

1

AGREEMENT FOR PROFESSIONAL SERVICES

BETWEEN
JEA
AND
NIXON PEABODY LLP
FOR BOND COUNSEL SERVICES

THIS AGREEMENT, ("Agreement"), made and entered into in duplicate on this 31st day of March, 2011, by and between JEA, located at 21 West Church Street, Jacksonville, Florida, 32202-3139, and Nixon Peabody, LLP, (hereinafter called "CONSULTANT", which term shall mean and include the successors of the CONSULTANT, wherever the context so requires or admits).

WITNESSETH:

WHEREAS, JEA advertised Request For Proposals for Bond Counsel (JEA RFP JPS-021-11), and desires to engage the CONSULTANT to render professional services, advice and recommendations as hereinafter set forth; and

WHEREAS, CONSULTANT submitted a proposal and has been determined as being one of the best and highest qualified proposer for Bond Counsel Services, and the parties hereto have reached an understanding with each other regarding the professional services to be performed and the compensation to be paid for such services, and desire to set forth their understanding in the form of a written agreement; now therefore

IN CONSIDERATION of the premises and mutual covenants herein contained, it is agreed as follows:

1. ENGAGEMENT OF CONSULTANT

1.1. JEA hereby engages the CONSULTANT and the CONSULTANT hereby accepts said engagement for the purpose of providing to JEA professional services (Services), as described in the RFP, and including Section C, Technical Specifications and Detailed Scope of Services attached hereto and, by the references made a part hereto or **Exhibit A**.

1.2. There will be no obligation between the CONSULTANT and JEA for performance of Services until JEA engages the CONSULTANT with a written notice to proceed which shall be in the form of a purchase order, or an executed contract.

1.3. CONSULTANT shall notify JEA, in writing, prior to CONSULTANT accepting to perform any legal service for any entity who has an interest contrary to JEA in any matter (Conflict of Interest). This notification applies to all Conflicts of Interest, possible Conflicts of Interest, and perceived Conflicts of Interest. JEA shall be the sole determiner as to whether a Conflict of Interest exists. If JEA determines that no Conflict of Interest exists, it will issue CONSULTANT a written waiver. Should

JEA determine that a Conflict of Interest exists, CONSULTANT shall either not perform the subject services or not perform the Services pursuant to this Agreement until such time as the Conflict of Interest is removed.

2. COORDINATION AND SERVICES PROVIDED BY JEA

2.1. JEA shall designate, for the Services received, a Project Representative who will, on behalf of JEA, coordinate with the CONSULTANT and administer this Agreement. It shall be the responsibility of the CONSULTANT to coordinate all assignment related activities with the designated Project Representative. The Project Representative will be assigned to perform day-to-day administration and liaison functions, and to make available to the CONSULTANT appropriate personnel, to the extent practical, and to furnish records and available data necessary to conduct the Services. The Project Representative will also authorize the CONSULTANT to perform work under this Agreement.

2.2. For the purposes of this Agreement, the Project Representative is:

For JEA: Pi Tao Hsu, Manager, Capital Project Financing
E-Mail: Hsupt@jea.com

JEA
21 W. Church Street, 14th Floor
Jacksonville, FL 32202

Phone: (904) 665-4348
FAX: (904) 665-7382

For Consultant:

Elizabeth M. Columbo
Partner
Nixon Peabody, LLP
437 Madison Ave
New York, NY 10022

Phone: 212-940-3183

Fax: 866-947-2264

E-Mail: ecolumbo@nixonpeabody.com

2.3. The Project Representative may be revised by giving written notice to the other party.

3. DURATION OF AGREEMENT AND TERMINATION

3.1. This Agreement shall commence on the day and year above first written and continue and remain in full force and effect as to all its terms, conditions and provisions as set forth herein, for a period of five years, unless sooner terminated by JEA, with or without cause, by the giving of not less than thirty (30) days prior written notice to the CONSULTANT. In the event this Agreement is terminated, the CONSULTANT shall be paid for any unpaid billings for all work performed up to the

date of notice of termination, reasonable costs and fees associated with an orderly close-out of the work to the extent authorized in writing by JEA. Such authorization shall not be unreasonably withheld.

3.2. In the event JEA terminates an incomplete assignment the CONSULTANT's liability to JEA shall only apply to completed and accepted tasks. In all other respects, except as otherwise provided in ARTICLE 22 herein, upon such termination the rights and obligations of the CONSULTANT and JEA, which arise out of or in connection with the performance of this Agreement shall cease.

3.3. Any other provision in this Agreement to the contrary notwithstanding the duration of this Agreement after the initial year shall be contingent upon the existence of lawfully appropriated funds for each subsequent year of the term.

4. RENEWAL OPTIONS

4.1. Following the completion of the initial term of this Agreement, JEA, in its sole discretion, may renew this Agreement for up to five (5) additional one year periods, upon terms to be agreed by the parties.

5. MEETINGS AND PUBLIC HEARINGS

5.1. The CONSULTANT will, upon request by JEA, attend all meetings and public hearings as required, in any capacity, as directed by JEA.

6. DELAYS

6.1. Neither party shall be considered in default in the performance of its obligations hereunder to the extent that the performance of such obligation is prevented or delayed by any cause beyond the reasonable control of the affected party, and the time for performance of either party hereunder shall in such event be extended for a period equal to any time lost due to such prevention or delay.

7. SUSPENSION OF SERVICES

7.1. JEA may suspend the performance of the Services rendered by providing CONSULTANT with five (5) days written notice of such suspension. Schedules for performance of the Services shall be amended by mutual agreement to reflect such suspension. In the event of suspension of Services, the CONSULTANT shall resume the full performance of the Services when directed in writing to do so by JEA. Suspension of Services for reasons other than the CONSULTANT's negligence or failure to perform, shall not affect the CONSULTANT's compensation as outlined in this Agreement.

8. PAYMENTS

8.1. JEA will reimburse the CONSULTANT for the Services rendered hereunder in accordance with the following terms and in accordance with the Proposal from

CONSULTANT, including specifically the Quotation of Fees set forth in **Exhibit B**, including Forms A & B, and the clarifications requested. All Fees shall be in accordance with **Exhibit B**.

- 8.2. In consideration of the services to be performed by the CONSULTANT hereunder, JEA shall pay monthly for Services rendered and invoiced.
- 8.3. CONSULTANT understands and agrees that timely completion of transcripts is important, and agrees that an amount of \$10,000 from the bond issue closing proceeds due to CONSULTANT for each bond closing relating to preparation and delivery of each such transcript shall be held in retainage and paid following receipt of the transcript. It is further understood and agreed that retained fees are to be paid only from proceeds of closed bond transactions. If the transcripts are not delivered within 18 months of the bond closing, the retainage is subject to forfeiture. If any transcript required pursuant to the terms of the Contract Documents is not delivered to JEA within 90 days of the respective bond closing, it shall be considered an event of default under the contract, and JEA shall be entitled to Liquidated Damages the amount of \$1,000 per day, not as a penalty, but as liquidated damages.
- 8.4. Travel, per diem and mileage will be reimbursed only to the extent allowed by the JEA Travel Policy, as set forth as an attachment to **Exhibit A**.
- 8.5. Costs of Services rendered by approved subcontractors and direct costs, if allowed, shall be reimbursed to the CONSULTANT at the CONSULTANT's actual cost, with no markup.
- 8.6. JEA shall render payment to the CONSULTANT within thirty (30) days of the date of receipt by JEA of properly itemized and documented billings.
- 8.7. The maximum indebtedness of JEA for all fees, reimbursable items or other costs, including, but not limited to travel related costs, pursuant to this Agreement shall not exceed the sum of **Two Million Six Hundred Sixty Eight Thousand** and no dollars (\$2,668,000.00) for Services rendered during the initial term of this Agreement

