing in this Section 10.6 shall limit or modify in any way Contractor's obligations or Owner's rights under Section 10.1.

11. No Lien Rights

11.1 Contractor agrees that the Owner is a local unit of special purpose government and is not an "Owner" as defined in Section 713.01(23), Florida Statutes. Therefore, as against the Owner, any part of the Work or the Owner's property on which the Work is performed, there are no lien rights available to any person providing materials or services for improvements in connection with the Project. Contractor shall not permit any laborer's, materialmen's, mechanic's or other similar liens to be filed or otherwise imposed on any part of the Work or the property on which the Work is performed.

11.2 [intentionally deleted]

11.3 [intentionally deleted]

11.4 If Contractor fails to pay and discharge when due, any bills or obligations of any kind or nature whatsoever incurred by Contractor by reason or in the fulfillment of this Agreement which bills or obligations in the opinion of Owner are proper, Owner, at Owner's option but without being obligated to do so, may pay all or any part of such bills or obligations, for Contractor's account and/or Owner may, at its sole discretion, issue payment jointly to Contractor and the applicable third party. Any direct or joint payment is solely at the discretion of Owner and shall be deemed as a payment towards the obligations of this Agreement. **Contractor hereby expressly waives and releases any claim and/or right of redress or recovery against Owner by reason of any act or omission of Owner in paying such bills or obligations, and nothing herein shall be deemed to mean Owner assumes any liability towards Contractor's suppliers, laborers or material suppliers.**

11.5 [intentionally deleted]

11.6 Contractor intends to furnish Work and/or Materials in the construction, repair and/or replacement of improvements upon real property owned by Owner.

(a) Contractor represents and warrants that it has not assigned and will not assign any claim for payment or any right to perfect a Lien against said Work, real property, or the improvements thereon, to any third person, including without limitation any lender or factoring company. Contractor agrees that any such attempted assignment shall be invalid and not enforceable. Such attempted assignment shall be deemed a material default of Contractor's obligations under this Agreement. Contractor shall include substantially identical language to this Section in all subcontracts for Work and/or Materials.

(b) [intentionally deleted]

12. Warranties; Warranty Work and Performance Standards.

12.1 Contractor warrants and guarantees that: (a) all Materials incorporated into the Project, except Materials provided by Owner, shall meet or exceed the requirements of all Applicable Laws and shall be new, of good quality and free of Liens, security interest, claims or encumbrances; and (b) all other Materials, except Materials provided by Owner, used by Contractor in the performance of any Work, and all Work, shall meet or exceed the requirements of all Applicable Laws.

12.2 Contractor warrants that the Work and all Materials, except Materials provided by Owner, incorporated into the Project shall be and remain free from defects or flaws from the date of Owner's acceptance of the Work through (a) 12 months after governmental acceptance of the Work or (b) such greater period as required by all applicable local, state and federal ordinances, law, rules and regulations (the longer of (a) and (b), the "Warranty Period"). In addition, upon Owner's acceptance of the Work, Contractor shall deliver and transfer to Owner any and all Materials manufacturer's warranties. The warranties and guarantees contained herein shall in all cases survive termination of this Agreement and shall apply to both patent and latent defects in workmanship and materials.

12.3 If during the applicable Warranty Period, the Work and/or Materials, except Materials provided by Owner, do not comply with the warranties set forth in this Section and/or elsewhere in the Agreement, then Contractor shall promptly repair the Work or replace such Materials, at Contractor's sole cost and expense for all associated Materials and labor, within 48 hours after notice to do so, or within 3 hours after notice in the event of any emergency. Owner, in its sole and absolute discretion, shall determine whether an emergency exists, which generally includes, but is not necessarily limited to, those conditions involving the risk of harm to persons or property. Repairs and replacements shall be made in a diligent first-class manner with as little inconvenience as possible to Owner. Contractor shall clean up thoroughly after repairs are completed. Neither repairs nor replacements shall be deemed to be complete until the defect or nonconformity has been permanently corrected. Contractor shall reimburse Owner for any damages and/or for any reasonable Costs incurred as a result of the inconvenience or loss of use which is caused by the defect, non-conformity or the repairs and/or replacements. In the event Contractor fails or refuses to timely fulfill any of its warranty obligations, Owner, may repair or replace the applicable Work or Materials and Contractor shall reimburse and pay Owner, for all Costs related thereto, on demand.

12.4 If the Work and/or Materials, except Materials provided by Owner, are determined by Owner to be defective or otherwise non-conforming after the expiration of the Warranty Period but before the expiration of the applicable statutory limitation period and/or statutory repose period, Owner, in its sole and absolute discretion, shall have the right to request that Contractor repair and replace any Work and Materials furnished by Contractor pursuant to this Agreement. Contractor shall use commercially reasonable efforts to promptly perform such repair and replacement at Contractor's sole cost and expense for all associated Materials and labor. If Contractor performs any such repair and/or replacement after the expiration of the Warranty Period and after the expiration of the applicable statutory limitation period and statutory repose period, Owner shall compensate Contractor for such repair and/or replacement activities at the then current reasonable market rates. The provisions of this Section shall survive expiration or termination of this Agreement and/or completion of the Work of Contractor.

13. Notice and Opportunity to Repair Statutes. Contractor agrees to cooperate with Owner in connection with any matters relating to any applicable notice and opportunity to repair statutes. If Contractor fails or refuses to cooperate in that process, Owner will have the right to correct any defective Work, and Contractor shall, upon demand, immediately reimburse Owner for all Costs incurred responding to and/or correcting any such defective Work.

14. Relationship Management.

14.1 Each party shall designate an individual to serve as its "Authorized Representative" under this Agreement, which initially shall be those individuals identified on the first page of this Agreement. Each party's Authorized Representative shall serve as the principal point of accountability for coordinating and managing that party's obligations. Either party may assign a replacement individual to serve as an Authorized Representative from time to time, provided that the party assigning a replacement gives 30 days advance notice (or as much advance notice as is possible under the circumstances, if less than 30 days) of the replacement individual.

14.2 Each party shall reasonably cooperate with the other party in connection with its obligations under this Agreement. Such cooperation shall include informing the other party of all management decisions that the party reasonably expects to have a material effect on the obligations required to be performed by that party under this Agreement.

14.3 Contractor shall maintain electronic communications with Owner via e-mail.

14.4 Contractor shall provide Owner with all reports, documentation and information as Owner reasonably requests to verify the performance of Contractor's obligations under this Agreement, including, without limitation, full reports of the progress of Work in such detail as may be required by Owner including any shop drawings, as–built drawings and/or diagrams in the course of preparation, process, fabrication, manufacture, installation or treatment of the Work and/or Materials.

14.5 Contractor represents and warrants that it: (a) shall perform its obligations and deal with Owner in good faith and with fair dealing; (b) shall conduct its business in a manner that reflects favorably on Owner; (c) shall not engage in any deceptive, misleading, illegal or unethical business practices; (d) has not and shall not, directly or indirectly, request, induce, solicit, give and/or accept any bribe, kickback, illegal payment and/or excessive gifts or favors to or from Owner or any Owner employee, and/or any third party acting on Owner's behalf; and/or (e) has not engaged in and shall not engage in any anticompetitive behavior, price fixing and/or any other unlawful restraints of trade. Contractor shall immediately provide written notice to Owner of any of the foregoing upon Contractor's becoming aware of the same.

14.6 To the extent permissible under Applicable Law or agreement, Contractor shall notify Owner in writing promptly of: (a) any litigation, mediation and/or arbitration brought against Contractor related to Work performed and/or Materials supplied by Contractor under any purchase order; (b) any actions taken or investigations initiated by any governmental agency in connection with the Work performed and/or Materials supplied by Contractor under any purchase order; (c) any legal actions initiated against Contractor by governmental agencies or individuals regarding any illegal activities, including, but not limited to, fraud, abuse, false claims and/or kickbacks; (d) any proceedings by or against Contractor in bankruptcy, insolvency of Contractor, any proceedings for appointment of a receiver or trustee or an assignment for the benefit of creditors or any other similar event. Upon Owner's request, and to the extent permissible under Applicable Law or agreement, Contractor shall provide to Owner all known details of the nature, circumstances, and disposition of any of the foregoing.

15. Goals, Continuous Improvement and Quality.

15.1 Contractor acknowledges that Owner's long term goals may include: (a) shortening build-times for the Project; (b) increasing flexibility; (c) achieving ongoing cost reductions; and (d) achieving specific quality goals and continuous quality improvement. Contractor agrees to cooperate with Owner in working toward achieving these goals, which includes, without limitation, the obligations set forth in this Section.

15.2 Contractor understands that Owner's selection of Contractor as a provider of Work is based in part on Owner's belief that Contractor is committed to continuing to improve its performance of Work and to find cost savings over the term of this Agreement. Savings may relate to development and implementation of manufacturing efficiencies, feature improvements, component purchase price reductions, engineering breakthroughs and/or delivery and distribution enhancements that result in lower cost of Work and/or operating expenses for Contractor and/or Owner. To this end, Contractor shall use commercially reasonable efforts to continuously improve the performance and quality of Work, to assist Owner in achieving costs savings associated with Work, and to reduce Contractor's costs of performing Work, through increases in efficiency and otherwise.

15.3 If Contractor fails to perform Work properly, as determined by Owner in its sole and absolute discretion, Contractor shall promptly put into place a written corrective action plan, reasonably acceptable to Owner, designed to ensure that Contractor will perform Work properly going forward.

16. Prices and Payment.

16.1 Contractor will perform the Work for a lump sum amount of THREE HUNDRED NINETY-TWO THOUSAND, NINETY-EIGHT DOLLARS AND THIRTY-EIGHT CENTS ($392,098.38). **THIS IS A LUMP SUM CONTRACT.** The Work Prices, Materials prices and/or other billing amounts shall not

exceed the prices agreed to between the parties, without the prior written consent of Owner. In addition, if Owner has an agreement for direct pricing with a manufacturer and/or supplier of Materials, prices for such Materials shall be passed through to Owner at Contractor's cost (i.e., without mark-up) and shall in no event exceed any prices agreed to between Owner and the applicable Material manufacturer and/or supplier. Contractor agrees that any price reduction applicable to the ordered Work and/or Materials subsequent to the Agreement date, but prior to delivery, shall be applicable to the Agreement.

16.2 Owner shall designate the methodology for payment to Contractor.

(a) If Contractor is instructed to submit invoices to Owner, then Contractor will remit invoices, and Owner will pay such invoices in a manner consistent with the Local Government Prompt Payment Act, Sections 218.70 through 218.80 of the Florida Statutes. An invoice date shall be no earlier than the date the Work, or applicable portion thereof, is completed. All invoices must be submitted by Contractor within 30 days of its completion of the Work, or applicable portion thereof. Invoices received after 90 days of the completion of the Work, or applicable portion thereof, shall be null and void. Owner shall not be liable for any charges associated with the Work and/or Materials represented by such delinquent invoices, and Contractor hereby expressly waives its right to receive any payment in connection, any such delinquent invoices. Contractor shall make payments due to subcontractors and materialmen and laborers within ten (10) days in accordance with the prompt payment provisions contained in Sections 218.735(6), 218.735(7), and 218.74, Florida Statutes. All payments due and not made within the time prescribed by Section 218.735, Florida Statutes, shall bear interest at the rate of 1% per month on the unpaid balance in accordance with Section 218.735(9), Florida Statutes.

(b) Contractor agrees to notify Owner within 5 business days if Contractor has not received payment in full within 30 days of payment becoming due under Section (a) above.

