



**J. BEN WATKINS III**  
DIRECTOR

## STATE OF FLORIDA DIVISION OF BOND FINANCE

**RON DESANTIS**  
GOVERNOR

**ASHLEY MOODY**  
ATTORNEY GENERAL

**JIMMY PATRONIS**  
CHIEF FINANCIAL OFFICER

**NIKKI FRIED**  
COMMISSIONER OF AGRICULTURE

### CABINET MEETING AGENDA

December 3, 2019

1. Approval of minutes of the meeting of September 24, 2019.

Attachment #1

2. Report of Award on the following bond sale:

\$123,225,000 Department of Transportation, Federal Highway Reimbursement Revenue Bonds, Series 2019A

Bids were received at the office of the Division of Bond Finance on October 10, 2019. The bonds were awarded to the low bidder, Wells Fargo Bank, National Association, which submitted a bid at an annual true interest cost rate of 1.5719%. The bonds were delivered on November 7, 2019.

The bonds were issued to finance projects eligible for federal-aid highway funds.

A report on the sale and tabulation of bids is attached.

Attachment #2

3. Adoption of resolutions authorizing the issuance and the competitive sale of \$24,500,000 Full Faith and Credit, State Board of Education Capital Outlay Refunding Bonds.

The bonds will be payable from motor vehicle license taxes, and will be additionally secured by the full faith and credit of the State. The proceeds of the bonds will be used to refund certain outstanding Capital Outlay Bonds for debt service savings.

(Recommend)

4. Adoption of resolutions authorizing the issuance and the competitive sale of \$555,000,000 Full Faith and Credit, State Board of Education, Public Education Capital Outlay Refunding Bonds.

The bonds will be payable primarily from gross receipts taxes, and will be additionally secured by the full faith and credit of the State. The proceeds of the bonds will be used to refund certain outstanding Public Education Capital Outlay Bonds for debt service savings.

(Recommend)

5. Adoption of a resolution authorizing the issuance and the competitive sale of \$215,000,000 Department of Transportation Turnpike Revenue Refunding Bonds.

The bonds will be payable from tolls and other revenues of the Turnpike System. The bonds will not be secured by the full faith and credit of the State. The proceeds of the bonds will be used to refund certain outstanding bonds of the Turnpike System for debt service savings.

(Recommend)

6. 2019 Debt Affordability Report

As required by Section 215.98, Florida Statutes, the Debt Affordability Report is prepared and delivered annually to the President of the Senate, Speaker of the House and each Appropriations Committee Chairperson by December 15. The report reviews changes that occurred over the last 12 months relative to the State's debt position, the Benchmark Debt Ratio, State credit ratings, reserves, and pension funding status.

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STATE OF FLORIDA

IN RE: MEETING OF THE GOVERNOR AND  
CABINET

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CABINET MEMBERS: GOVERNOR RON DESANTIS  
ATTORNEY GENERAL ASHLEY MOODY  
CHIEF FINANCIAL OFFICER JIMMY  
PATRONIS  
COMMISSIONER OF AGRICULTURE  
NIKKI FRIED

DATE: TUESDAY, SEPTEMBER 24, 2019

LOCATION: CABINET MEETING ROOM  
LOWER LEVEL, THE CAPITOL  
TALLAHASSEE, FLORIDA

REPORTED BY: NANCY S. METZKE, RPR, FPR  
COURT REPORTER

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**INDEX**

**PAGE NO.**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

Interview and appointment - Chief Judge and Executive Director, DOAH	4
Discussion of Application and Interview Process - Commissioner, OFR	38
Custodian of Records	41
Department of Veterans' Affairs By Executive Director Burgess	43
Department of Revenue By Executive Director Zingale	48
Department of Highway Safety and Motor Vehicles By Executive Director Rhodes	54
Division of Bond Finance By Executive Director Watkins	58
Board of Trustees of the Internal Trust Fund By Ms. Reed	62
State Board of Administration By Executive Director Williams	68
Florida Land and Water Adjudicatory Commission By Mr. Kruse	91

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**DIVISION OF BOND FINANCE**

1  
2  
3  
4  
5  
6  
7  
8  
9  
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GOVERNOR DESANTIS: All right. Bond Finance.

EXECUTIVE DIRECTOR WATKINS: Good morning,  
Governor and Cabinet.

Item Number 1 is the minutes of the July 25th  
meeting.

GOVERNOR DESANTIS: All right. Move to  
approve.

Is there a second?

CFO PATRONIS: Second.

COMMISSIONER FRIED: Second.

GOVERNOR DESANTIS: No objections, the motion  
carries.

EXECUTIVE DIRECTOR WATKINS: Item Number 2 is  
a report of award on bond sales. There are  
actually four of these. The first is a \$234.1  
million PECO refunding for debt service savings.

We awarded the bonds to the low bidder at a  
true interest cost of approximately 2.41 percent,  
which allowed us to reduce the interest rate on  
outstanding bonds from 3.71 percent, which  
generates gross debt service savings of 43.7  
million; present value savings of 34.7 million  
or 13.1 percent of the principle amount of the

1 bonds.

2 2B is a new money bond issue for the  
3 Department of Transportation to buy right of way  
4 and build bridges, 184.5 million. They were  
5 awarded to the low bidder at a true interest cost  
6 of 2.78 percent.

7 Next is a \$42.2 million refunding where we  
8 sold Everglades restoration bonds in order to fix  
9 the interest rate. Those bonds were outstanding at  
10 a variable interest rate; and given the favorable  
11 market conditions, we chose to lock in the interest  
12 rate of 1.15 percent.