9. CHANGES IN SCOPE OF SERVICES

- 9.1. From time to time, JEA may direct changes and modifications in the scope of the services, as contained in RFP, **Exhibit A**, to be performed under this Agreement as may be necessary to carry out the purpose of this Agreement. The CONSULTANT is willing and agreeable to accommodate such changes, provided it is compensated for additional services in accordance with its professional fees and expenses under the terms of this Agreement. Such changes shall be in the form of a written amendment to this Agreement reflecting, as appropriate, an amendment to the Services rendered and adjustment to CONSULTANT's professional fees, including an extension to the duration of this Agreement, as well as the maximum indebtedness of JEA. Maximum indebtedness is the maximum total cost that may be paid to the CONSULTANT hereunder, including travel related costs, during the initial term of the Agreement for the Services rendered under the terms of this Agreement.

10. CHANGES IN CONSULTANT'S PROFESSIONAL PERSONNEL

10.1. Subsequent to the execution of this Agreement, the CONSULTANT shall notify the Project Representative in writing prior to making changes in professional personnel assigned, or to be assigned, as provided in the CONSULTANT's proposal to manage or perform work under this Agreement. The Project Representative shall have the right to reject any personnel assigned by the CONSULTANT to perform work under this Agreement. If the right of rejection is exercised by the Project Representative, the CONSULTANT shall submit for approval of the Project Representative, the name or names of substitute personnel to fill the positions resulting from said rejection. The Project Representative shall have the right to require the removal of the CONSULTANT's previously assigned personnel.

11. INDEMNIFICATION AND INSURANCE

11.1 CONSULTANT shall provide the Indemnification and Insurance as required in **Exhibit A**.

12. PATENTS & COPYRIGHTS

12.1. CONSULTANT shall comply with the Patent and Copyright requirements as contained in **Exhibit A**.

13. WARRANTY

13.1. In the performance of the Services under this Agreement, the CONSULTANT agrees to comply with the warranty requirements of **Exhibit A**.

14. NONWAIVER

14.1. Failure by either party to insist upon strict performance of any of the provisions of the Contract will not release either party from any of its obligations under the Contract.

15. OWNERSHIP OF DOCUMENTS AND EQUIPMENT

15.1. The CONSULTANT agrees that upon completion of the Services, all documents, official statements, including preliminary official statements, bound transcripts, drawings, designs, specifications, renderings, notebooks, tracings, photographs, reference books, equipment, expendable equipment and materials, negatives, reports, findings, recommendations, data, and any other memoranda of every description (hereinafter referred to as "Works"), arising out of or relating to the Services rendered by the CONSULTANT under this Agreement, are to become the property of JEA. CONSULTANT and JEA agree that said Works shall be considered as works made for hire under the United States Copyright laws. JEA shall have the absolute and exclusive right to own and use all said Works together with any and all copyrights, patents, trademark and service marks associated with said Works. The use of these Works in any manner by JEA shall not support any claim by the CONSULTANT for additional compensation

16. PUBLIC RECORDS AND SUNSHINE LAW

16.1. This Agreement and any related documents are considered public records under the "Public Records Law", Chapter 119, Florida Statutes, unless specifically exempted by law. Any meetings involving two or more members of JEA at which official acts are to be taken are considered public meetings under the Florida "Government in the Sunshine Law", as contained in Chapter 286, Florida Statutes.

17. NON-DISCRIMINATION PROVISIONS

17.1. CONSULTANT shall comply with the non-discrimination provisions as contained in **Exhibit A.**

18. VALUE ENGINEERING

18.1. During the term of the Agreement, JEA and CONSULTANT are encouraged to identify ways to reduce the total cost to JEA of the supplies or services provided by the CONSULTANT. JEA and CONSULTANT may negotiate Amendments to the Agreement that support and allow such reductions in total costs including, but not limited to, the sharing of savings resulting from implementation of cost-reducing initiatives between JEA and CONSULTANT.

19. JACKSONVILLE SMALL AND EMERGING BUSINESS PROGRAM (JSEB)

19.1. CONSULTANT agrees to comply with the JSEB program requirements contained in **Exhibit A.**

20. AUDIT

20.1. The CONSULTANT's correspondence, records, vouchers and books of account, insofar as work done or money expended under this Agreement are concerned, shall be open to JEA's inspection and audit during the CONSULTANT's regular business hours during the course of the work and for a period of two years after completion of the Services. JEA shall give CONSULTANT ten days written notice prior to audit or inspection.

21. APPLICABLE STATE LAW; VENUE; SEVERABILITY

21.1. The rights, obligations and remedies of the Parties as specified under the Contract will be interpreted and governed in all respects by the laws of the State of Florida. Should any provision of the Contract be determined by the courts to be illegal or in conflict with any law of the State of Florida, the validity of the remaining provisions will not be impaired. Litigation involving this Agreement or any provision thereof shall take place in the State or Federal Courts located in Jacksonville, Duval County, Florida.

22. HEADINGS

22.1. Headings appearing herein are inserted for convenience or reference only and shall in no way be construed to be interpretations of text.

23. ORDER OF PRECEDENCE

23.1 The order of precedence shall be as set forth in **Exhibit A.**

24. NEGOTIATED AGREEMENT

24.1. Except as otherwise expressly provided, all provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties, their legal representatives, successors and assigns. The parties agree that they have had meaningful discussion and negotiation of the provisions, terms and conditions contained in this Agreement. Therefore, doubtful or ambiguous provisions, if any, contained in the Agreement shall not be construed against the party who physically prepared this Agreement. The rule commonly referred to as Fortius Contra Proferentum shall not be applied to this Agreement or any interpretation thereof.

25. ENTIRE AGREEMENT

25.1. This Agreement constitutes the entire agreement between the parties hereto for the Services to be performed and furnished by the CONSULTANT hereunder. No statement, representation, writing, understanding, or agreement made by either party, or any representative of either party, which are not expressed herein shall be binding. All changes to, additions to, modifications of, or amendment to this Agreement, or any of the terms, provisions and conditions hereof, shall be binding only when in writing and signed by the authorized officer, agent or representative of each of the parties hereto.

*Remainder of Page Intentionally Left Blank
Signature Page Follows*

IN WITNESS WHEREOF, the parties hereto have duly executed this contract, in duplicate, the date and year first above written.

ATTEST:

Cathy Barnwell

JEA

By 
James A. Dickenson
Managing Director/CEO

ATTEST:


Signature

MICHAEL VACCARI
Print or Type Name

PARTNER
Title

Nixon Peabody, LLP

By 
Signature

Elizabeth M. Columbo
Print or Type Name

Partner
Title

Form Approved:


Office of General Counsel

EXHIBIT A

RFP FOR BOND COUNSEL SERVICES

JPS-021-11



Building Community

Procurement Department Bid Section
Tower Lobby, Suite 103
21 W. Church Street
Jacksonville, Florida 32202

November 3, 2010

ADDENDUM NUMBER One (1)

TITLE: Bond Counsel Services

JEA IFB NUMBER JPS-021-11

BID DUE DATE: November 23, 2010

TIME OF RECEIPT: 12:00 PM

TIME OF OPENING: 2:00 PM

THIS ADDENDUM IS FOR THE PURPOSE OF MAKING THE FOLLOWING
CHANGES/CLARIFICATIONS:

Any changes to the items listed in this addendum supersede the RFP and Power Point presentation attached.