(c) In accordance with Section 218.735(8), Florida Statutes, ten percent (10%) shall be retained from each payment made to the Contractor until the Work is fifty percent (50%) complete; after the Work is fifty percent (50%) complete, five percent (5%) shall be retained from each payment. Owner also shall be permitted to retain amounts permitted or required to be retained under applicable law. All of the sums retained shall be paid in full within twenty-five (25) days after final completion of the Work.

16.3 As a condition to any payment to be made by Owner to Contractor, Owner may, at its option, require Contractor to furnish to Owner: (a) full and complete Lien waivers, in a form acceptable to Owner, executed by Contractor and all Contractor's Agents utilized by Contractor in performing the applicable Work and/or supplying Materials in connection with the applicable Work, as well as any other information and documentation requested by Owner with respect to Work and/or Materials covered by the applicable invoice; and (b) a current sworn statement from Contractor attesting to all Contractor's Agents, the amount of each subcontract and/or contract with Contractor's Agents, the amount requested for any Contractor's Agent in the invoice, the amount the Contractor has paid to each Contractor's Agent, and the amount to be paid the Contractor under the invoice. Invoices/Pay Applications will not be deemed complete until all required documentation has been submitted.

16.4 No payment made under this Agreement shall be conclusive evidence of the performance of this Agreement, either in whole or in part, and no payment shall be construed as acceptance of defective Work.

16.5 Contractor agrees that amounts owed under any portion of this Agreement are subject to offsets by Owner in the event of: (a) Contractor's breach(es) of this Agreement; (b) any damages caused by Contractor; (c) any Liens or other claims arising out of the Work and/or Materials; (d) any Costs or anticipated Costs of curing defective Work and/or Materials and/or any other amounts expended by Owner in connection therewith; (e) Contractor's breaches of other agreements between Contractor and Owner and/or its Affiliates; (f) any Liquidated Damage Amounts due from Contractor; and/or (g) claims or amounts due to Owner and/or its Affiliates, regardless of whether arising out of this Agreement or otherwise. Contractor further agrees that should Owner have reason to terminate this Agreement as a result of Contractor's failure

to comply with the terms and conditions of this Agreement then Owner and/or its Affiliates shall have the right, in their sole discretion, to terminate any other agreements between Contractor and Owner and/or its Affiliates.

16.6 In the event Contractor breaches this Agreement, Owner shall have the right to stop all payments to Contractor until such time as Owner can accurately ascertain its damages and Costs resulting from the breach, at which time Owner is authorized to deduct all Costs related thereto from any monies owed Contractor under this Agreement and/or other agreements with Owner.

16.7 Contractor shall not delay and/or stop any Work by reason of Owner' failure to make any payments if the failure is a result of a dispute as to the amount of the payment or whether payment is due.

16.8 Notwithstanding anything herein to the contrary, Contractor shall not make any adjustments to the prices set forth in the Agreement without providing Owner a minimum 60 days' prior written notice. Further, Contractor acknowledges and agrees that any such increases, if accepted by Owner, shall not be effective until the 60-day time period has expired and any such increases shall be applicable only to new, fully agreed upon change orders issued after such increases become effective.

16.9 If, during the term of this Agreement, Contractor offers Work to any developer at prices and/or on terms more favorable than offered to Owner, then Contractor shall immediately offer those same prices and/or terms to Owner. It shall not be incumbent on Owner to discover the same. In addition, any Work Price decreases agreed to between the parties shall apply to all Work on or after the effective date of the decrease.

16.10 Acceptance by Contractor of any payment shall be a complete and final release of any and all claims the Contractor has or may have related to, concerning or arising out of this Agreement up to and through the time period of work included in the invoice, including but not limited to extra work, delays and change orders except only those claims that are specifically identified in writing and attached to the invoice.

16.11 Owner may order or propose changes in the Work consisting of additions, deletions or other revisions with the Agreement amount and time being adjusted accordingly. All such changes in the Work shall be by a written change order or written modification of the Contract signed by all parties. Owner may, by a written directive issued and signed by Owner's authorized representative, direct Contractor to proceed with changes in the Work, prior to the issuance of a change order. Upon receipt of a written directive from Owner, Contractor shall proceed with the Work.

16.12 Contractor shall submit to the Owner a written detailed estimate of the cost of performing the ordered or proposed changes to the Work to include quantities, unit prices, labor rates, manufacturer's and supplier's quotations and all other information required by Owner for a complete analysis of the estimate. If the proposed change affects the length of time Contractor requires to complete its Work, Contractor shall set forth, in writing, the amount of any justifiable time increase in its proposal. Contractor's proposal shall be submitted to Owner within 10 working days of its receipt of the request from Owner.

16.13 Any and all claims for time or money must be presented to Owner, in writing, within 5 working days after the occurrence of the event giving rise to such claim. Failure by Contractor to present such claim in writing within 5 working days after the occurrence shall be deemed a waiver of such claim and the Contractor shall be barred from pursuing such claim against Owner.

16.14 Contractor shall forward all documents requested by Owner regarding any claim, including but not limited to job cost reports, daily reports, foreman daily reports and diaries, Contractor's complete estimate, invoices, subcontracts, purchase orders, equipment documents (list of company owned, rented or other equipment used), rental charges, job costing of company owned equipment and general ledger.

16.15 No dispute as to adjustment of the Agreement amount or time for changed Work, shall excuse Contractor from proceeding with such changed Work that has been duly authorized by Owner.

16.16 Contractor waives any claims for consequential damages, including but not limited to, claims for principal office expenses including compensation of personnel stationed there, for loss of financing, business and reputation, lost profits and loss of bonding capacity.

17. Inspections and Reviews. Owner and its agents shall have the right to inspect all Contractor Materials, facilities, Project jobsites and surrounding areas, to confirm Contractor's compliance with the requirements of this Agreement, as well as background OSHA and Experience Modification Factor checks. No inspection or failure to inspect by or on behalf of Owner will increase Owner's obligations or liabilities nor limit Owner's rights or Contractor's obligations.

18. Indemnification.

To the maximum extent permitted by law, Contractor, on behalf of itself and its employees, officers, representatives, materialmen, laborers, contractors, sub-contractors, and any other parties acting at the direction of Contractor (collectively, "Contractor Entities") hereby agrees to save, indemnify, defend and hold harmless (such action, the "Indemnity") Owner and its supervisors, consultants, agents, staff, and employees; and VK Avalon Groves, LLC ("Developer") and its parents, Affiliates, subsidiaries, officers, directors, managers, agents, contractors, materialmen, laborers, representatives, employees, successors and assigns (collectively, the "Indemnitees"), from and against any and all liability, costs and damages of any kind whatsoever (including without limitation loss of profits, consequential damages, and/or punitive damages) sustained by the Indemnitees as a result of the activity or inactivity (the "Covered Activity") of Contractor Entities, including without limitation activity or inactivity arising out of or incidental to the performance of this Agreement or work performed thereunder, but only to the extent caused in whole or in part by any act, omission, or default of Contractor, or any of Contractor's subcontractors, sub-subcontractors, materialmen, or agents of any tier or their respective employees. This section 18 shall also pertain to any claims brought against Indemnitees by any other employees of the named Contractor, any subcontractor, or anyone directly or indirectly employed by any of them. The parties hereto acknowledge that the Indemnity is intended to be as broad as permissible under Applicable Law or regulation. Contractor shall defend all suits brought against the Indemnitees, at its expense, regardless of the cause of such suits and regardless of any negligence (except gross negligence) on the part of the Indemnitees. Contractor shall reimburse upon demand Indemnitees for any expense sustained in connection with actions brought as a result of the Covered Activity. By way of illustration but not limitation, should the Indemnitees become liable in connection with being deemed the statutory employer of an individual acting under Contractor's direction, then Contractor shall indemnify, defend, and hold harmless the Indemnitees from any damages sustained in connection with being deemed the statutory employer. This indemnity obligation includes, without limitation, expenses (including reasonable attorney's fees) claims, judgments, suits, or demands for damages to persons or property arising out of, resulting from or relating to Contractor's performance of the Work under this Agreement or Contractor's breach of this Agreement ("Claims") unless such Claims have been specifically determined by the trier of fact to be solely the result of the gross negligence or intentional acts of Owner. Contractor's duty to indemnify Indemnitees shall arise at the time written notice of a Claim is first provided to Indemnitees regardless of whether claimant has filed suit on the Claim. In situations where it is determined by the trier of fact that Indemnitees are partially at fault for a Claim due to Indemnitees' gross negligence or intentional misconduct, Contractor's obligation to fully indemnify Indemnitees shall be limited to a maximum liability of $2,000,000. Contractor's indemnification obligation shall include, but not be limited to, any Claim made against Indemnitees by a Contractor's Agent who has been injured on property owned by Indemnitees. This provision shall be deemed to be a part of the Project specifications. Nothing in this Agreement shall be construed to require Contractor to defend or indemnify Owner for any Claims resulting solely from Owner's gross negligence or intentional acts.

18.1 Contractor will defend Claims that may be brought or threatened against Indemnitees and will pay on behalf of Indemnitees any expenses incurred by reason of such Claims including, but not limited to, court costs, expert costs and reasonable attorney fees incurred in defending or investigating such Claims. Such payment on behalf of Indemnitees shall be in addition to any and all other legal remedies available to Indemnitees and shall not be considered Indemnitees' exclusive remedy.

18.2 In the event Indemnitees are required to mediate, arbitrate, or litigate a Claim (which may or may not be with a homeowner) arising out of or relating to the Work performed under this Agreement, Indemnitees may, in its sole discretion, require Contractor to participate in such mediation, arbitration, and/or litigation. If the Claim is resolved through arbitration, any judgment rendered by the arbitrator(s) may be confirmed, entered and enforced in any court having jurisdiction and the Contractor shall be bound by that decision.

18.3 The provisions of this Section 18 shall survive expiration or termination of this Agreement and/or completion of the Work of Contractor and shall continue until such time it is determined by final judgment that the Claim against Indemnitees is fully and finally barred by the statute of limitations. Contractor's indemnification and defense obligations shall not be limited by the amounts or types of insurance that Contractor is required to carry under this Agreement or that Contractor does in fact carry.

In the event that such court of competent jurisdiction finds that any state statutory indemnity limits apply to this Agreement with respect to Contractor's indemnification of Owner for liability caused in whole or in part by any act, omission or default by Owner, the parties hereto agree that such limit shall be equal to the limits (exclusive of deductibles) of the applicable insurance required by this Agreement. The parties acknowledge and agree that this monetary limit, if required, bears a commercially reasonable relationship to this Agreement, in so far as, among other factors, the parties have taken into account the availability and cost of insurance and other risk transference devices, the scope of the Work, the risks associated with the Work, and the compensation and any other benefits exchanged between the parties in connection with this Agreement. The parties further agree that this provision is hereby made a part of the Project specifications and bid documents.

19. Insurance. Contractor shall carry, with insurance companies rated A VII or better by A.M. Best Company, the insurance coverage specified in Exhibit G continuously during the life of this Agreement, and thereafter as provided in Exhibit G. Contractor must furnish the Owner with Certificates of Insurance reflecting coverage as described below at least 7 days **before** starting any Work, giving evidence that Contractor is carrying all of the insurance required in Exhibit G.