13 And lastly is a competitive sale of  
14 \$168.8 million, again of PECO refunding for debt  
15 service savings. We awarded the bonds to the low  
16 bidder at a true interest cost of 2.13 percent.  
17 That allowed us to reduce the interest rate on  
18 outstanding bonds from 3.72 percent to 2.13  
19 percent, generating gross debt service savings of  
20 38.8 million; present value savings of 31.6  
21 million, or 16 percent of the principal amount of  
22 the bonds being refunded.

23 Item 3, which will require action on your part  
24 is a resolution authorizing the issuance and  
25 competitive sale of \$300 million in new money bonds

1 for Turnpike. These are for various Turnpike  
2 projects, but the largest of which is Homestead  
3 Extension down in Miami; Suncoast Parkway Part 2,  
4 which is just north of Tampa down in Hillsborough  
5 County; and First Coast Expressway extension over  
6 in Jacksonville.

7 GOVERNOR DESANTIS: Move to approve the item.

8 Is there a second?

9 CFO PATRONIS: Second.

10 GOVERNOR DESANTIS: Any objections?

11 (NO RESPONSE).

12 GOVERNOR DESANTIS: Hearing none, the motion  
13 carries.

14 EXECUTIVE DIRECTOR WATKINS: Item 4 is a  
15 resolution authorizing the issuance and competitive  
16 sale of \$8.2 million in refunding bonds for  
17 University of Central Florida parking facility for  
18 debt service savings.

19 GOVERNOR DESANTIS: Move to approve the item.

20 Is there a second?

21 CFO PATRONIS: Second.

22 ATTORNEY GENERAL MOODY: Second.

23 GOVERNOR DESANTIS: Any objections?

24 (NO RESPONSE).

25 GOVERNOR DESANTIS: Hearing none, the motion

1 carries.

2 EXECUTIVE DIRECTOR WATKINS: And lastly is a  
3 resolution authorizing the redemption of  
4 approximately \$2.7 million in University of Central  
5 Florida health facility bonds. They've accumulated  
6 enough cash to pay that loan off, and so they're  
7 looking for permission to do that.

8 GOVERNOR DESANTIS: All right. Move to  
9 approve.

10 Is there a second?

11 COMMISSIONER FRIED: Second.

12 GOVERNOR DESANTIS: Any objections?

13 (NO RESPONSE).

14 GOVERNOR DESANTIS: All right. Hearing none,  
15 the motion carries.

16 Thank you.

17 EXECUTIVE DIRECTOR WATKINS: Thank you.

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**J. BEN WATKINS III**  
DIRECTOR

## STATE OF FLORIDA DIVISION OF BOND FINANCE

**RON DeSANTIS**  
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**ASHLEY MOODY**  
ATTORNEY GENERAL

**JIMMY PATRONIS**  
CHIEF FINANCIAL OFFICER

**NIKKI FRIED**  
COMMISSIONER OF AGRICULTURE

### MEMORANDUM

**TO:** Governor and Cabinet, as the Governing Board of the Division of Bond Finance

**FROM:** J. Ben Watkins III 

**DATE:** December 3, 2019

**SUBJECT:** Award of \$123,225,000 State of Florida, Department of Transportation  
Federal Highway Reimbursement Revenue Bonds, Series 2019A (Indirect GARVEEs)

Pursuant to authorization by the Governor and Cabinet by a resolution adopted on July 25, 2019, bids were received for the above referenced bond issue at the office of the Division of Bond Finance at 12:00 noon on Thursday, October 10, 2019.

Eight bids were received with a tabulation of such bids included herein. The low bid was submitted Wells Fargo Bank, National Association at an annual true interest cost rate of 1.5719%. The annual true interest cost rate using the applicable TM3 Municipal Market Data revenue benchmark interest rate was 1.59%. The bids were reviewed by representatives of the Division of Bond Finance and the bonds were awarded to the low bidder as authorized. The bonds were delivered on November 7, 2019.

The bonds were issued to finance projects eligible for federal-aid highway funds.

The bonds are dated November 7, 2019, with interest payable on July 1, 2020, and semiannually on each July 1 and January 1 thereafter. The bonds consist of serial bonds maturing on July 1 in the years 2020 through 2031.

The bonds are secured by a first lien pledge of all federal highway aid reimbursements received by the State each year for eligible highway projects. The bonds are not secured by the full faith and credit of the State of Florida.

Attachment #2

The bonds have been rated A+, A1 and AA by Fitch Ratings, Moody's Investors Service and S&P Global Ratings, respectively.

#### BID TABULATION

<u>Bidder</u>	<u>Annual True Interest Cost Rate</u>
Wells Fargo Bank, National Association	1.5719%
Morgan Stanley & Co, LLC	1.5797%
Mesirow Financial, Inc.	1.5936%
Bank of America Merrill Lynch	1.5996%
J.P. Morgan Securities LLC	1.6129%
Citigroup Global Markets Inc.	1.6423%
Jeffries LLC	1.6598%
Hutchinson, Shockey, Erley & Co.	1.8518%