1.

1. SECTION A: SOLICITATION, Item 4.5. SUBCONTRACTORS: Replace with the following:

Prior to using a Subcontractor, the Bidder shall provide the names of the attorneys and firms, along with the area in which the firm will subcontract, to JEA for written approval. Notwithstanding the foregoing, Bidder must be capable of performing 90% of Work in-house.

2. SECTION A: SOLICITATION, Item 2.1 MINIMUM QUALIFICATIONS FOR ELIBILITY TO BID SECTION B, replace with the following:

B. JEA seeks to award one contract in each of two categories: "National" firms and "Florida/Local" firms. Bidders will self-select under which categories their submission shall be considered. Bidders may submit applications for consideration under either or both categories. In the event that, based on final scores, a single Bidder is the prevailing respondent in both the "National" and "Florida/Local" categories, that Bidder shall be awarded the "National" category only. No single firm will be awarded contracts in both categories. In

addition to the minimum qualifications required of all Bidders above, the following minimum requirements will be required for each category:

1. National firms:

The Bidder must either

a. Maintain offices located outside the state of Florida staffed by attorneys practicing in the field of public finance who are listed in the Spring 2010 edition of the *Bond Buyer's Municipal Marketplace* and has represented issuers in the five years preceding September 30, 2010, in at least ten states, including Washington, DC.

OR

b. Maintain offices outside the state of Florida listed in the Spring 2010 edition of the *Bond Buyer's Municipal Marketplace* in five states including the District of Columbia.

2. Florida/Local firms:

a. The Bidder must have at least one office operating in the state of Florida and be listed in the Spring 2010 edition of the *Bond Buyer's Municipal Marketplace*. A Florida/Local firm shall have at least one (1) attorney licensed in Florida.

b. The Bidder must provide references for two active clients who are either (1) a state or local government entity in Florida and/or (2) a Florida tax exempt utility.

c. The Bidder must show expertise in Florida law, and show expertise in the application of local ordinance codes and Charters relating to the issuance of tax exempt debt. In the certifying letter, please provide information on at least two (2) transactions which demonstrate experience in Florida Law and Local Laws and Charters. At a minimum include issuer Name, size of transaction, and a brief detail of Florida Law Charter or Local Law issue addressed.

3. **SECTION A: SOLICITATION, Item 1.6 QUESTIONS, add Helen Kehrt as a contact.**
KEHRHM@jea.com.

Copy Helen Kehrt in addition to Renee' McQuaig and Pi T. Hsu when submitting questions.

4. **CLARIFICATION: The List of JSEB Certified Firms (if applicable) and List of Subcontractors/ (if applicable) Forms are available on JEA.com.**

5. **Replace Bond Counsel Response Forms A & B with attached in Excel & Word Formats.**

6. **The Power Point Presentation presented at Mandatory Pre-Bid Meeting on November 2, 2010 is attached.**

Acknowledge receipt of this addendum in proposal.



Building Community

Procurement Department Bid Section
Tower Lobby, Suite 103
21 W. Church Street
Jacksonville, Florida 32202

November 9, 2010

ADDENDUM NUMBER Two (2)

TITLE: Bond Counsel Services

JEA IFB NUMBER JPS-021-11

BID DUE DATE: November 23, 2010

TIME OF RECEIPT: 12:00 PM

TIME OF OPENING: 2:00 PM

THIS ADDENDUM IS FOR THE PURPOSE OF MAKING THE FOLLOWING CHANGES/CLARIFICATIONS:

Any changes to the items listed in this addendum supersede the RFP and Power Point presentation attached.

1. SECTION B: TERMS & CONDITIONS, Item 15.3 INDEMNIFICATION: Replace with the following:

COMPANY agrees to indemnify, defend and hold harmless JEA and Florida Power & Light Company (hereinafter referred to as FPL), including their governing boards, officers, employees, agents, successors and assigns, from loss or damages occurring as a result of a breach of any duty owed by the COMPANY, which is attributed to the COMPANY's actual or alleged act, failure to act, error or omission whether of acts, facts, law or otherwise (including, without limitation, negligence, malpractice, breach of fiduciary duty, inducement of breach of contract, false arrest, detention or imprisonment, wrongful entry or eviction or other invasion of private occupancy, malicious prosecution, libel or slander, intentional infliction of emotional distress, abuse of process, or violation of right of privacy, arising out of professional conduct). This indemnification does not indemnify JEA and FPL for consequential damages. FPL has been included with JEA as co-owner for their St. Johns River Power Park Facility.

Acknowledge receipt of this addendum in proposal.

Procurement Department Bid Section
Tower Lobby, Suite 103
21 W. Church Street
Jacksonville, Florida 32202

November 16, 2010

ADDENDUM NUMBER Three (3)

TITLE: Bond Council Service

JEA IFB NUMBER: JPS-021-11

BID DUE DATE: November 23, 2010

TIME OF RECIEPT: 12:00 PM

TIME OF OPENING: 2:00 PM

THIS ADDENDUM IS FOR THE PURPOSE OF MAKING THE FOLLOWING CHANGES AND CLARIFICATIONS:

1. Section 2.1., A.1.d., The minimum qualification states that "the proposer confirms that the firm and the assigned attorneys are listed in the Spring 2010 edition of the Bond Buyer's Municipal Marketplace, 'The Red Book.'"

Is it permissible to alternatively use the Fall 2010 edition of the Bond Buyer's Municipal Marketplace, "The Red Book?" No.

2. Section 2.1., A.3 - A.5, The minimum qualification states that the bidder's must provide references for the following:

- Five disclosure documents that the Bidder has prepared.
- Bidder experience in negotiating liquidity documents.
- Bidder experience in acting as counsel or negotiating swap documents.

Are the references to be of the bidder's client or the issuer? The references need to be for the issuer.

Acknowledge receipt of this addendum on the Bid Form.

**SOLICITATION
FOR PARTICIPATION IN
BOND COUNSEL SERVICES**

**FOR
JEA
JACKSONVILLE, FL**

SOLICITATION NUMBER JPS-021-11

**MANDATORY PRE-BID MEETING AND TELE-CONFERENCE
PRE-BID DATE: NOVEMBER 2, 2010
PRE-BID TIME: 1:00 PM. Eastern Standard Time
PRE-BID PHONE NUMBER: 1.888.384.9090
PASSCODE FOR PRE-BID TELECONFERENCE: 428598**

BIDS ARE DUE ON NOVEMBER 23, 2010 BY 12:00 PM

**JEA WILL OPEN BIDS ON NOVEMBER 23, 2010 AT 2:00 PM
AT JEA CUSTOMER CENTER, 21 WEST CHURCH STREET, CC6 NORTH CONFERENCE
ROOM, JACKSONVILLE, FL 32202**