19.1 Insurance and Indemnity of Contractor's Agent(s).

(a) If Contractor should subcontract any Work, Contractor shall nevertheless be bound to indemnify Owner as provided in this Agreement on behalf of Contractor's Agent(s). In addition, Contractor shall require that Contractor's Agent(s) also be bound to indemnify Owner as provided in this Agreement. Contractor represents and warrants that Contractor's Agent(s) shall carry insurance as set forth in this Agreement prior to permitting Contractor's Agent(s) to commence its work.

(b) Contractor shall require in its purchase orders that its suppliers indemnify Contractor and Owner from all losses arising from any materials or supplies included in any Work.

(c) Contractor shall require the same insurance coverage required of Contractor from any sub-Contractors performing any portion of Contractor's work. Notwithstanding anything to the contrary herein contained, each party hereby waives all claims for recovery from the other party for any loss or damage to its property caused by fire or other insured casualty and agrees that where there is insurance coverage that the insurance coverage shall be the only avenue of recovery. This waiver shall apply, however, only where the insurance covering the loss or damage will not be prejudiced by reason of such waiver.

19.2 Miscellaneous Insurance Provisions.

(a) Any attempt by the Contractor to cancel or modify insurance coverage required by this Agreement, or any failure by the Contractor to maintain such coverage, shall be a default under this Agreement and, upon such default, Owner will have the right to immediately terminate this Agreement and/or exercise any of its rights at law or at equity. In addition to any other remedies,

Owner may, at its discretion, withhold payment of any sums due under this Agreement until Contractor provides adequate proof of insurance.

(b) The amounts and types of insurance set forth above are minimums required by Owner and shall not substitute for an independent determination by Contractor of the amounts and types of insurance which Contractor shall determine to be reasonably necessary to protect itself and its Work.

(c) Owner reserves the right to modify these insurance requirements, and if Contractor continues to perform Work, Contractor agrees to be bound by such modifications **30 days after receipt** of the modified provisions.

19.3 Compliance with this Section.

(a) Contractor acknowledges that timely compliance with this Section and Exhibit G is essential to Owner's risk management. As such, if Contractor fails to comply with any of its obligations under this Section 19 and Exhibit G, Contractor shall be in default of this Agreement and Owner shall have all rights under this Agreement with respect to Contractor's default. Additionally, Owner shall be entitled to (i) withhold any and all payments due to Contractor until Contractor cures such non-compliance, and (ii) assess a service credit in the amount of $500.00 for each instance of Contractor's non-compliance. Service credits shall be credited against the Contractor's next invoice payable by Owner hereunder. Notwithstanding the foregoing service credit, Contractor shall be required to protect and indemnify Owner and all Indemnitees (as defined in Section 18 of this Agreement) to the fullest extent provided in this Agreement.

20. [intentionally deleted]

21. Term and Termination.

21.1 This Agreement shall be effective on the Effective Date and continue until terminated in accordance with its terms. In the event that Contractor terminates this Agreement in accordance with the terms set forth herein, Contractor nevertheless shall complete all outstanding Work in accordance with the terms of this Agreement.

21.2 Contractor may terminate this Agreement if Owner commits a material breach of this Agreement, or any Agreement document, and fails to cure such breach within 30 days of its receipt of written notice of the breach from Contractor. However, any dispute over amounts claimed to be owed shall be resolved in accordance with the dispute resolution provisions of this Agreement and shall not serve as a basis for Contractor to place Owner in default hereunder and in such event, Contractor shall continue to perform its Work under the terms of this Agreement.

21.3 Owner shall have the right to terminate this Agreement with or without cause, effective immediately upon notice to Contractor or as otherwise set forth in such notice. A termination "for cause" includes, but is not limited to, circumstances where: (a) Contractor fails to comply with this Agreement; (b) Contractor repudiates any of this Agreement; (c) Owner is insecure and requests assurances of Contractor's ability or willingness to perform and Contractor fails to provide written assurances satisfactory to Owner within the time requested by Owner; (d) in the event of any proceedings by or against Contractor in bankruptcy, insolvency of Contractor, any proceedings for appointment of a receiver or trustee or an assignment for the benefit of creditors or any other similar event; (e) Contractor refuses or neglects to supply a sufficient quantity of Work of proper quality, as determined by Owner; (f) Contractor fails to make prompt payment to Contractor's Agents for Materials or labor; (g) Contractor violates any Applicable Law; (h) causes interference, stoppage, or delay to the Project or any activity necessary to complete the Project; and/or (i) Contractor is listed by the administrative office of an applicable employee benefit trust, including by way of illustration but not of exclusion, health, welfare, pension, vacation or apprenticeship trust, as being

delinquent in the payment to any such trust, regardless of the construction project upon which delinquency occurred.

21.4 Owner's total liability to Contractor upon termination of this Agreement without cause shall be limited to any remaining payment for completed Work, including any retainage, delivered and accepted by Owner. In no event, shall Contractor be entitled to any indirect costs, delay damages, consequential damages, lost profits, overhead, acceleration damages or any other compensation. However, in the event that Owner terminates any this Agreement for cause, Owner may, after giving Contractor notice of default and 3 calendar days within which to cure, have the right to exercise any one or more of the following remedies:

(a) Owner may immediately take any action Owner may deem necessary to correct such default, including specifically the right to provide labor, overtime labor, materials, equipment and/or other Contractors, and Contractor shall reimburse and pay Owner for all Costs incurred or paid by Owner resulting therefrom, or Owner may deduct the cost of correcting such default plus a markup of 10% for overhead and 10% for profit from any payment due, or that may become due, to the Contractor;

(b) Owner may terminate this Agreement and the employment of Contractor, without thereby waiving or releasing any rights or remedies against Contractor or its sureties, and take possession of the Contractor's materials, tools, equipment, designs, shop drawings, and work product used in performing its Work, and employ another Contractor or use the employees, equipment, designs, shop drawings and work product of Contractor to finish the remaining Work to be performed hereunder. Owner may deduct the costs of completing the remaining work plus a markup of 10% for overhead and 10% for profit from the unpaid Agreement price, and if the cost of completing the remaining Work exceeds the Agreement amount, Contractor shall pay to Owner such excess costs, including attorney's fees;

(c) Recover from Contractor all losses, damages, penalties and fines, whether actual or liquidated, direct or consequential (including without limitation any increase in Owner's cost of insurance resulting from Contractor's failure to maintain insurance coverages required hereunder), Owner's additional/extended general conditions costs and all reasonable attorneys' fees suffered or incurred by Owner by reason of or as a result of Contractor's default plus a markup of 10% for overhead and 10% for profit on all costs incurred by Owner to correct such default;

(d) Require Contractor to utilize, at its own expense, overtime labor (including Saturday and Sunday work) and additional shifts as necessary to overcome the consequences of any delay attributable to Contractor's default; After completion of the Work by the exercise of any one or more of the above remedies and acceptance of the Work by the Owner, Owner shall promptly pay Contractor any undisbursed balance of the Agreement, if any. If the cost of completion of the Work plus a markup of 10% for overhead and 10% for profit, together with any other damages or losses sustained or incurred by Owner, shall exceed the un-disbursed balance of the Agreement, Contractor and its guarantors, surety, or sureties shall pay the difference within 15 days of written demand from Owner.

21.5 Should any termination for cause under this Agreement be deemed invalid, wrongful or improper, such termination for cause shall be deemed a termination without cause as set forth above and Contractor's rights and remedies against Owner shall be limited as set forth above.

21.6 If Contractor neglects to perform the Work in accordance with the Agreement and/or as directed by Owner and fails within 3 calendar days from the date of written notice from Owner to correct such deficiency, Owner may, without declaring Contractor in default and without prejudice to any other remedies the Owner may have, correct such deficiencies. In such case, an appropriate deductive change order shall be issued for all costs incurred by Owner in carrying out such work, including but not limited to attorneys' fees. If the remaining Agreement balance is not sufficient to cover such costs, Contractor shall pay the difference to Owner.

21.7 Upon expiration or termination of this Agreement for any reason, Contractor will, at Owner's request, continue to provide Work pursuant to the terms of this Agreement, and provide reasonable transition assistance services to prevent disruption in Owner's business activities, for a period of up to 6 months after the termination date, at Owner's discretion. However, at Owner's request, Contractor will promptly vacate the jobsite(s), remove all Contractor equipment from the jobsite(s), complete all of Contractor's clean-up and other obligations, and otherwise reasonably cooperate with Owner in winding down Contractor's participation in the Project. Should Contractor fail to promptly vacate the jobsite(s), Owner may take possession of the premises and of all materials, tools and equipment thereon, and finish the work by whatever method it may deem expedient. In such case, the Contractor shall not be entitled to receive any further payment until the work is finished. If the unpaid balance of the contract price shall exceed the expense of finishing the work, including compensation for additional managerial and administrative expenses, such excess shall be paid to the Contractor. If such expense shall exceed such unpaid balance, the Contractor shall pay the difference to the Owner upon demand.

21.8 All provisions of this Agreement which by their nature should survive termination of this Agreement shall so survive termination of this Agreement, including, without limitation, those provisions related to warranty, arbitration, indemnification and limitations of liability.

22. **Limitation of Liability and Waiver of Consequential Damages.** In no event, shall Owner be liable to Contractor in connection with this Agreement and/or the Work, regardless of the form of action or theory of recovery, for any: (a) indirect, special, exemplary, consequential, liquidated, incidental or punitive damages, even if Owner has been advised of the possibility of such damages; and/or (b) lost profits, lost revenues, lost business expectancy, business interruption losses and/or benefit of the bargain damages. Nothing in this Agreement shall be deemed as a waiver of the Owner's sovereign immunity or the Owner's limits of liability as set forth in Section 768.28, Florida Statutes, or other statute, and nothing in this Agreement shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred under such limitations of liability or by operation of law.

23. **Force Majeure.** Subject to the terms of this Agreement, neither Party shall be liable for any failure or delay in performing its obligations hereunder during any period in which such performance is prevented or delayed by any Force Majeure Event.

24. **Independent Contractor Relationship.** The relationship between Owner and Contractor is that of an independent contractor. Nothing in this Agreement shall be construed as creating a relationship between Owner and Contractor of joint venturers, partners, employer-employee, or agent. Neither party has the authority to create any obligations for the other, or to bind the other to any representation or document.

25. **Continued Performance.** Each party shall continue performing its obligations under this Agreement while any dispute submitted to litigation or any other dispute resolution process is being resolved until such obligations are terminated by the expiration or termination of this Agreement or by a final and binding award, order, or judgment to the contrary. Notwithstanding the preceding sentence, however, neither party shall withhold any payments due to the other party under this Agreement during the pendency of any other dispute resolution process, including mediation, unless such payments relate to or are the subject matter of such proceedings, or are otherwise subject to dispute, or withholding of such payment is otherwise permitted by this Agreement.

26. **[intentionally omitted]**

27. **General Terms.**

27.1 Contractor hereby consents and agrees to allow Owner (or Project Owner and any of their Affiliates), in their sole discretion and judgment, to set-off any of Owner's (or any of their respective Affiliates') existing or anticipated claims for damages or deficiencies resulting from Contractor's Work on the Project against any funds due, or which may become due to Contractor for Work performed on another project pursuant to another agreement with Owner (or any of their respective Affiliates). No refusal or failure of Owner to exercise its rights hereunder shall constitute the basis of any right or claim against Owner.

27.2 Where agreement, approval, acceptance, consent or similar action by either party is required by any provision of this Agreement, such action shall not be unreasonably delayed or withheld unless otherwise expressly permitted.