#### INTEREST RATES AND YIELDS TO MATURITY FROM THE WINNING BID

<u>Maturity Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Yield</u>
7/1/2020	\$5,230,000	5.00%	1.22%
7/1/2021	8,305,000	5.00	1.22
7/1/2022	8,720,000	5.00	1.23
7/1/2023	9,160,000	5.00	1.25
7/1/2024	9,615,000	5.00	1.26
7/1/2025	10,095,000	5.00	1.31
7/1/2026	10,600,000	5.00	1.39
7/1/2027	11,130,000	5.00	1.45
7/1/2028	11,685,000	5.00	1.51
7/1/2029	12,270,000	5.00	1.58
7/1/2030	12,885,000	5.00	1.68
7/1/2031	13,530,000	5.00	1.78

**A RESOLUTION AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$24,500,000 STATE OF FLORIDA, FULL FAITH AND CREDIT, STATE BOARD OF EDUCATION CAPITAL OUTLAY REFUNDING BONDS, 2020 SERIES (TO BE DETERMINED).**

**BE IT RESOLVED BY THE GOVERNOR AND CABINET OF THE STATE OF FLORIDA, AS THE GOVERNING BOARD OF THE DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA:**

Section 1. That this resolution is adopted pursuant to the provisions of Sections 215.61 and 215.68, Florida Statutes.

Section 2. That the Division of Bond Finance of the State Board of Administration of Florida (the “Division”) is hereby authorized to issue the not exceeding \$24,500,000 State of Florida, Full Faith and Credit, State Board of Education Capital Outlay Refunding Bonds, 2020 Series (To be determined) (the “Refunding Bonds”) in accordance with the terms, conditions and restrictions set forth in the Thirty-second Supplemental Authorizing Resolution adopted by the State Board of Education on November 15, 2019, with respect to the issuance of the Refunding Bonds for refunding certain outstanding Capital Outlay Bonds as set forth therein.

Section 3. That this resolution shall take effect immediately upon its adoption.

**ADOPTED** on December 3, 2019.

**A RESOLUTION AUTHORIZING THE COMPETITIVE SALE OF NOT EXCEEDING \$24,500,000 STATE OF FLORIDA, FULL FAITH AND CREDIT, STATE BOARD OF EDUCATION CAPITAL OUTLAY REFUNDING BONDS, 2020 SERIES (TO BE DETERMINED).**

**BE IT RESOLVED BY THE GOVERNOR AND CABINET OF THE STATE OF FLORIDA, AS THE GOVERNING BOARD OF THE DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA:**

Section 1. That this resolution is adopted pursuant to the provisions of Sections 215.61 and 215.68, Florida Statutes.

Section 2. That the Division of Bond Finance of the State Board of Administration of Florida (the "Division") is hereby authorized to sell by competitive sale not exceeding \$24,500,000 State of Florida, Full Faith and Credit, State Board of Education Capital Outlay Refunding Bonds, 2020 Series (To be determined) (the "Refunding Bonds") in accordance with the terms, conditions and restrictions set forth in the Sale Resolution adopted by the State Board of Education on November 15, 2019, with respect to the sale of the Refunding Bonds for refunding certain outstanding Capital Outlay Bonds. The Director of the Division may provide notice pursuant to applicable law of such sale, at a time and in such manner as determined by the Director to be appropriate to provide adequate notice to potential bidders.

Section 3. That this resolution shall take effect immediately upon its adoption.

**ADOPTED ON December 3, 2019.**

**A RESOLUTION AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$555,000,000 STATE OF FLORIDA, FULL FAITH AND CREDIT, STATE BOARD OF EDUCATION, PUBLIC EDUCATION CAPITAL OUTLAY REFUNDING BONDS, 2020 SERIES (TO BE DETERMINED).**

**BE IT RESOLVED BY THE GOVERNOR AND CABINET OF THE STATE OF FLORIDA, AS THE GOVERNING BOARD OF THE DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION:**

Section 1. That this resolution is adopted pursuant to the provisions of Sections 215.61 and 215.68, Florida Statutes.

Section 2. That the Division of Bond Finance of the State Board of Administration of Florida (the "Division") is hereby authorized to issue not exceeding \$555,000,000 State of Florida, Full Faith and Credit, State Board of Education, Public Education Capital Outlay Refunding Bonds, 2020 Series (to be determined) (the "Bonds") in accordance with the terms, conditions and restrictions set forth in the Sixty-eighth Supplemental Authorizing Resolution adopted by the State Board of Education on September 20, 2019, with respect to the issuance of the Bonds for the purpose of refunding all or a portion of the outstanding Public Education Capital Outlay Bonds, 2007 Series H, 2008 Series E, 2010 Series A, 2011 Series A, and 2011 Series B, as set forth therein.

Section 3. That this resolution shall take effect immediately upon its adoption.

**ADOPTED on December 3, 2019.**

**A RESOLUTION AUTHORIZING THE SALE OF NOT EXCEEDING \$555,000,000 STATE OF FLORIDA, FULL FAITH AND CREDIT, STATE BOARD OF EDUCATION, PUBLIC EDUCATION CAPITAL OUTLAY REFUNDING BONDS, 2020 SERIES (TO BE DETERMINED).**

**BE IT RESOLVED BY THE GOVERNOR AND CABINET OF THE STATE OF FLORIDA, AS THE GOVERNING BOARD OF THE DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION:**

Section 1. That this resolution is adopted pursuant to the provisions of Sections 215.61 and 215.68, Florida Statutes.