VERSION 10.4

TABLE OF CONTENTS

SECTION A: SOLICITATION	18
1. SCOPE, BACKGROUND & INVITATION	18
2.1. MINIMUM QUALIFICATIONS FOR ELIGIBILITY TO BID	20
2.2. BID METHODOLOGY	21
2.2.1. COMPETITIVE SEALED PROPOSALS	21
2.3. NUMBER OF CONTRACTS TO BE AWARDED.....	22
2.4. CONTRACT TERM.....	22
2.4.1. CONTRACT TERM - MULTIYEAR.....	22
2.5. BASIS OF AWARD	22
2.6. JSEB REQUIREMENTS.....	30
2.7. REQUIRED FORMS TO SUBMIT WITH BID.....	30
3. GENERAL INSTRUCTIONS TO BIDDERS	31
3.1. SUBMITTING THE BID FORM.....	31
3.2. CALCULATION OF BID PRICE	31
3.3. ESTIMATED QUANTITIES.....	31
3.4. JACKSONVILLE SMALL AND EMERGING BUSINESS (JSEB) (NOT USED).....	31
3.5. JEA PUBLICATIONS	31
3.6. CONFLICT OF INTEREST	31
3.7. ETHICS	31
3.8. EX PARTE COMMUNICATION.....	32
3.9. QUESTIONS BEFORE BIDS SUBMITTAL	32
3.10. ADDENDA	32
3.11. DEFINED TERMS	33
3.12. RESERVATIONS OF RIGHTS TO JEA	33
3.13. MODIFICATION OR WITHDRAWAL OF BIDS	33
3.14. CERTIFICATION AND REPRESENTATIONS OF THE BIDDER.....	33
3.15. OPENING OF BIDS	34
3.16. MATHEMATICAL ERRORS.....	34
3.17. AVAILABILITY OF BIDS AFTER BID OPENING.....	34
3.18. PROHIBITION AGAINST CONTINGENT FEES	34
3.19. PROTEST OF BIDDING AND AWARD PROCESS.....	34
3.20. CONTRACT EXECUTION AND START OF WORK.....	35
4. COMPLETING THE BID DOCUMENTS	35
4.1. COMPLETING THE BID DOCUMENT	35
4.2. NOT USED.....	35
4.3. SAMPLE CONTRACT DOCUMENTS & FORMS	35
4.4. NOT USED.....	35
4.5. SUBCONTRACTORS.....	35
4.6. THIRD PARTY AGREEMENT REQUESTS	35
4.7. UNABLE TO SUBMIT A BID FORM	35
SECTION B: TERMS AND CONDITIONS	24
1.1. DEFINITIONS.....	37
1.1.1. DEFINITIONS.....	37
1.1.2. ACCEPTANCE	37
1.1.3. ADDENDUM/ADDENDA	37
1.1.4. ANNIVERSARY DATE	37
1.1.5. AWARD.....	37
1.1.6. BID DOCUMENT	37
1.1.7. BID OR PROPOSAL	37
1.1.8. BID PRICE	37
1.1.9. BID SECTION	37
1.1.10. BIDDER OR PROPOSER.....	38

1.1.11. CHANGE ORDER.....	38
1.1.12. COMPANY.....	38
1.1.13. COMPANY REPRESENTATIVE.....	38
1.1.14. COMPANY SUPERVISOR.....	38
1.1.15. CONTRACT.....	38
1.1.16. CONTRACT ADMINISTRATOR.....	38
1.1.17. CONTRACT DOCUMENTS.....	38
1.1.18. CONTRACT PRICE.....	38
1.1.19. CONTRACT TIME.....	38
1.1.20. DEFECT.....	38
1.1.21. FINAL COMPLETION.....	39
1.1.22. HOLIDAYS.....	39
1.1.23. INVOICE.....	39
1.1.24. JEA.....	39
1.1.25. JEA REPRESENTATIVES.....	39
1.1.26. PERFORMANCE - ACCEPTABLE PERFORMANCE/PERFORMER.....	39
1.1.27. PERFORMANCE - TOP PERFORMANCE/PERFORMER.....	39
1.1.28. PERFORMANCE - UNACCEPTABLE PERFORMANCE/PERFORMER.....	39
1.1.29. PURCHASE ORDER (PO).....	39
1.1.30. QUALITY ASSURANCE.....	39
1.1.31. QUALITY CONTROL.....	39
1.1.32. SOLICITATION.....	40
1.1.33. SUBCONTRACTOR.....	40
1.1.35. TASK ORDER.....	40
1.1.36. UNIT PRICES.....	40
1.1.37. WORK OR SCOPE OF SERVICES.....	40
2. CONTRACT DOCUMENTS.....	40
2.1. ORDER OF PRECEDENCE.....	40
3. INSURANCE, INDEMNITY & RISK OF LOSS.....	41
3.1. INSURANCE REQUIREMENTS.....	41
3.3. RISKS AND PROPERTY.....	41
4. PRICE & PAYMENTS.....	41
4.1. INVOICING AND PAYMENT TERMS.....	41
4.2. JACKSONVILLE SMALL AND EMERGING BUSINESS (JSEB)- INVOICING AND PAYMENT.....	41
4.3. OFFSETS.....	41
4.5. TRUTH IN NEGOTIATION CERTIFICATE.....	42
4.6. TAXES.....	42
5. TERM & TERMINATION.....	42
5.1. TERM OF CONTRACT.....	42
5.2. TERMINATION FOR CONVENIENCE.....	42
5.3. TERMINATION FOR DEFAULT.....	42
6. CONFIDENTIALITY & OWNERSHIP OF DOCUMENTATION.....	43
6.1. CONFIDENTIALITY AND PUBLIC RECORD LAWS.....	43
6.2. PUBLICITY AND ADVERTISING.....	44
6.4. OWNERSHIP OF DOCUMENTS AND EQUIPMENT.....	44
6.5. INTELLECTUAL PROPERTY.....	45
6.6. WORK MADE FOR HIRE.....	45
6.7. PROPRIETARY INFORMATION.....	46
7. JSEB COMPLIANCE.....	46
7.1. COMPLIANCE WITH JACKSONVILLE SMALL AND EMERGING BUSINESS (JSEB) REQUIREMENTS.....	46
8. PERFORMANCE.....	47
8.1. COMPANY'S KNOWLEDGE OF THE WORK.....	47
8.2. COMPANY REVIEW OF PROJECT REQUIREMENTS.....	47
8.3. COORDINATION OF SERVICES PROVIDED BY JEA.....	47
8.4. COMPANY REPRESENTATIVES.....	47