27.3 All warranties provided by Contractor, and all of Owner's rights and remedies set forth in this Agreement, are cumulative and are in addition to all other warranties, rights and remedies provided to Owner by this Agreement, all Purchase Orders, any other document, or at law, in equity or otherwise, including all warranties, rights and remedies under the Uniform Commercial Code.

27.4 The parties agree that, except as otherwise specifically provided for in this Agreement: (a) this Agreement is for the benefit of the parties to this Agreement and is not intended to confer any rights or benefits on any third party (including any employee of either party) other than the Indemnitees; and (b) there are no third-party beneficiaries to this Agreement or any specific term of this Agreement, other than the Indemnitees.

27.5 This Agreement, all of the Agreement Documents, and any Amendments thereto, contain the entire understanding of the parties with respect to the subject matter addressed herein and supersede, replace and merge all prior understandings, promises, representations and agreements, whether written or oral, relating thereto. Upon execution of this Agreement, and any renewal thereof, the terms of this Agreement shall apply to all then-outstanding Agreements between Owner and Contractor. Both parties contributed to the drafting of this Agreement, and had the advice of counsel, and therefore agree that this Agreement should not be construed in favor of either party. Except as expressly provided herein, the remedies accorded the parties under this Agreement are cumulative and in addition to those provided by law, in equity or elsewhere in this Agreement.

27.6 Except as expressly provided herein, this Agreement may not be modified except by a writing signed by both parties. All requests for amendments, modifications and/or changes to the terms and conditions of this Agreement ("Amendments") shall be communicated in writing to an authorized representative of the other party. All approved Amendments shall be formalized by an Amendment document executed by an authorized representative of each party.

27.7 Any waiver of a party's right or remedy related to this Agreement must be in writing, signed by that party to be effective. No waiver shall be implied from a failure of either party to exercise a right or remedy. In addition, no waiver of a party's right or remedy shall affect the other provisions of this Agreement.

27.8 If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, such provision shall be enforced to the fullest extent that it is valid and enforceable under Applicable Law. All other provisions of this Agreement shall remain in full force and effect.

27.9 Except as otherwise provided herein, all notices must be in writing and sent either by hand delivery; messenger; certified mail, return receipt requested; overnight courier; facsimile; or by e-mail (with a confirming copy) and shall be effective when received by such party (as documented by a delivery receipt, confirmed facsimile transmission, or return e-mail acknowledging receipt) at the address listed above or other address provided in writing.

27.10 **Neither party may assign this Agreement**, in whole or in part, without the other party's prior express written consent, which shall not be unreasonably withheld or delayed. Any attempted assignment without such written consent shall be void. Notwithstanding the foregoing, Owner may assign this Agreement without Contractor's consent to Developer or to one or more of its Affiliates, provided that each such Affiliate agrees to be bound by this Agreement. Subject to the provisions of this Section, this Agreement shall be binding upon and shall inure to the benefit of the parties and their respective successors and assigns.

27.11 **FOR THEIR MUTUAL BENEFIT, OWNER AND CONTRACTOR WAIVE ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION REGARDING THE PERFORMANCE OR ENFORCEMENT OF, OR IN ANY WAY RELATED TO, THIS AGREEMENT**

27.12 Choice of Law, Arbitration and Venue

a) All actions, claims, counterclaims, controversies, or disputes (each, a "Dispute") between Owner and Contractor arising out of or related to this Agreement, the Agreement Documents, or the Work, whether based on contract or tort, shall be decided by binding arbitration with the American Arbitration Association ("AAA") in Lake County, Florida, in accordance with the Construction Industry Rules of the AAA then existing, but subject to the requirements and limitations set forth below. If AAA will not enforce the Agreement Documents as written, it cannot serve as the arbitration organization to resolve the Dispute. If this situation arises, the parties shall agree on a substitute arbitration organization. If the parties are unable to agree, the parties shall mutually petition a court of appropriate jurisdiction in Lake County, Florida, to appoint an arbitration organization that will enforce the Agreement Documents as written.

b) A single arbitrator will resolve the Dispute. The arbitrator will honor claims of privilege recognized by law and will take reasonable steps to protect all confidential or proprietary information. The arbitrator will make any award in writing but need not provide a statement of reasons unless requested by a party.

c) The party filing for arbitration shall pay the initiation/filing fees and the arbitrator's costs and expenses. The parties shall each be responsible for additional costs they incur in the arbitration, including, but not limited to, fees for attorneys or expert witnesses. The prevailing party in the arbitration shall be entitled to recover as part of the final award all reasonable attorneys' fees and costs, including fees for expert witnesses, incurred in the arbitration. The arbitrator may re-allocate other fees and costs (but not the attorneys' and expert fees of the parties) among the parties to the proceeding in his or her discretion as the interests of justice dictate.

d) This Agreement shall be construed according to the laws of the State of Florida. However, all Disputes shall be governed, interpreted and enforced according to the Federal Arbitration Act (9 U.S.C. §§ 1-16), which is designed to encourage use of alternative methods of Dispute resolution that avoid costly and potentially lengthy court proceedings. Interpretation and application of these procedures shall conform to federal court rulings interpreting and applying the Federal Arbitration Act. References to state law shall not be construed as a waiver of any rights of the parties under the Federal Arbitration Act or the right of the parties to have the procedures set forth in this Agreement interpreted and enforced under the Federal Arbitration Act. However, whenever such laws are not in conflict, the arbitrator shall apply the laws of the State of Florida. The arbitrator's award may be enforced in any court of competent jurisdiction sitting in and for Palm Beach County, Florida. The arbitrator shall have the authority to try and shall try all issues, whether of fact or law, including without limitation, the validity, scope and enforceability of these Dispute resolution provisions, and may issue any remedy or relief that the courts of the State of Florida could issue if presented the same circumstances.

e) The arbitrator is required to enforce the terms of this Agreement. The arbitrator shall not be authorized to award any punitive damages or any other damages waived or prohibited under the terms of this Agreement.

f) Prior to any arbitration, mediation and/or litigation arising under this Agreement, the parties shall each appoint a corporate officer (someone other than the project manager responsible for the Project) to meet to negotiate the claim/dispute. Such corporate officer shall have full settlement authority to resolve the claim/dispute. This settlement meeting shall be a condition precedent to the filing of any arbitration and/or litigation.

g) THE PARTIES FURTHER AGREE THAT SHOULD ANY LITIGATION ARISE DIRECTLY OR INDIRECTLY UNDER THIS AGREEMENT, INCLUDING IF THE ARBITRATION DECISION MUST BE ENFORCED IN ANY COURT, THE PARTIES HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL, AND THE PARTIES HEREBY STIPULATE THAT ANY SUCH TRIAL SHALL OCCUR WITHOUT A JURY.

h) Discovery in any arbitration hereunder shall be limited to the following:

   i. The production of each side's hard document project files as they are maintained in the ordinary course of business and any file index related to same with all such documents being produced in Lake County, Florida;

   ii. The production of each side's electronic documents provided that the party requesting such electronic documents shall be responsible to pay for all costs associated with such production, including attorneys' fees incurred in the review for privilege and relevance, third-party consultant fees and any other costs associated with such electronic production. The payment of all such costs is an express condition precedent to either side's right to any electronic production. These costs associated with obtaining electronic discovery shall not be taxed to the prevailing party as

costs/fees and to the extent this conflicts with any provision in the AAA rules, this provision shall control;

iii. 3 fact depositions with one being a corporate representative under the Federal Rules of Civil Procedure if so requested with all such depositions to take place in Lake County, Florida;

iv. The deposition of any experts that intend to testify at the arbitration hearing;

v. 30 days prior to any expert deposition, all experts that will testify at the final hearing shall provide a report containing all of his/her opinions and information/documents/facts relied upon in arriving at such opinions, along with a current resume;

vi. The issuance of third party subpoenas for documents. The other side shall be entitled to a copy of all documents provided in response to a third-party subpoena provided that it has to pay for the copy cost but shall be entitled to use a third party to make such copies; and

vii. An itemized statement of damages with all supporting documents related to same. No other discovery shall be permitted by the arbitrator unless mutually agreed to by the parties.

i) This Choice of Law, Arbitration and Venue provision shall survive the termination of this Agreement and/or completion of the Work required hereunder.

28. Payment and Performance Bonds. Before commencing the Work, and consistent with the requirements of Section 255.05 of the Florida Statutes, the Contractor shall execute, deliver to the Owner, and record in the public records of Lake County, Florida, a payment and performance bond with a surety insurer authorized to do business in this state as surety or, to the extent permitted by the District in its sole discretion, provide an alternative form of security as authorized under Section 255.05 of the Florida Statutes.

29. Public Records. Contractor understands and agrees that all documents of any kind provided to the District or to District staff in connection with the work contemplated under the Agreement are public records and shall be treated as such in accordance with Florida law.

30. Tax Exempt Direct Purchases. The parties agree that the Owner may in its sole discretion elect to undertake a direct purchase of any or all materials incorporated into the work performed according to the Agreement. In such event, the following conditions shall apply:

a. The Owner represents to Contractor that the District is a governmental entity exempt from Florida sales and use tax, and has provided Contractor with a copy of its Consumer Exemption Certificate.

b. The Owner may elect to implement a direct purchase arrangement whereby the Owner will directly acquire certain materials ("Direct Purchase Materials") necessary for the work directly from the suppliers to take advantage of Owner tax exempt status.

c. Prior to purchasing any materials, the Contractor shall contact the Owner to determine which materials will be treated as Direct Purchase Materials.

d. The Owner shall issue a Certificate of Entitlement to each supplier of Direct Purchase Materials, and to the Contractor. Each Certificate of Entitlement will be in the format specified by Rule 12A-1.094(4)(c), Florida Administrative Code. Each Certificate of Entitlement shall have attached thereto the corresponding purchase order. Each Certificate of Entitlement shall affirm that (1) the attached purchase order is being issued directly to the vendor supplying the tangible personal property the Contractor will use in the identified public works; (2) the vendor's invoice will be issued directly to the Owner; (3) payment of the vendor's invoice will be made directly by the District to the vendor from public funds; (4) the Owner will take title to the tangible personal property from the vendor at the time of purchase or of delivery by the vendor; and (5) the District assumes the risk of damage or loss at the time of purchase or delivery by the vendor. Each Certificate of Entitlement shall acknowledge that if the Department of Revenue determines the purchase is not a tax-exempt purchase by a governmental entity, then the governmental entity will be responsible for any tax, penalties and interest determined to be due.

e. The Owner shall issue purchase orders directly to suppliers of Direct Purchase Materials. The Owner shall issue a separate Certificate of Entitlement for each purchase order. Such purchase orders shall require that the supplier provide the required shipping and handling insurance and provide for delivery F.O.B. jobsite. Corresponding change orders shall be executed at the time of the direct purchase to reflect the direct purchases made by the Owner and if the original contract contemplated sale of materials and installation by same person, the change order shall reflect sale of materials and installation by different legal entities.

f. Upon delivery of the Direct Purchase Materials to the jobsite, the Owner shall inspect the materials and invoices to determine that they conform to the purchase order. If the materials conform, the Owner shall accept and take title to the Direct Purchase Materials.

g. Suppliers shall issue invoices directly to the Owner. The Owner shall process invoices and issue payment directly to the suppliers from public funds.

h. Upon acceptance of Direct Purchase Materials, the Owner shall assume risk of loss of same until they are incorporated into the project. Contractor shall be responsible for safeguarding all Direct Purchase Materials and for obtaining and managing all warranties and guarantees for all material and products.

i. The Owner shall maintain builder's risk insurance on the Direct Purchase Materials.