Section 2. That the Division of Bond Finance of the State Board of Administration (the “Division”) is hereby authorized to sell by competitive sale, the not exceeding \$555,000,000 State of Florida, Full Faith and Credit, State Board of Education, Public Education Capital Outlay Refunding Bonds, 2020 Series (to be determined) (the “Bonds”) in accordance with the terms, conditions and restrictions set forth in the Sale Resolution adopted by the State Board of Education on September 20, 2019, with respect to the sale of the Bonds for the purpose of refunding all or a portion of the outstanding Public Education Capital Outlay Bonds, 2007 Series H, 2008 Series E, 2010 Series A, 2011 Series A, and 2011 Series B. The Director of the Division may provide notice pursuant to applicable law of such sale, at a time and in such manner as determined by the Director to be appropriate to provide adequate notice to potential bidders.

Section 3. That this resolution shall take effect immediately upon its adoption.

**ADOPTED on December 3, 2019.**

**FIFTY-FIRST SUPPLEMENTAL  
TURNPIKE REVENUE BOND RESOLUTION**

**A RESOLUTION (THE FIFTY-FIRST SUPPLEMENTAL RESOLUTION) OF THE GOVERNING BOARD OF THE DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA SUPPLEMENTING THE TURNPIKE REVENUE BOND AUTHORIZING RESOLUTION, AS SUPPLEMENTED AND AMENDED; AUTHORIZING THE ISSUANCE AND COMPETITIVE SALE OF THE STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION TURNPIKE REVENUE REFUNDING BONDS, SERIES 2020 (TO BE DETERMINED); AUTHORIZING A NOTICE OF BOND SALE; PROVIDING FOR APPLICATION OF THE PROCEEDS OF THE SERIES 2020 (TO BE DETERMINED) BONDS; AUTHORIZING A PRELIMINARY AND A FINAL OFFICIAL STATEMENT; PROVIDING FOR OTHER TERMS AND AUTHORIZATIONS IN CONNECTION WITH THE ISSUANCE AND COMPETITIVE SALE OF THE SERIES 2020 (TO BE DETERMINED) BONDS; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, acting on behalf of the State of Florida Department of Transportation (the “Department”), the Governor and Cabinet sitting as the governing board (the “Governing Board”) of the Division of Bond Finance of the State Board of Administration of Florida (formerly, the Division of Bond Finance of the State of Florida Department of General Services) (the “Division”) adopted a resolution on October 25, 1988 authorizing the issuance of State of Florida Department of Transportation Turnpike Revenue Bonds (“Turnpike Revenue Bonds”), and such resolution, as amended and restated on May 17, 2005 (the “Authorizing Resolution”), was adopted to secure the issuance of one or more series of Turnpike Revenue Bonds by the Division from time to time, subject to the terms and conditions of the Authorizing Resolution; and

**WHEREAS**, there are currently \$2,580,365,000 of Outstanding Turnpike Revenue and Revenue Refunding Bonds; and

**WHEREAS**, the Department has adopted a resolution requesting the Division to proceed with the issuance and sale of STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION TURNPIKE REVENUE REFUNDING BONDS, SERIES 2020 (to be determined) (the “Refunding Bonds”) to refund all or a portion of the callable Outstanding State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2010B (when refunded, the “Refunded Bonds”); and

**WHEREAS**, the Governing Board has determined to sell the Refunding Bonds, on behalf of the Department, under and pursuant to the Authorizing Resolution and pursuant to the request of the Department of Transportation; and

**WHEREAS**, the Governing Board wishes to authorize the publication of a Notice of Bond Sale for the public sale of the Refunding Bonds (the “Notice of Bond Sale”); and

**WHEREAS**, the Governing Board adopted a resolution on December 4, 2018, (the Forty-eighth Supplemental Resolution), which amends the definition of “Debt Service Reserve Requirement” to permit the issuance of Turnpike Revenue and Revenue Refunding Bonds without a Debt Service Reserve Account and to remove the Debt Service Reserve Requirement for certain Outstanding Turnpike Revenue and Revenue Refunding Bonds (the “Springing Amendment”), which becomes effective upon receipt of the written consent of the Holders of more than fifty percent, in aggregate principal amount, of Outstanding Turnpike Revenue and Revenue Refunding Bonds; and

**WHEREAS**, the Holders of the State of Florida Department of Transportation Turnpike Revenue and Revenue Refunding Bonds, Series 2019A and Series 2019B, have expressly and irrevocably consented to the Springing Amendment, through the acceptance of such bonds by the Initial Registered Owners; and

**WHEREAS**, upon the adoption of this Fifty-first Supplemental Resolution and the completion of certain actions required hereunder and under the Authorizing Resolution, the execution and delivery of the Refunding Bonds will have been duly authorized and all things necessary to make the Refunding Bonds, when executed and authenticated in the manner set forth in the Authorizing Resolution, valid and binding legal obligations of the State of Florida and the Department, and to make the Authorizing Resolution, as supplemented by this Fifty-first Supplemental Resolution, a valid and binding agreement with the Registered Owners of the Refunding Bonds, will have been done;

**NOW, THEREFORE, BE IT RESOLVED** by the Governor and Cabinet of the State of Florida sitting as the Governing Board of the Division of Bond Finance of the State Board of Administration of Florida, on behalf of the State of Florida Department of Transportation, as follows:

**SECTION 1. DEFINITIONS.** All terms used in this Fifty-first Supplemental Resolution are used with the same meaning throughout this Fifty-first Supplemental Resolution unless the context clearly requires otherwise. All terms used in this Fifty-first Supplemental Resolution that are defined in the Authorizing Resolution have the same meaning as in the Authorizing Resolution unless the context clearly requires otherwise.

**SECTION 2. AUTHORITY FOR THIS FIFTIETH SUPPLEMENTAL RESOLUTION.** This Fifty-first Supplemental Resolution is adopted pursuant to the provisions of the Act and constitutes a resolution authorizing bonds pursuant to the Act.