8.5.	COMPATIBILITY OF PRODUCTS	47
8.6.	COMPLETION OF WORK (PO)	47
8.7.	LICENSES	48
8.8.	SAFETY AND PROTECTION PRECAUTIONS	48
8.9.	VENDOR PERFORMANCE EVALUATION	48
9.	JEA FURNISHED ITEMS	49
9.1.	CONDITIONS OF PROVISIONING	49
10.	CHANGES TO WORK.....	50
10.1.	CHANGE IN SCOPE OF SERVICES	50
10.2.	DELAYS	50
10.3.	SUSPENSION OF SERVICES	50
10.4.	AMENDMENTS.....	50
10.5.	FORCE MAJEURE	50
11.	LABOR.....	51
11.1.	PERSONNEL & CHANGES IN COMPANY'S PROFESSIONAL PERSONNEL.....	51
11.2.	COMPANY'S LABOR RELATIONS	51
11.3.	NONDISCRIMINATION	51
12.	AUDIT	52
12.1.	RIGHT TO AUDIT AND FINANCIAL REPORTING	52
13.	REPRESENTATIONS & WARRANTIES	52
13.1.	WARRANTY	52
13.2.	PERFORMANCE OF THE WORK	52
14.	MISCELLANEOUS PROVISIONS.....	53
14.1.	AMBIGUOUS CONTRACT PROVISIONS	53
14.2.	CHOICE OF LAW	53
14.3.	PROHIBITION AGAINST CONTINGENT FEES	53
14.4.	CUMULATIVE REMEDIES	53
14.5.	EXPANDED DEFINITIONS	53
14.6.	NEGOTIATED AGREEMENT.....	53
14.7.	SURVIVAL	54
14.8.	ENTIRE AGREEMENT	54
14.10.	HEADINGS	54
14.11.	LANGUAGE AND MEASUREMENTS	54
14.12.	NONEXCLUSIVE	54
14.13.	REFERENCES.....	54
14.14.	SEVERABILITY	54
14.15.	MEETINGS AND PUBLIC HEARINGS	54
14.16.	SUBCONTRACTING OR ASSIGNING OF CONTRACT	54
14.17.	TIME AND DATE	55
14.18.	TIME OF ESSENCE	55
14.19.	WAIVER OF CLAIMS	55
15.1.	REQUIRED INSURANCE.....	55
15.2.	PAYMENT METHOD	57
15.3.	TERM	57
15.3.1.	TERM OF CONTRACT – DEFINED DATES.....	57
15.4.	WARRANTY	57
15.6.	PRICE ADJUSTMENT - ANNUAL	58
15.7.	WORK SCHEDULES NOT USED.....	58
	SECTION D: FORMS	63

SECTION A: SOLICITATION

1. SCOPE, BACKGROUND & INVITATION

1.1. SCOPE OF WORK

JEA is requesting proposals from qualified law firms interested in providing bond counsel and related legal services to JEA in connection with its outstanding and future issuance of indebtedness and other obligations as well as ongoing legal counsel with respect to various financing matters of JEA. JEA intends to select two firms as Bond Counsel. One will be selected as a "National" firm and one firm as a "Florida/Local" firm. Minimum qualifications for each category are noted in the Minimum Qualifications section. Refer to Section C: Technical Specification/Detailed Scope of Work for a detailed description of services covered under this Solicitation.

1.2. BACKGROUND

The JEA electric system currently serves more than 418,000 customers in Jacksonville and parts of three adjacent counties. JEA's water system serves more than 306,000 water customers and 231,000 sewer customers, or more than 80 percent of all water and sewer utility customers in our service area. JEA service area consists of Duval County and parts of St. Johns, Nassau and Clay counties.

1.3. INVITATION

You are invited to bid on the Solicitation noted below:

Bid Title: Bond Counsel Services
JEA Solicitation Number: JPS-021-11

To obtain more information about this Solicitation:

- Download a copy of the Solicitation and any required forms at JEA.com.

Bid Due Time: 12:00 P.M. - ALL LATE BIDS WILL BE RETURNED UNOPENED

Bid Due Date: 11/23/2010

Completed Bids

All Bids must reference the Bid Title and JEA Solicitation Number noted above. All Bids must be made on the appropriate Bid forms as specified within the Solicitation and placed in an envelope marked to identify the Bid and delivered or mailed to: JEA Procurement, Bid Section, 21 West Church Street, JEA Tower Suite 103, Jacksonville, FL 32202. The Bidder shall be solely responsible for delivery of its Bid. Reliance upon mail or public carriers is at the Bidder's risk. Bids are due by the time and on the date listed above. **ALL LATE BIDS WILL BE RETURNED UNOPENED.**

1.4. BID OPENING

All Bids shall be publicly opened, read aloud and recorded at 2:00 PM on 11/23/2010 in the 6th Floor, North Conference Room, JEA Customer Center, 21 W. Church Street, Jacksonville, FL 32202.

1.5. PRE-BID MEETING IN PERSON OR BY TELECONFERENCE

The Pre-Bid Meeting is Mandatory. All interested Bidders must attend or call in to this meeting. Bidders not attending/calling into the Pre-Bid meeting will have their bids returned unopened. Bidders must be present either in person or by call-in at the start of the meeting. Roll call will be held promptly at the start of the meeting; as such, bidders should dial in five minutes prior to the start of the call.

**Pre-Bid Meeting Time: 1:00 PM (EST)
Pre-Bid Meeting Date: NOVEMBER 2, 2010
PRE-BID PHONE NUMBER: 1.888.384.9090**

PASSCODE FOR PRE-BID TELECONFERENCE: 428598

Pre-Bid Location: JEA Customer Center, 21 West Church Street, CC6 North Conference Room, Jacksonville, FL 32202

PLEASE BE AWARE, JEA RECENTLY REVISED ITS SECURITY PROCEDURES WHICH MAY TAKE AT LEAST FIFTEEN (15) MINUTES TO OBTAIN ACCESS TO A JEA FACILITY. PLEASE PLAN ACCORDINGLY, IF ATTENDING THE MEETING IN PERSON, SO AS TO ARRIVE TO THE PRE-BID MEETING ON TIME.

1.6.

For Procurement Related Questions:

Buyer: Renee' McQuaig

Email: MCQULR@jea.com

QUESTIONS

For Technical Questions:

Contact: Pi T. Hsu

E-mail: HSUPT@jea.com

2. SPECIAL INSTRUCTIONS TO BIDDERS

2.1. MINIMUM QUALIFICATIONS FOR ELIGIBILITY TO BID

A. Minimum Qualifications for all Proposers:

1. The Bidder shall provide a letter, signed by an authorized representative of the firm, certifying and answering the following questions and providing the required information. Failure to provide this letter, or failure to provide all information requested shall result in the disqualification of the Bid. Please note that numbers 3,4 & 5 herein require the submission of references. Please make sure the contact information provided for the references is complete and up to date. Inability to contact a reference to confirm the requirements of the Minimum Qualifications shall result in disqualification of the Bid. The Certification Letter shall contain the Certification language provided in Paragraph C herein, and acknowledge the receipt of any Addenda to this RFP.
 - a. The Bidder shall have at least five (5) years experience performing public finance Bond Counsel services immediately preceding September 30, 2010.
 - b. That the Bidder employs a minimum of three practicing attorneys who practice at least 50% of their time in the area of public finance.
 - c. Confirm that all assigned attorneys are licensed to practice law in at least one state, and in good standing in that state.
 - d. Confirm that the firm and the assigned attorneys are listed in the Spring 2010 edition of the *Bond Buyer's Municipal Marketplace*, "The Red Book".
 - e. The letter should include all information required in Minimum Qualifications, Paragraph B below regarding the Bidder's qualifications to be considered as a National and/or Local Firm.
2. The Bidder's must provide examples of five (5) bond issues for tax exempt electric, water, or sewer utilities, of which at least one issue shall have been for a tax exempt electric utility and at least one issue shall have been for a tax exempt water utility or a tax exempt sewer utility or a combined water/sewer utility within the five year period ending September 30, 2010 in which your firm served as bond counsel. Multiple bond issues closing on the same day for the same system shall be considered one deal, except where there are different types of bonds within the deal (e.g. taxable BABs with tax exempt bonds). The cover page of the Official Statement may be provided as an example of the bond issuance.
3. The Bidders must demonstrate that they have substantially participated in the preparation of five (5) bond disclosure documents within the five year period ending September 30, 2010 by providing information, including references for the 5 projects within the five year period ending September 30, 2010.
4. Bidder must demonstrate experience in negotiating liquidity documents so as to provide credit enhancements and liquidity support for variable rate demand obligations (VRDOs) and/or short term variable rate debt instruments by providing information, including references for at least 3 such projects within the five (5) year period ending September 30, 2010.
5. Bidder and the assigned attorneys must demonstrate that they have experience acting as counsel to an issuer on an interest rate swap transaction and in negotiating the swap documents by providing information, including references for at least 3 such projects within the five (5) year period ending September 30, 2010.