31. Scrutinized Companies Statement. Contractor shall properly execute a sworn statement pursuant to section 287.135(5), Florida Statutes, regarding Scrutinized Companies with Activities in Sudan List or Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, and by signing this Addendum represents that Contractor is able to execute such sworn statement. The statement shall be substantially in the form of the attached **Exhibit K**. If the Contractor is found to have submitted a false certification as provided in section 287.135(5), Florida Statutes, been placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List or been engaged in business operations in Cuba or Syria, the Owner may immediately terminate the Contract.

32. Public Entity Crimes Statement. Contractor shall properly execute a sworn statement under section 287.133(3)(a), Florida Statutes, regarding public entity crimes, and by signing this Agreement represents that Contractor is able to execute such sworn statement. The statement shall be substantially in the form of the attached **Exhibit L.**

33. Trench Safety Act Statements. Contractor shall properly execute a Trench Safety Act Compliance Statement and a Trench Safety Act Compliance Cost Statement, and by signing this Addendum represents that Contractor is able to execute such sworn statement. The statements shall be substantially in the form of the attached **Exhibit M**.

34. Construction Defects. PURSUANT TO SECTION 558.005, FLORIDA STATUTES, ANY CLAIMS FOR CONTRUCTION DEFECTS ARE NOT SUBJECT TO THE NOTICE AND CURE PROVISIONS OF CHAPTER 558, FLORIDA STATUTES.

[Signature Page Follows]

AGREED AND ACCEPTED:

Owner: Avalon Groves Community Development District

By:_____
(signature)

Name:_____
(printed)

Title:_____

Date:_____

Randy Suggs Landscaping, Inc.

By:_____
(signature)

Name: Brandon Colte Suggs
(printed)

Title: CFO/COO

Date: 23 July 17

Exhibit A

PLANS AND SPECIFICATIONS

Serenoa (aka Avalon Groves) Sawgrass Bay Boulevard Extension Landscape/Irrigation Plans prepared by Bonnett Design Group, LLC dated May 9, 2017

SHEET INDEX:

L100	*OVERALL PLAN*
L101	*OVERALL SLEEVING PLAN*
L102	*SLEEVING PLAN*
L401	*STREET TREE PLAN*
L401B	*LANDSCAPE PLAN*
L402	*STREET TREE PLAN*
L402B	*LANDSCAPE PLAN*
L403	*STREET TREE PLAN*
L403B	*LANDSCAPE PLAN*
L404	*STREET TREE PLAN*
L404B	*LANDSCAPE PLAN*
L405	*LANDSCAPE DETAILS & NOTES*
L501	*IRRIGATION PLAN*
L502	*IRRIGATION PLAN*
L503	*IRRIGATION PLAN*
L504	*IRRIGATION PLAN*
L505	*IRRIGATION DETAILS & NOTES*

Exhibit B

CONSTRUCTION SCHEDULE

Exhibit C

SCOPE OF SERVICES
CONSTRUCTION SERVICES FOR
SAWGRASS BAY BLVD EXTENSION LANDSCAPE & IRRIGATION

Construction services for SAWGRASS BAY BLVD. EXTENSION LANDSCAPE & IRRIGATION.

PROPOSAL SUMMARY
CONSTRUCTION SERVICES FOR
SAWGRASS BAY BLVD EXTENSION LANDSCAPE & IRRIGATION

	ITEM	TOTAL
1.	TREES	$ 135,040.00
2.	SHRUBS	$ 42,772.00
3.	GROUNDCOVERS	$ 3,712.80
4.	SOD	$ 30,843.20
5.	MULCH	$ 14,448.00
6.	FERTILIZE	$ 1,575.00
7.	WELLS	$ 22,144.00
8.	IRRIGATION	$ 132,000.00
9.		$
10.	**General Conditions:**	$ INCLUDED
11.	**Performance and Payment Bond:**	$ 9,563.38
12.	**Liability Insurance:**	$ INCLUDED

TOTAL BASE BID – Items 1 - 12 (STIPULATED LUMP SUM)

$ $392,098.38 or three hundred ninety-two thousand, ninety-eight and thirty-eight **dollars**

Exhibit D

GENERAL CONDITIONS

The following rules, regulations and conditions apply to Contractor in connection with that certain Avalon Groves Community Development District Contractor Agreement (the "Agreement"). For purposes of these General Conditions, the term "Contractor" includes all of Contractor's employees, invitees, agents, laborers, subcontractors, sub-subcontractors and suppliers and their respective employees, invitees, agents, laborers, sub-subcontractors and suppliers (if applicable). All other terms used herein shall have the same meaning and definition as in the Agreement.

These General Conditions are part of the Agreement and are in force at all times while Contractor is performing Work for Owner and/or Contractor is present on the Project under current direction of Owner and/or Owner's personnel. It is the responsibility of Contractor to adhere to the conditions and specifications herein, and for Contractor to provide copies and/or educate and oversee that all personnel in the service of Contractor adhere to same.

The following items are included in the Agreement and are itemized for definition only and are not to be considered the full extent of Work to be completed by the Contractor:

1. General.

A. Codes. Contractor shall strictly comply with all applicable City, County, State, FHA and VA codes and ordinances and all applicable OSHA, EPA, and SWPPP requirements at all times on the job.

B. Site Requirements. Contractor is responsible to know, understand, follow and strictly comply with and implement the requirements of all Applicable Laws, including but not limited to, all federal, state and local laws, regulations, ordinances, and policies relating to storm water pollution, sedimentation control and erosion control as they may be changed and updated from time to time, applicable to the Contractor's Work concerning or related to site issues, including but not limited to water, runoff, pollution, pollutants, spills, residues, dust, dust control, waste, discharges, erosion, storm drains and sewers, and including but not limited to the requirements of the Federal Water Pollution Control Act of 1972 (aka the Clean Water Act), including the 1987 Amendments, and specifically paragraph 402(p) which establishes a framework for regulating storm water discharges under the National Pollution Discharge Elimination System ("**NPDES**") Program, the Air Quality Management District, the applicable State Water Resources Control Board, the applicable Water Quality Control Board, any general construction permits, any local storm water permits, any municipal separate storm sewer system permits, any storm water pollution prevention plans, any waste discharge requirements, any water quality orders, and any best management practices ("**BMPs**") (collectively "**Site Requirements**").

Contractor acknowledges and accepts that: (1) the site and all Work on the site is subject to the applicable Site Requirements, and that prior to commencement of its Work, Contractor will have reviewed and executed any and all necessary documents related to the Site Requirements; (2) it is solely responsible for strictly complying with all implementing, training, sampling, reporting, monitoring, supervising, remediating and repairing provisions of the Site Requirements applicable to its Work and its activities and operations in connection with the site; (3) it is solely responsible to clean up its Work and debris therefrom in complete compliance with all Site Requirements and Contractor will, 6 hours of notification to Contractor's onsite personnel, correct all deficiencies if Contractor shall have failed to comply with such rules and regulations or in the event of any violation notice by any authority exercising jurisdiction over the site. In the event of an emergency situation (e.g., flood, storm, etc.), Owner reserves the right to undertake immediate remedial action, without advance notification to Contractor, to comply with the Site Requirements, and may immediately collect such sums expended from Contractor; (4) any violations, fines or other costs associated with Contractor's noncompliance with the Site Requirements shall be borne solely by Contractor irrespective of which entity is cited, fined or incurs costs related to such noncompliance by Contractor; (5) it must immediately notify Owner if it observes or becomes aware of: (A) any deficiency in the documentation required by the Site Requirements, and (B) any failure, by any entity or person, on the site to comply with the Site Requirements, including but not limited to acts, omissions and disturbances, whether intentional or accidental; and (6) it is responsible to ensure that its personnel, agents, employees, subcontractors, sub-subcontractors and suppliers are aware of and strictly comply with this Section, and any non-compliance with the Site Requirements by any of them is the sole responsibility of Contractor.

Contractor further acknowledges that various agencies may inspect the site to enforce the Site Requirements, and substantial fines and penalties may be assessed by such agencies exercising jurisdiction over the site, for failure to comply with the Site Requirements. Contractor shall cooperate fully with all such agencies. Contractor shall, at its sole cost and expense, immediately and fully comply with all terms and conditions of any verbal or written notice, finding, citation, violation, order, document, complaint or other demand by any agency exercising jurisdiction to enforce the Site Requirements, and shall immediately and fully correct all deficiencies and amend all Site Requirement documents as may be required and identified by such inspecting agencies, and shall immediately notify Owner of the foregoing.

Contractor further agrees that Contractor, Contractor's employees and subcontractors and sub-subcontractors shall not discharge hazardous materials or chemicals on the site, shall not engage in clean-up or repair activities on the site which will result in the discharge of hazardous materials or chemicals, and shall, upon completion of performance of all duties under any purchase order, remove all supplies, materials and waste remaining on the site which, if exposed, could result

in the discharge of hazardous materials or chemicals. Contractor shall bear full financial responsibility, as between the parties of this Agreement, for the compliance of all persons mentioned in the previous sentence.

C. Underground Lines. Contractor is solely responsible to contact the applicable underground utility location service for a staked location of all underground utilities prior to starting the Work, if necessary. Contractor is solely responsible for all costs for correction and associated delay in connection with repair of all utilities, marked or unmarked, damaged by it during performance of the Work. Prior to any excavation or digging, Contractor must verify that there is no conflict with the location of all underground utilities and/or landscaping. Contractor is responsible for locating any and all existing underground utilities prior to excavation or digging. Contractor shall perform Work so as to not damage utility lines, and shall follow all applicable encroachment standards affecting the utility rights of way and adequately protect its own employees, and those of others and Owner, in performing the Work.

D. Lines and Grades. If necessary, Owner shall provide Contractor with base control points within 50 feet of property lines, and with other lines, benchmarks and reference lines. Contractor acknowledges that as part of its site inspection, it shall verify the extent of such reference points to be supplied by Owner for Contractor's Work. If reference points are missing or Contractor finds the points inadequate, Contractor immediately shall provide written notification to Owner. Absent written notification to Owner, Contractor assumes full responsibility for the accuracy of all lines, levels, and measurements and their relation to benchmarks, property lines, and reference lines. In all cases where dimensions are governed by conditions already established before Contractor starts the Work, Contractor shall have full responsibility for correct knowledge of the actual conditions. No variation from specified lines or grades shall be made except on the written direction of Owner. Contractor shall bear all costs for correction and associated delay in connection with line or grade deviations unless Contractor can establish that the engineer's staking was in error, and the error caused the need for corrective work.

E. Archaeological Monitoring. There may be archaeologically sensitive zones on the site. Archaeological monitors may be present on the site on a full or part time basis. In the event, archaeological artifacts are discovered during performance of the Work, the appropriate governmental agency shall have and retain all right, title and interest to such artifacts and shall further have the right to perform archaeological excavations as deemed necessary.

F. No Substitutions. There shall be no substitutions or alterations in designs, materials or equipment, and/or manufacturers specifications without the prior written approval of Owner. This policy shall include "or equal" determination.

G. Meetings. Contractor shall be required to attend any construction meetings scheduled during regular business hours, as reasonably directed by Owner. Those present must be able to take responsibility for any contract issues, monetary back charges, and any schedule commitments as directed by Owner. Failure to attend may result in a $150 fine/per occurrence.