**SECTION 3. RESOLUTION TO CONSTITUTE CONTRACT.** In consideration of the purchase and acceptance of any and all of the Refunding Bonds by those who shall own the same from time to time, the Authorizing Resolution, as supplemented by this Fifty-first Supplemental Resolution, shall be deemed to be and shall constitute a contract between the Department and the Registered Owners from time to time of the Refunding Bonds; and the security interest granted and the pledge made in the Authorizing Resolution, as supplemented by this Fifty-first Supplemental Resolution, and the covenants and agreements therein set forth to be performed on behalf of the Department shall be for the equal benefit, protection and security of the Registered Owners of any and all of the Refunding Bonds, all of which, regardless of the time or times of their authentication and delivery or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof except as expressly provided in or permitted by the Authorizing Resolution, as supplemented by this Fifty-first Supplemental Resolution.

**SECTION 4. AUTHORIZATION OF ISSUANCE AND SALE OF THE REFUNDING BONDS.**

(A) The not exceeding \$215,000,000 State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series 2020 (to be determined) (or such other designation as may be provided by the Director) are hereby authorized to be issued and sold at competitive sale on the date and at the time to be determined by the Director. The Refunding Bonds are authorized in addition to the amounts authorized in the Authorizing Resolution. The Refunding Bonds may be sold at different times in more than one series. If sold in more than one series, the authorizations contained in this resolution shall apply to each of such series. The Refunding Bonds may also be sold separately or combined with any other Turnpike System Revenue Bonds authorized to be sold. The final maturity date of the Refunding Bonds shall not be later than 35 years from their date of issue. The Refunding Bonds shall be issued in fully registered form in denominations of \$1,000 or integral multiples thereof. The Refunding Bonds shall be dated and bear interest from such date, and be payable in each year, as indicated or provided for in the Notice of Bond Sale. The interest rates of the Refunding Bonds, not to exceed the maximum lawful rate on the date of sale of the Refunding Bonds, shall be determined in accordance with the Notice of Bond Sale, and the Refunding Bonds

shall mature as determined by the Director in the Notice of Bond Sale. Interest on the Refunding Bonds will be paid by check or draft mailed on each Interest Payment Date [or by wire transfer, at the election of a Registered Owner, in the manner and under the terms provided for in the State's agreement with the Bond Registrar/Paying Agent (provided that such Registered Owner advances to the Bond Registrar/Paying Agent the amount, if any, necessary to pay the wire charges or authorizes the Bond Registrar/Paying Agent to deduct the amount of such payment)] to the Registered Owner thereof as of 5:00 p.m. on the Record Date at the address shown on the registration books maintained by the Bond Registrar/Paying Agent for the Refunding Bonds. Principal of the Refunding Bonds will be payable to the Registered Owners thereof upon their presentation and surrender when due at the corporate trust office of the Bond Registrar/Paying Agent.

(B) The Director or an Assistant Secretary of the Governing Board is authorized to determine the most advantageous date and time of a public sale and to provide notice pursuant to applicable law of such sale, at a time and in such manner as determined by the Director to be appropriate to provide adequate notice to potential bidders. Bids for the purchase of the Refunding Bonds will be received at the offices of the Division in Tallahassee, Florida, or at another location designated in the Notice of Bond Sale, until the time and date of sale determined by the Director.

(C) The Director is hereby authorized to distribute a Notice of Bond Sale and a form of proposal for the sale of the Refunding Bonds. The Notice of Bond Sale shall be in such form as shall be determined by the Director, with the advice of bond counsel, and shall contain such information as required by applicable law. Any prior distribution of a Notice of Bond Sale and form of proposal is hereby ratified.

(D) The Director or the Secretary or an Assistant Secretary of the Governing Board is authorized to award the sale of the Refunding Bonds in an aggregate principal amount not exceeding \$215,000,000 and to pay the costs, fees, and expenses associated therewith. Such award by the Director or Secretary or an Assistant Secretary shall be based on his or her determination of the best bid submitted in accordance with the terms of the Notice of Bond Sale and such award shall be final. The sale shall be reported to the Governing Board after award of the Refunding Bonds.

(E) In the event that conditions preclude, or circumstances render unnecessary or undesirable, the sale of the maximum principal amount of the Refunding Bonds authorized to be sold by this Fifty-first Supplemental Resolution, then, in such event, the Director or the Secretary or an Assistant Secretary of the Governing Board is hereby authorized to offer for sale a lesser principal amount than that set forth in the Notice of Bond Sale and to adjust the maturity schedule and redemption provisions for the Refunding Bonds, if necessary, to reflect the issuance of such lesser amount, and to modify the Notice of Bond Sale as may be required.

(F) The Refunding Bonds shall be subject to redemption as provided in the Notice of Bond Sale.

(G) The Director or an Assistant Secretary of the Governing Board is authorized to provide in the Notice of Bond Sale that the purchase price for the Refunding Bonds may include a discount to par not to exceed the statutory amount.

(H) The Chairman, Secretary or an Assistant Secretary of the Governing Board or their duly authorized alternative officers are hereby authorized on behalf of the Division to execute the Refunding Bonds (including any temporary bond or bonds) as provided in the Authorizing Resolution and any of such officer is hereby authorized, upon the execution of the Refunding Bonds in the form and manner set forth in the Authorizing Resolution, to deliver the Refunding Bonds in the amounts authorized to be issued hereunder to the Bond Registrar/Paying Agent for authentication and, upon receipt of payment of the purchase price (together with accrued interest), for delivery to or upon the order of the original purchaser of the Refunding Bonds, and to distribute the proceeds of the Refunding Bonds as provided herein and in the Authorizing Resolution.