- B. JEA seeks to award one contract in each of two categories: "National" firms and "Florida/Local" firms. Bidders will self-select under which categories their submission shall be considered. Bidders may submit applications for consideration under either or both categories. In the event that, based on final scores, a single Bidder is the prevailing respondent in both the "National" and "Florida/Local" categories, that Bidder shall be awarded the "National" category only. No single firm will be awarded**

contracts in both categories. In addition to the minimum qualifications required of all Bidders above, the following minimum requirements will be required for each category:

7. National firms:

The Bidder must either

- c. Maintain offices located outside the state of Florida staffed by attorneys practicing in the field of public finance who are listed in the Spring 2010 edition of the *Bond Buyer's Municipal Marketplace* and provide a listing of current public finance clients, as of September 30, 2010, in at least ten states, including Washington, DC.

OR

- d. Maintain offices outside the state of Florida listed in the Spring 2010 edition of the *Bond Buyer's Municipal Marketplace* in five states including the District of Columbia.

8. Florida/Local firms:

- d. The Bidder must have at least one office operating in the state of Florida and be listed in the Spring 2010 edition of the *Bond Buyer's Municipal Marketplace*. A Florida/Local firm shall have at least one (1) attorney licensed in Florida.
- e. The Bidder must provide references for two active clients who are either (1) a state or local government entity in Florida and/or (2) a Florida tax exempt utility.
- f. The Bidder must show expertise in Florida law, and show expertise in the application of local ordinance codes and Charters relating to the issuance of tax exempt debt. In the certifying letter, please provide information on at least two (2) transactions which demonstrate experience in Florida Law and Local Laws and Charters.

C. Certification for Letter and Acknowledgement of Addenda

The following should be included in the Certification letter provided with the information on Minimum Qualifications:

Bidder's Certification

By submitting this Bid, the Bidder certifies that the Bidder has read and reviewed all of the documents pertaining to this solicitation, that the person signing below is an authorized representative of the Bidder, and that the information provided herein is true and correct.

We have received Addenda _____ through _____.

Signature:
Print Name:
Title:

2.2. BID METHODOLOGY

2.2.1. COMPETITIVE SEALED PROPOSALS

JEA will not Award this Contract on a price only basis, but will Award based on an evaluation of how well each Bidder meets the evaluation criteria listed herein. Price will never be weighted less than the highest non-price factor.

JEA will use the evaluation criteria listed in the Section 2.5 entitled "Basis of Award" to evaluate the information contained in the Bid Documents submitted by each Bidder. Therefore, it is in the best interest of Bidders to provide informative, concise, well-organized technical and business information relative to the Work.

In the event of a tie score, the firm with the lowest fee shall prevail.

2.3. NUMBER OF CONTRACTS TO BE AWARDED

JEA intends to Award two (2) Contracts for this Work. JEA reserves the right to Award more than two Contracts, based on certain groupings of items, which JEA may revise or reorganize, or JEA may exclude line items if in its best interest.

2.4. CONTRACT TERM

2.4.1. CONTRACT TERM - MULTIYEAR

The Contract Term is anticipated to be: five (5) years with five (5) optional one (1) year renewals.

2.5. BASIS OF AWARD

2.5.1. EVALUATED BID

The selection process will be administered in accordance with Section 5-309 and Section 3-204 (Competitive Sealed Proposals) of JEA's Purchasing Code for Bond Counsel and Related Legal Services, and Section 126.310 of the Ordinance Code of the City of Jacksonville. JEA staff will evaluate the proposals and recommend a short-list of firms in each category and may schedule interviews and/or presentations with short-listed proposers. At the conclusion of the initial evaluation process and after completing all interviews and/or presentations, if held, a ranking of short-list firms will be then determined and submitted to the City of Jacksonville Office of General Counsel (OGC) for approval before the final approval by the Awards Committee and the JEA Board, as required by Ordinance Code section 126.310. After approval by the General Counsel and the JEA Board, negotiations with the first ranked firm in each category will be initiated. If those negotiations are unsuccessful, JEA Treasury staff will then open negotiations with the next ranked firms, until successful completion of negotiations and execution of a contract.

JEA seeks to award one contract in each of two categories: "National" firms and "Florida/Local" firms. Bidders will self-select under which categories their submission shall be considered. Bidders may submit applications for consideration under either or both categories. In the event that, based on final scores, a single Bidder is the prevailing respondent in both the "National" and "Florida/Local" categories, that Bidder shall be awarded the "National" category only. No single firm will be awarded contracts in both categories.

Selection Criteria:

1. Quotation of Fees

Application of Criterion:

The application of this criterion shall include an assessment of the level of compensation that will be required by the Bidder for the performance of the required services. Qualities and indicators that will receive consideration generally include the level of detail provided in how the Bidder's fee and charge information has been determined, the completeness of forms provided, the proposed cost to complete the services as described by the Scope of Services as detailed in the Bidder's proposal, the degree of the Bidder's willingness to negotiate fees, and any indications of the Bidder as to special pricing considerations such as limitations on overhead costs, expressions to fix prices for a defined period of time, and willingness to work within a "cap", etc. Travel related costs will be reimbursed pursuant to JEA's travel rules, which are included in Section D, JEA Procurement Services Procedure: Travel Approval and Expense Reimbursement (Contractor).

Required Information:

Bidder shall complete Form A, Quotation of Fees/Rates Summary for the following information below. Legal fees may also be expressed in terms of minimum/maximum fee per bond issue.

1. Debt issuances related fees:
 - a. Fee per \$1,000 of fixed rate new money bonds, fee per \$1,000 of fixed rate refunding bonds, and fee per \$1,000 of new money Variable Rate Demand Obligation Bonds (VRDO) and/or Tax Exempt Commercial Paper (TECP) and fee per \$1,000 for refunding VRDOs and/or TECP.

Specify fee per \$1,000 of bonds charged for bond resolution related work included in the above quoted fees.
 - b. Quote the maximum (cap) and minimum fee charged per bond transaction which shall be applicable to the total bonds of a single system issued pursuant to the transaction described in a single Official Statement or Offering Memorandum, and issued and closed on a single day, irrespective of whether there are two or more series of bonds or split between a senior and subordinated structure.