H. Scheduling. It is Contractor's responsibility to contact Owner about scheduling Work. All scheduling shall be by Owner or its assigned representative. All move-ins as required and movement through the applicable subdivision are included in the contract unit prices, and no other compensation will be made. Contractor shall cooperate totally in accelerations or deviations made by Owner in the scheduling and completion of Contractor's Work. Contractor shall, if requested, submit daily reports to Owner showing the total number of workmen and a description of the Work performed (classified by skills).

I. Layout. Contractor is responsible for its own layout and engineering and for furnishing, locating and installing any sleeves, inserts, hangers, box outs, flashings, etc. for all required structural penetrations unless specifically excluded from their individual Scope of Work.

J. Workmanship. All workmanship shall be first class in all respects and carried out in a manner satisfactory to and meeting the approval of Owner. All workers employed in making the installations shall be skilled in their particular trade and Contractor's supervisor shall be in charge at all times.

K. Cooperation with work of Contractor and Others. Owner may directly or indirectly perform Work at the Home. In the event that Owner elects to perform work at the site directly or through others, Contractor and Owner shall coordinate the activities of all forces at the site and agree upon fair and reasonable schedules and operational procedures for site activities. Contractor shall at all times cooperate with Owner and all other subcontractors on site and shall not interfere with the performance of those other subcontractors impacted by its Work. Contractor is responsible to coordinate its Work with those subcontractors that impact, or are impacted by its Work. This includes scheduling, delivery and installation of materials and the coordinating of the workmen involved in same. Contractor shall perform its Work in such a manner that it will not injure, damage or delay Work performed by Owner or any other contractor, and shall pay Owner for any damages or delay that Contractor may cause to such other work. Contractor shall cooperate with Owner and its other subcontractors, consultants and regulatory agencies and officials. Contractor shall participate in the preparation of coordination drawings when required, specifically noting and advising Owner of any interference with or by others.

L. Operation of Vehicles. The operation of vehicles in or about the site by Contractor (including material delivery vehicles operated by material suppliers of Contractor) shall be as follows: (1) use only the designated entries to enter and

exit the site; (2) use only established roadways and temporary roadways as authorized by Owner; (3) no crossing of curbs or sidewalks without prior approval by Contractor; and (4) observe speed limit of no greater than 15 miles per hour and 10 miles per hour or less in congested construction zones within the entire site. Contractor shall immediately reimburse Owner for any damage to curbs, sidewalks, landscaping, or concrete surfaces or any other damage to the site caused by Contractor.

M. Parking. Contractor shall ensure that parking areas are used by all workers, in suitable locations as approved by Owner. In the event Owner has to tow vehicles owned by Contractor, or Contractor's employees, agents, laborers and subcontractors to maintain ingress and egress to the site, all such towing charges will be back charged to Contractor. There shall be no parking in driveways, garages or carports of the housing units (whether completed or being constructed) or on sidewalks or graded lots within the site. Owner shall have the right to fine Contractor $100 per vehicle per day for violation of parking restrictions, and/or back charge Contractor for damages. Owner has the right to remove any such improperly parked vehicle without prior permission, and Owner shall be held harmless from any damages that may occur as a result of such removal.

N. **NO UNAUTHORIZED PERSONS. THE SITE IS AN EXTREMELY DANGEROUS AREA, AND NO CHILDREN OR OTHER UNAUTHORIZED PERSONS OR PETS ARE ALLOWED ON THE SITE AT ANY TIME.**

O. Acceptance of Prior Work. It is the responsibility of Contractor to accept the Work of prior subcontractors before proceeding, if applicable. In the event the prior Work was done in a defective manner, Contractor shall promptly notify Owner of alleged defective Work verbally and then in writing. In the event that the Contractor proceeds before the defective Work is corrected, Contractor shall bear full responsibility for any costs incurred due to the Work in place not being acceptable. Contractor shall notify Owner immediately if Contractor damages materials installed by others or if others damage materials installed by Contractor.

P. Protection of Finished Work. Contractor shall at all times during their portion of the Work protect the Work of others and leave the site completely clean and free of damage upon completion of Contractor's operations.

a. Contractor's personnel shall not remove protective devices (if applicable).

b. Contractor shall be responsible for the protection of its Work until final completion and acceptance by Owner and shall repair or replace, as determined by Owner, any damage to its Work that occurs before the final acceptance at no expense to Owner, even if Contractor could not reasonably foresee or prevent the cause of the damage or damages.

Q. Materials. All materials and equipment shall be new and of the best quality their respective kind, free from all defects. Contractor is responsible to supply and/or install all items strictly in accordance with the Agreement Documents. Contractor is fully responsible for all Materials stored/staged on the site prior to installation. Owner will not pay for stolen or missing Materials of any kind prior to acceptance by Owner. Contractor shall provide for the delivery, unloading, storage and onsite protection and maintenance of Materials necessary to complete scope of Work and remove and/or transfer any remaining materials from the site upon completion.

R. Delivery, Dumping. Contractor shall not deliver, dump, place, or store any materials of any kind anywhere on-site at any time without specific permission and direction of Owner. Owner has the right to remove any such delivery or dumping, or storage of any materials if placed without prior permission, and Owner shall be held harmless from any damages that may occur.

S. Water/Utilities. Unless otherwise provided in the Agreement Documents, Contractor will supply its own electric power, light and water as necessary to the site in order to complete its Work.

T. Cleanliness, Trash & Debris. Contractor, according to Contractor's particular trade, shall keep all aspects of the jobsite, including any streets, alleys, sidewalks and storage areas, orderly, in safe condition and free all waste material, spoils, dirt, mud, scrap, debris, trash, excess Materials and rubbish (collectively, "Waste"), and all Waste shall be removed from the jobsite or deposited in such locations as Owner may from time to time designate. If practicable, all debris is to be compacted before disposal. Contractor shall not at any time leave any aspect of the jobsite, including streets and sidewalks, in an unsafe condition. Contractor shall clean daily and remove from the site, or deposit in approved containers/locations on the site, all rubbish and surplus materials that accumulate from Contractor's Work. Contractor shall clean the Work area daily and upon completion of its portion of the Work. Owner shall give Contractor 24 hours' notice if Contractor has failed to properly clean up. Should Contractor, its employees, or subcontractors or their employees fail to comply within 24 hours from the time Owner issues Contractor a written notice of noncompliance or within the time of an abatement period specified by any government agency, whichever period is shorter, Owner may give notice of default to Contractor. Failure of Contractor to cure such default within 24 hours after such notice shall give Owner the option to elect and enforce any and all rights or remedies set forth in the Agreement. Upon completion of Contractor's Work, Contractor shall promptly remove all Waste, tools, and equipment from the Project jobsite. If Contractor fails to do so, Owner has the right, but not the obligation to, cleanup and remove any Waste, tools and/or equipment in dispute and allocate all Costs related thereto to those believed to be responsible therefore, and Owner's allocation shall be binding upon Contractor. Contractor shall also move all excess

usable Materials and/or spoils provided to Owner by Contractor in accordance with instructions issued by Owner.

U. Pets. No pets (other than service dogs) shall be brought to the site by Contractor. Owner shall have the right to fine or back charge Contractor $200 per occurrence for violations of this pet policy.

V. Weather. In the event of rain, wind, or other adverse weather, Contractor shall be completely responsible for the protection of the Work, using all reasonable efforts. Should Contractor fail to perform said protective measures, all restoration of damages to Contractor's Work and adjacent property damaged by Contractor's inadequacy, will be performed by Contractor or completed by others and paid for by Contractor. Contractor shall maintain a rain gauge onsite and shall weekly provide to Owner's Authorized Representative a report of daily rain in inches and any days of work progress lost due to rain.

W. Storage. By written notice to Contractor, Owner may permit Contractor to store materials, tools and equipment at the site at Contractor's own risk. Such permission is within Owner's sole discretion. Contractor is solely responsible for its own materials, tools and equipment stored on the site. To the fullest extent permitted by law, Contractor waives all rights of recovery against Owner and all other Contractors, sub-contractors, sub-subcontractors and sub-sub-subcontractors that Contractor may have for loss or damage caused to any of Contractor's materials or tools or equipment stored on site. Owner will not provide any utilities for storage facilities. Contractor shall maintain permitted storage areas in a neat, safe and sanitary condition. By written notice to Contractor, Owner may revoke Contractor's use of any permitted storage area at any time. In such event, Contractor shall remove all materials, tools and equipment and restore the area to its original condition within 48 hours after delivery of the removal notice.

X. Contractor's Personal Property Insurance. Contractor and its subcontractors may, at its or their option and sole expense, purchase and maintain insurance for its or their tools, equipment, materials and other personal property. Any deductible in relation thereto shall be its or their sole responsibility. Any such insurance shall be Contractor's and its subcontractors' sole source of recovery in the event of a loss. All such insurance maintained by Contractor and its subcontractors shall include a waiver of subrogation in favor of Owner, Developer, Project HOA entity, and their affiliates as Owner may specify.

2. Job Conduct.

A. Representatives. During all times when its Work is in progress, Contractor shall have a competent project manager, superintendent or foreperson, readily available or on the Project jobsite as Contractor's representative who: (a) shall be authorized by Contractor and capable to communicate in English with Owner and others on the jobsite; (b) shall be authorized by Contractor to make such monetary and non-monetary decisions on behalf of Contractor as may be necessary for the

prompt and efficient performance of the terms of this Agreement by Contractor; and (c) shall be authorized to represent Contractor as to all matters on the Project. Prior to the commencement of Work, Contractor shall notify Owner of the identity of Contractor's representative on the Project jobsite, and in the event of any replacement by Contractor of such representative, Contractor shall notify Owner in writing of the identity of such replacement. Owner may reasonably reject Contractor's representative and/or any replacements. Owner reserves the right to remove any person or crew from the site due to incompetence or failure to conduct himself or herself in a proper manner, as determined by Owner, in its sole discretion.

B. Professional Appearance and Safety. Contractor and Contractor's field workers shall maintain a clean and professional appearance on the site at all times including, but not limited to, wearing proper work attire or other personal safety equipment as necessary to perform the Work in a professional and safe manner. In connection with all of its activities under this Agreement, Contractor shall take all reasonable safety precautions, shall comply with all safety measures, rules, programs and/or processes initiated by Owner, shall comply with all Applicable Laws, and, to the extent that such safety orders are applicable to the Work being performed by Contractor, shall provide Material Safety Data Sheets to Owner for any hazardous material that Contractor may use in performing the Contractor's Work. Contractor shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the Work, and shall ensure that all Work areas comply with all safety measures, rules, programs and/or processes initiated by Owner, all Applicable Laws and all applicable industry standards. Contractor shall take all reasonable precautions for the safety of, and shall provide all reasonable protection to prevent damage, injury or loss to: (i) all employees involved in the Work and all other persons who may be affected thereby; (ii) all the Work of Contractor and of others and all Materials and equipment to be incorporated therein, whether in storage on or off the jobsite, and/or (iii) other property at the jobsite or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures and utilities. All signage required by Applicable Law shall be included by the Contractor, whether such signage is specifically shown in the Specifications or not.