(I) The Chairman, Secretary, or any Assistant Secretary of the Governing Board, and the Director and such other officers and employees of the Division as may be designated as agents of the Division in connection with the issuance and delivery of the Refunding Bonds, are authorized and empowered, collectively or individually, to take all actions and steps, to execute all instruments, documents, and contracts, and to take all other action on behalf of the Division, in each case as they may deem necessary or desirable, in connection with the sale, execution and delivery of the Refunding Bonds.

(J) The Director is authorized to cause the manual or facsimile signature of the Governor, as Chairman of the Governing Board, and the corporate seal of the Division to be imprinted on the Refunding Bonds, which shall be attested and countersigned with the manual or facsimile signature of the Director, as Assistant Secretary of the Governing Board.

#### **SECTION 5. SECURITY FOR THE SERIES 2019B BONDS.**

(A) The Refunding Bonds authorized by this Fifty-first Supplemental Resolution shall be payable on a parity and rank equally as to lien on and source and security for payment from the Net Revenues of the Turnpike System and in all other respects with the Outstanding Bonds.

(B) The Refunding Bonds authorized by this Fifty-first Supplemental Resolution shall be deemed to have been issued pursuant to the Authorizing Resolution as fully and to the same extent as the Outstanding Bonds and all of the covenants and agreements contained in the Authorizing Resolution shall be deemed to have been made for the benefit of the Registered Owners of the Series 2019B Bonds as fully and to the same extent as the Registered Owners of the Outstanding Bonds.

All of the covenants, agreements, and provisions of the Authorizing Resolution, except to the extent inconsistent herewith, shall be deemed to be part of this Fifty-first Supplemental Resolution to the same extent as if incorporated verbatim in this Fifty-first Supplemental Resolution, and shall be fully enforceable in the manner provided in the Authorizing Resolution by any of the Registered Owners of the Bonds.

#### **SECTION 6. APPLICATION OF PROCEEDS.**

(A) Upon receipt of the proceeds of the Refunding Bonds, the Division shall transfer and apply such proceeds as follows:

- (i) The amount necessary to pay all costs and expenses of the Division in connection with the preparation, sale and issuance of the Refunding Bonds, including a reasonable charge for the services of the Division, shall be transferred to the Division to be deposited in the Bond Proceeds Trust Fund, subject to disbursement of the funds to the Bond Fee Trust Fund and the Arbitrage Compliance Fund pursuant to written instructions at the delivery of the Refunding Bonds unless such amount shall be provided from another legally available source.
- (ii) The accrued interest on the Refunding Bonds, if any, shall be deposited into the Interest Account and shall be used only for the purpose of paying the interest which shall thereafter become due on the Refunding Bonds.
- (iii) The amount necessary to fund the Debt Service Reserve Requirement for the Refunding Bonds shall be deposited into the Debt Service Reserve Subaccount designated by the Director pursuant to Section 7 of this Fifty-First Supplemental Resolution.
- (iv) All remaining proceeds shall be transferred to the Board for deposit into a trust fund, hereby created, to be known as the "State of Florida, Department of Transportation Turnpike Revenue Refunding

Bonds, Series 2020 (to be determined) Escrow Deposit Trust Fund” (the “Escrow Deposit Trust Fund”). Such amount, together with the income on the investment thereof, and other legally available funds, if required, shall be sufficient to pay when due the entire principal of the Refunded Bonds, together with interest accrued and to accrue thereon to their respective maturity dates or, if called for redemption prior to maturity, such prior redemption dates and redemption premiums, if any, and the expenses and fees listed in the Escrow Deposit Agreement as provided in Section 6(B)(i) below.

(B) The moneys deposited by the Board in the Escrow Deposit Trust Fund shall be administered and applied as follows:

- (i) The Escrow Deposit Trust Fund shall be held in irrevocable trust by the Board and, except as provided in Section 6(B)(ii) below, shall be applied solely to refund the Refunded Bonds and to the payment of the fees and expenses incurred in connection with such refunding. The application of the moneys in the Escrow Deposit Trust Fund shall be made for said purposes pursuant to an Escrow Deposit Agreement hereby authorized to be entered into by the Division and the Board and endorsed and accepted by the Department, in a form normally utilized by the Board.
- (ii) Moneys on deposit in the Escrow Deposit Trust Fund shall be used to purchase Federal Obligations (as defined in the Escrow Deposit Agreement) in accordance with the schedules given in the Escrow Deposit Agreement. The maturing Federal Obligations, the earnings thereon, if required, and the cash on deposit in the Escrow Deposit Trust Fund shall be sufficient to accomplish the refunding described above. In the alternative, in the discretion of the Director of the Division of Bond Finance, moneys on deposit in the Escrow Deposit Trust Fund shall be invested in the State Treasury, or in such other legally authorized investments, or held uninvested, until such time as such funds, together with other legally available funds, if necessary, are needed to effect the redemption of the Refunded Bonds.