Quote the applicable fee per each debt type listed in (a) above. The fees represent services outlined in Section C: Technical Specifications/Detailed Scope of Work-A.1-13.
2. Hourly fee for assigned all attorneys, for project related work other than a financing as listed above if authorized by JEA. Refer to Proposed Assigned Staff section for a description of attorney designations. For the purposes of fees quoted in this section indicate which proposed assigned attorney shall be the "primary" attorney (whether a Bidder shareholder, partner or other) and which proposed assigned attorney shall be the "secondary" attorney (whether associate; staff; special, e.g., tax, regulatory compliance, etc.; subcontracted or other) and other attorneys. Fees will be evaluated on the basis of the hourly rates for the primary attorney and for the secondary attorney for the categories of work indicated on Section D, Response Form B, Quotation of Forecasted Fees. Billable hours for special projects do not include travel time. These fees represent services outlined in Section C: Technical Specifications/Detailed Scope of work—B.1-20.
 - a. Quote hourly fees for all attorneys assigned to JEA designating the "primary", the "secondary" and all others.
 - b. Quote maximum fees per transaction for:
 - i. Liquidity substitution
 - ii. Liquidity amendment
 - iii. Annual Disclosure Report preparation
 - iv. Delegation resolution preparation and drafting
 - c. As Bond Counsel: include a maximum annual fee for reviewing and commenting on (not drafting) delegation resolutions for debt issuances within each fiscal year for all JEA systems.
 - d. As Bond Counsel: include a maximum annual fee for reviewing and commenting on (not drafting) JEA's Annual Disclosure Report.
3. State your proposed fee estimate for serving as Bond Counsel for JEA assuming the **forecasted situations** listed in Section D, Response Form B, Quotation of Forecasted Fees, over the five year term of the contract. Use the Section D, Response Form B, Quotation of Forecasted Fees format, to illustrate application of your fee structure.
4. JEA allows for a CPI adjustment in contracts after the first year of the contract, in accordance with paragraph 15.6 of the General Conditions. For each year of the remaining four (4) years of the contract, please indicate if you will or will not require a CPI Adjustment. JEA uses the annual CPI-U for calculating all CPI contractual adjustments. This information will be used to calculate the total fees for evaluation purposes. The annual CPI rate to be used shall be 1.1% whenever a

CPI inflation factor is used in calculating quoted fees for the forecasted situations in Response Form B. CPI adjustments will only be for hourly rates and for the per bond costs, but will not affect the minimum-maximum amounts.

5. Please provide any methods of compensation your firm may have employed in the past with other similar public issuers, or would be willing to employ in the future, which would be cost-effective for small and frequent issuers (transaction size under \$50 million).
6. Are there other fees or costs not included in the preceding items that Bidder anticipates charging or passing along to JEA? Please state the nature, basis and estimated amounts of such items, if any.
7. JEA prepares a delegated bond authorization on at least an annual basis, and pays on an hourly basis for work incurred in the preparation of the delegated bond authorization. Will your firm be willing to negotiate an offset of fees (full or partial) for authorization resolution work against a bond financing executed for an issuance authorized under the delegation authorization? Please indicate yes or no, and whether full or partial offset will be allowed.

NOTE: JEA will reimburse for "Out-of-Pocket" Expenses to be incurred each year during the term of the contract. Travel, per diem and mileage reimbursements will be reimbursed only to the extent provided by JEA Travel Rules included in Section D, with no markup.

2. Financial Assessment

Application of Criterion:

The application of this criterion shall include an assessment of the financial status of the respondent and its ability to devote the necessary financial resources to the services required.

Required Information:

Unless otherwise noted, please provide information for the five (5) year period ended September 30, 2010.

1. Provide a brief description of your firm including history, number of years in existence, ownership, and affiliated companies and relationships. Indicate your firm's commitment to the municipal bond business and a discussion of the specific expertise and services that distinguish your firm. Include the address and contact information for the principal office and satellite offices.
2. Describe any recent (during the two year period ended September 30, 2010) or announced downsizing, mergers, or acquisitions pertaining to your firm, and any departures of principal partners, investors or shareholders.
3. Describe fully any actual or potential conflicts of interest which might arise in connection with your firm's involvement with JEA. If conflicts do or might exist, describe how your firm would resolve them. Please note that JEA has a specific conflict provision in the JEA Charter, which is Article 21 of Part A of the City of Jacksonville Charter, specifically, section 21.09(b).
4. Identify any litigation or administrative proceedings to which you were a party that might adversely affect your ability to serve as a Bond Counsel to JEA, or materially adversely affect the financial condition of your firm. If any such condition exists, or existed in the time period specified, discuss the outcome and to what extent this could impair the level of service of the firm.
5. Please provide a recent credit rating and/or credit history report for your firm.
6. Has the firm or any of the partners declared bankruptcy, or has the firm or any of the partners caused the declaration of bankruptcy?

3. Proposed Assigned Staff

Application of Criterion:

The application of this criterion shall include an assessment of the general capabilities of the individuals to be assigned to perform the services for JEA. Qualities and indicators that will receive consideration generally include the various professional and technical aspects of proposed assigned staff; the size, facilities, equipment, diversification, depth of personnel, and overall experience of the Bidder; the applicable experience of the proposed assigned staff, and the specific experience gained on similar services.

Required Information:

Experience and Past Performance – Assigned Attorneys

Unless otherwise noted, please provide information for the five (5) year period ended September 30, 2010.

1. Provide names of all attorneys assigned to the JEA account.

For items #2 through #11, provide the following information for the of three main proposed team members assigned to the JEA project. For the purposes of this section indicate one proposed assigned attorney who shall function as the "primary" attorney (whether a Bidder shareholder, partner or other) and the proposed assigned attorney who shall function as the "secondary" attorney and another attorney who may be part of the proposed team (whether associate; staff; special, e.g., tax, regulatory compliance, etc.; subcontracted or other.). A minimum of two (2) attorneys, a primary and a secondary, should be submitted. Resumes or curriculum vitae may be submitted if all requested information is included.

2. General background
3. Assignment designation (e.g., tax, disclosure, etc.)
4. Years of experience in municipal finance
5. Years of experience in public utility finance
6. For the three (3) years ended September 30, 2010, provide for each assigned attorney a listing of bond issues specified and grouped by:
 - a. federally taxable Build America Bonds financings,
 - b. tax exempt variable rate financings,
 - c. public power fixed rate tax exempt financings, and
 - d. public water and sewer fixed rate tax exempt financings

For each deal, state the amount, purpose of issue, issuer and state, competitive or negotiated, and role in the financing (i.e., bond counsel, underwriters counsel or tax counsel). Limit responses to deal sizes of \$25 million or greater. Multiple bond issues closing on the same day for the same system shall be considered one deal, except where there are different types of bonds within the deal (e.g., taxable BABs with tax exempt bonds).

7. Indicate, as a percentage of the total, how much time each assigned attorney will be available to devote to JEA projects.
8. Describe involvement of the assigned attorneys with complex or unusual legal issues, which demonstrates any unique qualifications as bond counsel and/or disclosure counsel.
9. Describe the assigned attorneys' experience with interest rate swap agreement transactions or related hedging transactions of municipal issuers.
10. Describe the assigned attorneys' experience with liquidity facilities for VRDOs or other variable rate debt instruments. In addition, specify any experience with direct purchase indexed floating rate bonds.

11. Does each of the three assigned attorneys have experience in the following debt-related financing areas? Please answer Yes or No for each assigned attorney in each category listed below:
- a. SEC required disclosure requirements
 - b. Yield restrictions, arbitrage rebate issues, tax implications relating to transferred proceeds, and private use
 - c. Delegated bond resolutions and amendatory resolutions
 - d. Bond validation
 - e. Power purchase agreements
 - f. Renewable Energy Financing
 - g. Nuclear Project Financing
 - h. Natural gas prepayment financings for procuring future supplies of fuel for electric generation

4. Current and Projected Workload

Application of Criterion:

The application of this criterion shall include an assessment of the ability of the firm to devote the necessary human resources and management attention to the financings illustrated by Section D, Response Form B, Quotation of Forecasted Fees. Qualities and indicators that will receive consideration generally include the number and size of the bond issues and related financing activities presently being performed by the firm and the assigned staff; the status of existing bond issues and financing activities with respect to completion timetables; the status of personnel to be assigned to the respective transactions; the number and type of transactions that would be concurrently undertaken by the assigned staff; the past ability of the firm to deliver successfully closed financings on a timely basis; and the nature of existing transactions that are behind schedule or past the completion date.