C. OSHA. Contractor acknowledges that the Occupational Safety and Health Act of 1970 (and any and all state and local laws related to occupational health and safety) (the "OSHA Regulations"), all as amended from time to time, require, among other things, all Contractors and subcontractors to furnish to their workers' employment and a place of employment that is free from recognized hazards. In this regard, Contractor specifically agrees, without limitation of its general obligations, as follows:

a. Contractor will fully comply with the OSHA Regulations and will cooperate with Owner and all other contractors, subcontractors and sub-subcontractors of Owner in order to assure compliance with the OSHA Regulations.

b. Contractor accepts full responsibility and liability for the training of its employees as to all precautionary measures necessary to protect such employees during both routine and emergency situations on the Project jobsite and Contractor shall make available for Owners review all records and logs indicating such training was administered by Contractor to its employees.
c. Contractor will assist Owner in complying with the OSHA Regulations.
d. Before using any chemicals in its performance of the Work for Owner, Contractor must give Owner prior written notice of the existence and the possible exposure to such chemicals, and deliver a material safety data sheet to Owner.
e. Contractor will fully comply (and will cause its employees and Agents to comply) with any Project jobsite rules or regulations, including those that relate to safety, that Owner may choose to put in place. Even though Owner may put some safety-related rules and regulations in place, Contractor acknowledges that it continues to be responsible for the safety of its employees and Agents and that Owner assumes no responsibility or obligation for their safety.

Owner has entered into this Agreement with Contractor with the expectation that Contractor will perform Work on the Project jobsites fully in compliance with OSHA Regulations. Any failure by Contractor to do so could result in potential losses to Owner (for example, without limitation, potential liability for injuries, administrative fines or penalties, operational costs due to work stoppages, etc.). Because of these potential losses, if Owner identifies violations of OSHA Regulations or of the Project jobsite rules and regulations related to safety established by Owner by Contractor (or its employees or Agents), Contractor shall, in addition to and not in place of any and all other rights and remedies that Owner may have under this Agreement, reimburse Owner for all direct and indirect costs, fees, damages and expenses incurred or paid by Owner, including, without limitation, replacement Material, equipment and/or product costs, labor costs, production stoppage costs, and legal fees and expenses (collectively the "Costs") associated therewith. Owner may offset or back-charge these Costs against any amounts that may otherwise be due from Owner to Contractor, whether under this Agreement or under any other agreement between Owner and Contractor now or hereafter existing. Although Owner has the right to do so, Owner has no obligation (and does not commit or assume) to monitor compliance with OSHA Regulations by Contractor (and Contractor's Agents and employees). Owner's failure to assess Costs against Contractor for violations of OSHA Regulations or of the Project jobsite rules and regulations related to safety established by Owner shall in no way waive any of Owner's rights and remedies available under this Agreement or otherwise. Furthermore, failure to comply with this Section is a default by Contractor, giving Owner the right to exercise any remedies (including termination, penalties and fines) available under this Agreement.

D. Professional Conduct. Contractor and Contractor's Agents, employees and field workers of any tier shall conduct themselves in a professional manner, shall comply with all Project jobsite rules and regulations adopted by Owner, shall comply with all of Owner's reasonable requests regarding personal conduct and shall resolve any field disputes with Owner in a professional and diplomatic manner without impeding progress of the Work.

E. Rules. Contractor, its field workers, and any subcontractors and sub-subcontractors shall observe the following rules at all times:

1. Job site working hours are regulated by the local governmental agencies, Applicable Laws and ordinances and possibly homeowner's association rules and regulations. It is the responsibility of Contractor, its personnel and suppliers to learn and comply with said Applicable Laws and ordinances.
2. No loud radios, music, or unnecessary noise on the site.
3. No distraction of fellow workers.
4. No alcohol or drugs on the site.
5. No weapons of any kind on the site.
6. No profanity or discourteous conduct on the site.
7. No horseplay or fighting on the site.
8. No unauthorized visitors (including pets unless otherwise stated above) on the site.
9. No unauthorized vehicles or parking in any production area.
10. No entry into an active blasting or barricaded area during active operations.
11. No open fires.

F. Violation of the site conduct rules is a breach of contract and grounds for immediate removal from the site and may be cause for termination of Contractor as set forth in Section 21 of the Agreement.

G. Contractor acknowledges that Contractor has a zero-tolerance sexual harassment policy and discrimination policy, and Contractor shall comply with such policies to avoid sexual harassment at the site and to implement non-discriminatory hiring practices for the Work.

Exhibit E

SITE SAFETY RULES

Contractor agrees as follows:

1) Contractor shall maintain a written safety program that meets or exceeds all governmental standards and requirements, and Owner's Code of Safety Practices (as defined below) ("**Contractor's Written Safety Program**"). Contractor shall, within 10 days of request (or such earlier time period if required by a regulatory agency or court order), provide a copy of Contractor's Written Safety Program to Owner.

2) Contractor shall provide safety training to employees of Contractor and its subcontractors and sub-subcontractors as reasonably required to educate employees of Contractor and its subcontractors and sub-Subcontractors on requirements and provisions of Contractor's Written Safety Program.

3) Contractor shall supply, maintain and utilize equipment (this list is not inclusive and not limited to, fall protection, heavy lifting protection, foot, eye and ear protection and hard hats) reasonably required for employees of Contractor and its subcontractors and sub-subcontractors to perform the Work safely and in compliance with Contractor's Written Safety Program.

4) Contractor shall designate a management level employee of Contractor who frequently visits the site of the Work as Contractor's safety coordinator. The safety coordinator shall (a) be thoroughly trained and understand Contractor's Written Safety Program, (b) perform, as a routine practice, safety inspections of Contractor's performance of the Work with frequency and detail necessary to ensure a safe working environment and shall provide written reports on such inspections to Owner as reasonably requested by Owner, (c) be available to respond to Contractors' and its subcontractors and sub-subcontractors' employees' inquiries concerning Contractor's Written Safety Program, (d) discipline (including removal from the job site) employees of Contractor and its subcontractors and sub-subcontractors who violate Contractor's Written Safety Program, and (e) attend, with its employees and subcontractors and sub-subcontractors, Owners safety meetings (as requested by Owner).

5) Contractor shall abide and cause all employees of Contractor and its subcontractors and sub-subcontractors to comply with Owners Code of Safety Practices and Owners Health and Safety Program, as published and amended by Owner from time to time.

6) Contractor shall maintain records of accidents and injuries occurring to employees of Contractor and its subcontractors and sub-subcontractors and caused by employees of Contractor and its subcontractors and sub-subcontractors during performance of the Work, in form and substance required by Owners Health and Safety Program. Copies of accident and/or injury reports shall be provided to Owner as soon as possible and at all times within 24 hours of any accident or injury.

7) Contractor shall participate in Owners safety audits as requested by Owner. Information requested by Owner shall be provided by Contractor within 2 business days of request.

8) OSHA has established regulations entitled OSHA's Hazard Communication Standard. According to the regulations, manufacturers of hazardous materials are required to furnish Material Safety Data Sheets ("**MSDS**") giving information on proper handling and precautionary measures in using the materials. Contractor shall obtain all MSDS pertaining to any hazardous material used or created in the process of performing the Work, and shall distribute copies of such MSDS to Owner and to all other contractors, sub-subcontractors, and suppliers performing Work on the Site. Contractor shall also obtain from all other subcontractors, sub-subcontractors and suppliers performing Work on the Site, copies of all MSDS for all hazardous materials used or created by such subcontractors, sub-subcontractors or suppliers, and shall retain copies of such MSDS and provide them to Contractor's employees, sub-subcontractors, and suppliers as required by the OSHA regulations. In other words, Contractor must exchange MSDS with all other subcontractors, sub-subcontractors and suppliers, and implement a training program for its employees. Furthermore, Contractor must ensure all Materials are labeled.

9) Contractor is expected to provide a safe Work environment for its employees, consistent with Owners Code of Safety Practices. As part of the foregoing, alcohol and illegal drugs are strictly prohibited at the Site.

Exhibit F

EMERGENCY ACTION PLAN

N/A

Exhibit G

INSURANCE REQUIREMENTS

Avalon Groves Community Development District
1060 Maitland Center Commons, Suite 340
Maitland, FL 32751
Phone (321) 263-0132

RE: Insurance Requirements pursuant to that certain Contractor Agreement ("**Agreement**") by and between Avalon Groves Community Development District ("**Owner**") and Randy Suggs Landscaping, Inc. ("**Contractor**") (all initially capitalized terms not otherwise defined herein shall be given the meaning ascribed thereto in the Agreement).

To Whom It May Concern,

It is very important that you read this letter and review the checklist to ensure that your insurance will be accepted. Without proper, up-to-date insurance information, all checks will be held and a $500 service credit may be applicable.

Evidence of Insurance Required:

The **Certificate of Liability Insurance** must include coverages listed below. Within the certificate, confirm that your deductible with respect to General Liability is $50,000 or less, and state in the Description of Operations box that the additional insured are per attached endorsement, which must be on ISO forms CG2010 (07 04) and CG2037 (07 04) for a period of at least 5 years following completion of the Work. Contractor must disclose all applicable policy deductibles and/or self-insured retentions ("SIR") and agrees to be liable for all costs within the deductibles and/or SIR. Coverage must be placed with insurance companies rated A VII or better by A.M. Best Company. In addition, please note that an Authorized representative must sign certificates. All policies must be endorsed to provide 30 days written notice of cancellation or material change to certificate holder.

The Certificate holders must be:

(1) Avalon Groves Community Development District
1060 Maitland Center Commons, Suite 240

Maitland, FL 32751

(2) VK Avalon Groves LLC *(3)* VK JV1 LLC *(4)* VK JV1 Funding LLC and *(5)* The Kolter Group LLC
14025 Riveredge Drive, Suite 175
Tampa, FL 33637

The **Additional Insured Endorsement** form (Form CG 2010 (07 04) or its equivalent) for the General Liability policy, see example attached. BLANKET ADDITIONAL INSURED FORMS STATING THAT THE CERTIFICATE HOLDERS ARE ADDITIONAL INSUREDS IN THE DESCRIPTION OF OPERATIONS BOX OF THE CERTIFICATE OF INSURANCE ARE NOT ACCEPTABLE. The Additional Insured Endorsement must list your policy number and MUST INCLUDE THE OWNER, DEVELOPER AND PROJECT HOA ENTITY (IF APPLICABLE) (WITH NAMES TYPED OUT) AND THEIR AFFILIATES AS ADDITIONAL INSUREDS.

GENERAL LIABILITY
The **Commercial General Liability** policy must be written on an **Occurrence Form**. The limits shall not less than: $1,000,000 each occurrence (combined single limit for Bodily Injury and Property Damage), $1,000,000 for Personal Injury liability, $2,000,000 aggregate for Products-Completed Operations, $2,000,000 General Aggregate on a per project basis, using ISO form CG2503 or equivalent. A waiver of subrogation endorsement is required,

issued in favor of Owner, Developer, Project HOA Entity (if applicable), and their Affiliates. Certificate must confirm that that coverage is Primary and Non-Contributory. As noted above in relation to the General Liability Additional Insured requirements, the coverage must be maintained for at least 5 years following the completion of the Work. The policy shall protect property damage, bodily injury and personal injury claims arising from the exposures of:

(a) Premises or ongoing operations;

(b) Products and completed operations, which shall:

i. cover materials designed, furnished and/or modified in any way by Contractor;

ii. have a separate aggregate limit at least equal to the CGL per occurrence limit; and

iii. be maintained through the longer of the statute of limitations or repose period for construction defect and products liability claims in the state where the Work is performed. Policies and/or endorsements cannot include any provisions that terminate products-completed operations coverage at the end of a policy period or limit the coverage in any other way with respect to additional insureds;

(c) Vandalism and malicious mischief;

(d) Contractual liability insuring the obligations assumed by Contractor in the Agreement;

(e) Personal injury liability, except with respect to bodily injury and property damage included within the products and completed operation hazards, the aggregate limit, where applicable, shall apply separately per project to Contractor's work under the Agreement;

(f) Independent Contractors;

(g) A waiver of subrogation endorsement is required, issued in favor of the Contractor;

(h) Property damage resulting from explosion, collapse, or underground (x, c, u) exposures and hazards (if applicable); and

(i) Per Project General Aggregate (ISO form CG2503 or equivalent).