(C) The proceeds derived from the sale of the Refunding Bonds shall be applied and disbursed pursuant to the provisions of the Act and this Fifty-first Supplemental Resolution. The Registered Owners of the Refunding Bonds shall not have any responsibility whatsoever for the application or use of any of the proceeds derived from the sale of the Refunding Bonds, and the rights and remedies of the Registered Owners of Refunding Bonds and their right to payment, pursuant to the Authorizing Resolution as supplemented by this Fifty-first Supplemental Resolution, shall not be affected or impaired by the application or use of such proceeds. Upon the issuance of the Refunding Bonds, all the covenants and agreements between the Board and the Registered Owners of the Refunding Bonds contained in the Authorizing Resolution and this Fifty-first Supplemental Resolution shall be valid and binding covenants and agreements between the Division and the Registered Owners of the Refunding Bonds without regard to the application of the proceeds of the Refunding Bonds.

**SECTION 7. RESERVE REQUIREMENT.** The Refunding Bonds shall be secured, together with the Outstanding Turnpike Revenue and Revenue Refunding Bonds, and any other Series of Turnpike Bonds designated to be secured thereby, by the Debt Service Reserve Subaccount in the Debt Service Reserve Account securing the Series 2006A through Series 2019B Bonds, or in such other Debt Service Reserve Subaccount as may be established, as needed, by the Director.

**SECTION 8. BOND REGISTRAR/PAYING AGENT.** U.S. Bank Trust National Association, New York, New York, is hereby designated as the Bond Registrar/Paying Agent for the Refunding Bonds on the terms and conditions set forth in the Registrar, Paying Agent and Transfer Agreement between the State of Florida and U.S. Bank Trust National Association.

**SECTION 9. AUTHORIZATION OF OFFICIAL STATEMENT.** The Division is hereby authorized to prepare and distribute Preliminary and Final Official Statements in connection with the Refunding Bonds, on behalf of the Department, pursuant to the State Bond Act. The Director is further authorized and directed to amend,

supplement, or complete the information contained in the Official Statement, as the Director determines to be necessary or desirable. The Chairman, Secretary or an Assistant Secretary of the Governing Board and the Director are hereby authorized to execute the Final Official Statement in connection with the Refunding Bonds, and the execution thereof shall be conclusive evidence that the Governing Board has approved the form and content of the Final Official Statement. The Division is further authorized to have as many copies of the Preliminary Official Statement and the Final Official Statement relating to the Refunding Bonds as the Director determines to be necessary to be prepared, printed, and distributed; to contract with national rating services; to make a determination that the Preliminary Official Statement is “deemed final” for purposes of subsection (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”); to conduct information meetings; and to take such other actions as may be deemed appropriate for the dissemination of information relating to the sale of the Refunding Bonds. Any prior printing and distribution of a Preliminary Official Statement is hereby ratified.

**SECTION 10. FORM OF THE REFUNDING BONDS.** Notwithstanding anything to the contrary in the Authorizing Resolution, this Fifty-first Supplemental Resolution, or any other resolution relating to the Refunding Bonds (for the purposes of this section, collectively, the “Resolution”), the Refunding Bonds may be issued in book-entry only form utilizing the services of a Securities Depository (as used herein, “Securities Depository” means the Depository Trust Company, New York, New York, or its nominees, successors, and assigns).

So long as a book-entry only system of evidence of transfer of ownership of all the Refunding Bonds is maintained in accordance herewith, any provision of the Resolution relating to the delivery of physical bond certificates shall be inapplicable, and the Resolution shall be deemed to give full effect to such book-entry system.

The Division may discontinue the book-entry system with the then-current Securities Depository, subject to the terms of its agreement with such Securities Depository.

(A) If the Refunding Bonds are issued in book-entry only form:

- (2) The Refunding Bonds shall be issued in the name of the Securities Depository as the Registered Owner of the Refunding Bonds, and held in the custody of the Securities Depository or its designee.
- (3) Transfers of beneficial ownership of the Refunding Bonds will be effected on the records of the Securities Depository and its Participants pursuant to rules and procedures established by the Securities Depository (“Participants” include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations, as well other organizations that clear through or maintain a custodial relationship with such organizations, either directly or indirectly).
- (4) Each Participant shall be credited in the records of the Securities Depository with the amount of such Participant's interest in the Refunding Bonds. Beneficial ownership interests in the Refunding Bonds may be purchased by or through Participants. The holders of these beneficial ownership interests are hereinafter referred to as the “Beneficial Owners.” The Beneficial Owners shall not receive Refunding Bonds representing their beneficial ownership interests. The ownership interests of each Beneficial Owner shall be recorded through the records of the Participant from which such Beneficial Owner purchased its Refunding Bonds. Transfers of ownership interests in the Refunding Bonds shall be accomplished by book entries made by the Securities Depository and, in turn, by Participants acting on behalf of Beneficial Owners.
- (5) Unless otherwise provided herein, the Department, the Division of Bond Finance, the Board of Administration, and the Bond Registrar/Paying Agent (as used in this section, the “State and its agents”) shall treat the Securities Depository as the sole and exclusive owner of the Refunding Bonds registered in its name for the purposes of:

- (a) the payment of the principal of, premium, if any, and interest on the Refunding Bonds or portion thereof to be redeemed or purchased. Payments made to the Securities Depository of principal, premium, and interest shall be valid and effective to fully satisfy and discharge the Department's obligations to the extent of the sums so paid;
  - (b) the giving any notice permitted or required to be given to Registered Owners under the Resolution; and
  - (c) the giving of any direction or consent or the making of any request by the Registered Owners hereunder. The State and its agents may rely conclusively upon:
    - (i) a certificate of the Securities Depository as to the identity of the Participants with respect to the Refunding Bonds; and
    - (ii) a certificate of any such Participant as to the identity of, and the respective principal amount of Refunding Bonds beneficially owned by, the Beneficial Owners.
- (6) The State and its agents shall have no responsibility or obligations to the Securities Depository, any Participant, any Beneficial Owner, or any other person which is not shown on the Refunding Bond Register, with respect to:
- (a) the accuracy of any records maintained by the Securities Depository or any Participant;
  - (b) the payment by the Securities Depository or by any Participant of any amount due to any Beneficial Owner in respect of the principal amount or redemption or purchase price of, or interest on, any Refunding Bond;
  - (c) the delivery of any notice by the Securities Depository or any Participant;
  - (d) the selection of the Participants or the Beneficial Owners to receive payment in the event of any partial redemption of the Refunding Bonds; or
  - (e) any consent given or any other action taken by the Securities Depository or any Participant.
- (7) The requirements in the Resolution of holding, delivering or transferring Refunding Bonds shall be deemed modified to require the appropriate person to meet the requirements of the Securities Depository as to registering or transferring the book-entry Refunding Bonds to produce the same effect. Any provision hereof permitting or requiring delivery of the Refunding Bonds shall, while the Refunding Bonds are in book-entry only form, be satisfied by the notation thereof on the books of the Securities Depository in accordance with applicable state law.
- (B) If the Division of Bond Finance discontinues the book-entry system, it shall either:
- (1) identify another qualified securities depository, or
  - (2) prepare and deliver replacement Refunding Bonds in the form of fully registered bonds to each Beneficial Owner.

**SECTION 11. FEDERAL TAX MATTERS.** Upon the execution of a "Federal tax certificate," "non-arbitrage certificate" or other certificate relating to compliance by the Department or the Division with Federal tax law requirements, the representations, terms and covenants in each such certificate shall be deemed to be

incorporated in this Fifty-first Supplemental Resolution and shall be deemed to benefit the Registered Owners of the Refunding Bonds.

Notwithstanding anything contained in the Authorizing Resolution to the contrary, to the extent that all or any portion of the Refunding Bonds are sold as tax-exempt bonds, it is the intent of the Governing Board that interest on such Refunding Bonds be and remain excluded from gross income for federal income tax purposes and therefore to comply with all requirements of federal tax law applicable to such Refunding Bonds, or any series thereof, whether such requirements are now in effect, pending or subsequently enacted. The officers, employees and agents of the Division of Bond Finance are hereby authorized and directed to take all actions necessary with respect to such Refunding Bonds and each series thereof to comply with such requirements of federal tax law.

**SECTION 12. CONTINUING DISCLOSURE.**

(A) In order to comply with the Rule, the Department hereby agrees to provide or cause to be provided such information as may be required, from time to time, under such Rule.

(B) The Secretary of the Department, in conjunction with the appropriate officers of the Division, is authorized and directed to execute and deliver any documents or agreements which are necessary to comply with the requirements of the Rule.

**SECTION 13. INCIDENTAL ACTION.** The members and officers of the Governing Board and the staff of the Division are hereby authorized and directed to execute and deliver such other documents, and to take such other actions as may be necessary or appropriate in order to accomplish the sale, issuance and securing of the Refunding Bonds pursuant to the terms of the Authorizing Resolution and this Fifty-first Supplemental Resolution, and the performance of the obligations of the Division under the Authorizing Resolution.

**SECTION 14. CONFIRMATION OF AUTHORIZING RESOLUTION/PRIOR RESOLUTIONS.** As supplemented by this Fifty-first Supplemental Resolution, the Authorizing Resolution is in all respects ratified and confirmed, and this Fifty-first Supplemental Resolution shall be read, taken and construed as a part of the Authorizing Resolution. All prior or concurrent resolutions or parts of resolutions inconsistent with this Resolution are hereby amended by this Fifty-first Resolution, including the Notice of Bond Sale, but only to the extent of any such inconsistency.

**SECTION 15. CONSENT TO AMENDMENT.** The initial Registered Owners of Bonds issued pursuant to this Fifty-first Supplemental Resolution, by virtue of their purchase and acceptance of the Bonds, shall be deemed to have consented to in writing and approved the Springing Amendment, consisting of (i) the amendment to the definition of "Debt Service Reserve Requirement," in the Authorizing Resolution as set forth in the Forty-eighth Supplemental Resolution, and (ii) the reduction of the Debt Service Reserve Requirement to zero for the Refunding Bonds issued pursuant to this Fifty-first Supplemental Resolution, upon the effectiveness of the amendment. Once the Debt Service Reserve Requirement has been reduced to zero on the Refunding Bonds issued pursuant to this Fifty-first Supplemental Resolution, such Registered Owners will no longer have any claim on any subaccount in the Debt Service Reserve Account. All subsequent Registered Owners of Refunding Bonds issued pursuant to this Fifty-first Supplemental Resolution shall be bound by the terms of such consent and approval.

**SECTION 16. CANCELLATION OF PRIOR ISSUANCE AUTHORITY.** The authority for the issuance and delivery of the unissued portion of any Turnpike Revenue or Revenue Refunding Bonds previously authorized pursuant to the Authorizing Resolution, as amended and supplemented, is hereby canceled.

**SECTION 17. EFFECTIVE DATE.** This Fifty-first Supplemental Resolution shall take effect on the date of its adoption by the Governing Board.

Adopted by the Governor and Cabinet of the State of Florida sitting as the Governing Board of the Division of Bond Finance of the State Board of Administration of Florida, on behalf of the Department of Transportation, on December 3, 2019.