Owners and Contractors Protective Liability Policies ("OCP") **cannot fulfill the requirement for CGL coverage** under the Agreement.

AUTOMOBILE INSURANCE

Contractor shall carry Automobile Liability insurance, insuring against bodily injury and/or property damage arising out of the operation, maintenance, use, loading or unloading of any auto including owned, non-owned, and hired autos. The limits of liability shall be not less than $1,000,000 combined single limit each accident for bodily injury and property damage. Owner, Developer, Project HOA Entity (if applicable) and their Affiliates must be shown as additional insureds.

WORKER'S COMPENSATION AND EMPLOYERS LIABILITY INSURANCE

Worker's Compensation insurance shall be provided as required by state law or regulation, and Employer's Liability Insurance with limits of not less than $500,000 per occurrence for each accident for bodily injury by accident, 500,000 policy limit for bodily injury by disease, and $500,000 each employee for bodily injury by disease. A waiver of subrogation endorsement is required in favor of the Owner, Developer, Project HOA Entity (if applicable) and their Affiliates.

(a) The workers' compensation insurance shall ensure that: (1) Owner will have no liability to Contractor, its employees or Contractor's Agents; and (2) Contractor will satisfy all workers' compensation obligations imposed by state law.

(b) This policy must include a documented waiver of subrogation in favor of Owner, Developer, Project HOA Entity (if applicable), and their Affiliates (in states where permitted).

(c) If any of Contractor's employees or Contractor's Agents are subject to the rights and obligations of the Longshoremen and Harbor Workers Act or any other maritime law or act, the workers' compensation insurance must be broadened to provide additional required coverage.

(d) For purposes of worker's compensation coverage, Contractor agrees that Contractor, Contractor's employees and Contractor's Agents are not employees of Owner or its Affiliates, and are therefore not beneficiaries of any Owner coverage.

(e) Contractor may satisfy its workers' compensation obligations by providing documentation of current authorization from the appropriate state authorities for the state(s) where the Work is performed indicating that Contractor is adequately self-insured for workers' compensation claims.

UMBRELLA OR EXCESS INSURANCE
If excess limits are provided, policy must be as broad or broader than the underlying as noted above.

PROFESSIONAL LIABILITY INSURANCE
With respect to Professional Liability Insurance, coverage is required for Architects, Engineers and other Professionals. You must have $2,000,000 each claim and a $2,000,000 Annual Aggregate. The policy retroactive date shall be no later than the first day services were performed that related to the Agreement. Coverage must be renewed for at least 5 years following the completion of the Work. Your policy number must be listed on the Certificate of Insurance.

CERTIFICATES OF INSURANCE. Contractor shall evidence that such insurance is in force by furnishing Owner with a certificate of insurance, or if requested by Owner, certified copies of the policies, at least 7 days before Contractor is to commence Work if such certificates are not available upon execution of the Agreement. Notwithstanding the non-renewal or termination of the Agreement, Contractor shall provide renewal certificates and endorsements to Owner for so long as the applicable insurance is required to be maintained pursuant to the Agreement. The certificate shall state the type of Work being performed, and shall be incorporated into the Agreement. The certificate shall evidence the requirements of the Agreement, including but not limited to, specifying that:

(a) Owner, Developer, Project HOA Entity (if applicable) and their Affiliates are additional insureds on the CGL and automobile policies, and if applicable the umbrella and/or excess policies, by referencing and attaching the required endorsement;

(b) The policy provides that any change or termination within the policy periods of the insurance coverages, as certified, shall not be effective within thirty (30) days prior written notice to the Owner. A certificate reciting that the carrier or agent will endeavor to notify Owner is unacceptable;

(c) The policy does not contain exclusions for the Work and/or for duties performed by Contractor pursuant to the Agreement, including, without limitation, attached product (if applicable), or liability that arises from a dispute governed by a notice and opportunity to repair statute.

(d) The General Liability, Auto Liability and Umbrella/Excess Liability policies shall include a provision or endorsement naming Owner, Developer, Project HOA Entity (if applicable) and their officers and employees as additional insureds with respect to liabilities arising out of Contractor's

(or subcontractors') performance of the work under the Agreement and shall be primary and noncontributory. Owners insurance shall be considered excess for purposes of responding to any Claims. The following wording must be included in the Description of Operations on the Certificate of Insurance: "This insurance is Primary and Non-Contributory;"

(e) Contractor shall add Owner, Developer, Project HOA Entity (if applicable), and their Affiliates, as additional insureds on the CGL, Auto Liability and Umbrella/Excess policies by having the insurance carrier issue an additional insured endorsement(s) at least as broad as the ISO CG 2010 11 85 Additional Insured - Owners, Lessees or Subcontractors - Form B endorsement and GC20 37 07 04, or its equivalent, as published by the Insurance Services Office (ISO). Additional Insured status for Completed Operations, via endorsement form CG 2037, will apply for three (3) years following completion of the work. The executed endorsement shall be attached to the Certificate of Insurance. Such additional insured status under the CGL policy must not be limited by amendatory language to the policy. Further, this endorsement shall:

(i) Provide coverage for both premises/ongoing operations and products-completed operations to the benefit of the additional insured; and

(ii) Provide coverage to the full extent of the actual limits of Contractor's coverage even if such actual limits exceed the minimum limits required by the Agreement.

(f) Contractor's CGL policy contains contractual liability coverage;

(g) Contractor's workers' compensation policy includes a waiver of subrogation in favor of Owner, Developer, Project HOA Entity (if applicable), and their Affiliates (in states where permitted), by referencing and attaching the required endorsement;

(h) Contractor's CGL policy includes a waiver of subrogation in favor of Owner, Developer, Project HOA Entity (if applicable), and their Affiliates, by referencing and attaching the required endorsement; and

(i) Contractor must provide evidence of Workers Compensation in the states(s) that it operates by either listing on the certificate those states listed in item 3.A. of the Information Page of the Workers Compensation Policy or attaching a copy of the Information Page.

EXHIBIT 11

August 2, 2017

Attention: Candice Smith
Re: Avalon Groves Development District
1060 Maitland Center Commons
Maitland, FL. 32751

RE: Commercial Lighting Solutions – CREE Solution

Dear Candice,

Providing the right energy efficiency solution starts with in-depth industry knowledge. With more than 25 years of experience, we specialize in developing personalized solutions that meet our customer's specific needs. On behalf of FPL Energy Services, thank you for the opportunity to provide the following.

As we discussed, this lighting project is presented under FPL Energy Services' 10 year ***Lighting as a Service*** program. Under our lighting service agreement structure, all design/engineering work; labor for installation, the lighting product and fixtures, as well as maintenance under the term of the service agreement are included in the monthly payment of **$5,204.49.**

This proposal is presented for the Avalon Groves Community Development District as an indicative proposal, with valid pricing for 30 days. Final approval of the terms and credit is subject to FPL Services management and credit approval.

Scot Thrapp
Sr. Sales Representative
Commercial & Industrial Lighting

(904) 315-8192 cell
Scot.thrapp@fpl.com

Commercial Lighting Solutions

FPL Energy Services™

Install new CREE lighting system

Scope of Work

New Fixture Description	Qty.	Wattage
New Construction CREE Fixtures - 480v	72	115
New Construction Poles & Bolts	36	N/A
New Construction Pole Bases	36	N/A

Commercial Lighting Solutions

Key Features & Benefits of Commercial Lighting Services:

- **Expert lighting team designs the best solution for safety & efficiency**
- **Lighting solution installed & maintained by experienced FPL Energy Services team**
- **Enhanced environment highlighting your business**
- **Improved visibility and facility aesthetics**
- **Design, material, installation, labor, taxes, and ongoing maintenance bundled into an easy monthly payment**
- **Typical energy Savings of 40-60% by replacing HID lamps with LEDs**
- **Enjoy low energy usage with energy-efficient, sustainable products**
- **Service payment will be direct bill**

About FPL Energy Services

FPL Energy Services, Inc. (FPLES) is an unregulated subsidiary of Florida Power & Light Company (FPL), which is a subsidiary of NextEra Energy, Inc. An industry leader in designing, implementing, and monitoring energy savings and cost reduction programs across the State of Florida, FPLES has been qualified as a guaranteed energy, water, and wastewater performance savings contractor under Florida's term contract 973-320-08-1 since its inception.

FPLES is a nationally recognized, full-service, utility-based ESCO with 29 years of experience in designing, developing, and constructing energy-related services for a variety of customers. Our local team lives and works in Florida, which means that we have in-depth knowledge of state design standards, local permitting practices, and inspection procedures. This benefits Avalon Groves because we know how to develop and submit plans that will be approved the first time, saving you both time and money.

Commercial Lighting Solutions

FPLES minimizes risk and will allow you to budget with confidence. By partnering with FPLES, Avalon Groves will also benefit from:

- Our 29 years of experience successfully designing and implementing turn-key energy savings projects in Florida
- A Florida-based team of experienced In-house experts, supplemented by local subcontractors, FPLES that will ensure efficient permitting and inspections.
- Our solid financial standing will allow us to assemble the most efficient and beneficial financing structure for this project.
- Our record of identifying and hiring M/WBE and other SBEs on our projects that has allowed us to meet all individual project goals for subcontractor diversity.
- A real-world vendor neutral approach that maximizes best value and cost savings, while allowing for equipment standardization and adaptation to Avalon Groves and your staff preferences.
- A customized maintenance and training plan that will alleviate the burden on maintenance personnel and ensure the luminaires perform as designed.
- A local team that lives and works in the community.

FPLES is excited to partner with Avalon Groves to implement the scope of this project. Our goal is to maintain a level of open communication that will result in the delivery of a quality project - on time and on budget.

We will collaborate with you to ensure we implement a project that will improve illumination in your facility and reduce your energy costs. By partnering with FPLES, Avalon Groves can be confident that you are working with a company that possesses the strength, continuity, and financial stability to be your long-term energy partner.

BARTOW FORD – COMMERCIAL LIGHTING CASE STUDY

Scope:

Our team worked with Bartow Ford to perform a facility walk through and comprehensive analysis of existing equipment and lighting levels. Based on their unique lighting needs, capital budget limitations, and safety concerns, we developed four personalized proposals, each offering different levels of retrofit, payback, and financing options. This allowed Bartow Ford to analyze their options and select the best solution to help them meet their goals.



Brighter lighting in the garage area improved the work environment for Bartow Ford's mechanics

Solutions:

Bartow Ford selected a solution that fit their budget, while addressing their critical lighting needs and reducing their maintenance issues. Our team implemented the turn-key installation of 191 fixtures in the service area and building exterior without any disruption to their normal operations. We also offered competitive pricing on natural gas supply that will save the dealership an additional $9,600 per year.

Results:

The project is estimated to:

- Save the dealership more than $20,000 per year in energy costs
- Reduce annual energy consumption by 191,030 kWh
- Lower operations and maintenance costs
- Increase safety due to brighter light levels
- Improve aesthetics of the building, showcase auto inventory, and increase visibility in service areas
- Save $9,600 per year on natural gas