Required Information:

1. Please provide your estimated number of days after the execution of the contract that the assigned attorneys can start devoting substantial time to JEA financing and disclosure needs.
2. Please describe your best approach and plan to shorten the learning curve during the transition from JEA's current bond counsels/disclosure counsel in a most cost effective way. Please provide your estimated time for the transition.
3. Due to JEA's "just-in-time" financing, JEA employs aggressive time tables for its transactions and may have multiple bond issues in various stages simultaneously. Discuss your firm's commitment to meeting these time tables, addressing such concerns as adequate back-ups, engagements with other clients, etc.
4. Discuss depth of back-ups within your firm to the assigned attorneys identified.
5. Briefly describe other resources, such as internal tax counsel, IT support, etc., available within your firm to assist JEA in performing the Scope of Services.

5. Past Performance/ Bidder Experience

Application of Criterion:

The application of this criterion shall include an assessment of the Bidder's specific experience in undertaking similar professional engagements. Qualities and indicators that will receive consideration generally include the number and types of projects completed by the Bidder that are similar in nature to the scope of work being required within this solicitation; the degree of similarity of the projects completed and the ability of the Bidder to bring about a successful completion of such similar projects; the number and quality of references furnished in conjunction with similar projects; and any outstanding accomplishments of the Bidder that relate to the specific scope of services being sought. JEA may contact the references provided to gauge their satisfaction with the Bidder's performance.

Required Information:

Experience and Past Performance – Firm

Unless otherwise noted, please provide information for the five (5) year period ended September 30, 2010.

1. Provide references from three clients (at least one government and at least one utility) for which your firm have provided bond counsel services within the past three years.
2. A description of the general capabilities of your firm, including information relating to total size and staffing, number of offices, number of partners and associates and clerical staff.
3. List any financings for which any proposed assigned attorney, or the firm, was or is involved as Bond Counsel or otherwise, that has been the subject of an adverse determination by or a settlement agreement with the IRS, Treasury, SEC or other regulatory bodies, and describe the results therefrom. Please advise of any other significant items regarding your firm or its partners of which JEA should be made aware.
4. List and explain any situation(s) in which your firm has been discharged for cause as Bond Counsel or otherwise.
5. Municipal finance practice
 - a. Describe your firm's general background and experience in municipal finance.
 - b. List the number of attorneys in your firm specializing in municipal finance. (State the percentage to total attorneys in your firm.)
6. Public utility finance experience. (Public utility for public power, and water and sewer)
 - a. Describe your firm's general background and experience in public utility finance.
 - b. List the number of attorneys in your firm specializing in public utility finance. (State the percentage to the total attorneys specializing in municipal finance.)
7. Describe the subject matter of private letter ruling requests to the Internal Revenue Service on behalf of any municipally owned power and water and sewer issuers that your firm has prepared.
8. For the three years ended September 30, 2010, provide a listing of bond issues specified and grouped by:
 - a. federally taxable Build America Bonds financings,
 - b. tax exempt variable rate financings,
 - c. public power fixed rate tax exempt financings, and
 - d. public water and/or sewer fixed rate tax exempt financings

For each deal, state the amount, purpose of issue, issuer and state, competitive bid or negotiated sale and role in financing (i.e., bond counsel, underwriters counsel or tax counsel). Limit responses to deal sizes of \$25 million or greater. Multiple bond series closing on the same day

for the same system shall be considered one deal, except where there are different types of bonds within the deal (e.g., taxable BABs with tax exempt bonds).

9. Please provide the number of bond issues your firm worked on during the three year period ended September 30, 2010, that were delayed. Please state the cause and opportunities to avoid similar delays to close.
10. Describe your firm's experience with interest rate swap agreement transactions of municipal issuers. Identify other derivative transactions, such as collars or swaptions that your firm has worked on.
11. Describe your firm's experience with complex liquidity facilities for VRDOs or other variable rate debt instruments. In addition, specify any experience with direct purchase indexed floating rate bonds.
12. Indicate if your firm has had experience in the following debt-related financing areas. Give one example of each, as applicable:
 - a. SEC required disclosure requirements
 - b. Yield restrictions, arbitrage rebate issues, tax implications relating to transferred proceeds, and private use
 - c. Delegated bond resolutions and amendatory resolutions
 - d. Bond validation
 - e. Power purchase agreements
 - f. Renewable Energy Bonds
 - g. Nuclear financing
 - h. Natural gas prepayment financings for procuring future supplies of fuel for electric generation
13. Describe your firm's commitment and estimated average time required to deliver bond transcripts following closing of the financing.

6. Ability to Design an Approach and Work Plan for the Scope of Services

Application of Criterion:

The application of this criterion shall include an assessment of the Bidder's ability to realize timetables, identify regulatory or legislative obstacles, discuss strategy for particular operational issues, and demonstrate general ability to bring about a successful completion of the services under the Bidder's direction.

Required Information:

1. Describe your firm's approach and detail your transition plan to quickly develop the knowledge of JEA's legal and debt structure that would be required to successfully and efficiently assume the role of JEA bond counsel.
2. Please describe your work plan as to how you would coordinate with the other bond counsel to perform duties to fulfill JEA's disclosure needs in a timely manner.
3. Describe key issues that are pertinent in negotiating credit liquidity agreements.
4. Risks Involved in Issuing BABs

JEA has several outstanding issues of Build America Bonds. Numerous articles have appeared in the Bond Buyer and other publications that have given JEA some level of concern about IRS audits, off-setting of the subsidy against amounts owed the federal government, etc. Please discuss (1) the inherent risks in issuing BABs such as the strict use of its proceeds as they are prescribed by the existing guidelines and the consequences for failing to meet them; (2) the issue

price rules concerning premiums; and (3) the relevant federal laws that allows for the offset of the BABs subsidy against amounts due the federal government and what type of payments due to the federal government it may offset. (4) What actions or procedures you would recommend to protect JEA from potential audits and/or adverse decisions related the IRS's interest in BABs market pricing?

Please limit your response to 2 pages.

5. Financial Reform

Please outline how JEA may be affected either directly or indirectly by the Dodd-Frank Wall Street Reform and Consumer Protection Act with emphasis on the sections in the legislation concerning (1) derivatives, (2) the credit rating agencies and (3) the "Volcker Rule" (i.e., the limitations on proprietary trading).

Please limit your response to 3 pages.

6. Ongoing Disclosures

List examples of the annual disclosure documents your firm has prepared within the five year period ended September 30, 2010. Describe your process for working with issuers to collect and compile information required for ongoing disclosure.

7. New Disclosure Requirement

Beginning December 1, 2010, amendments to the SEC 15c2-12 disclosure rules go into effect. The amended rules now place a time limit of ten (10) days following the occurrence of certain specified events that must be disclosed. As disclosure counsel, what mechanisms does your firm have in place that will give assurance that the events relating to JEA that need to be disclosed will be identified and disclosed within the time frame required by the amendment?

Please limit your response to 1 page.

8. Nuclear Financing Question:

JEA is considering owning or co-owning nuclear facilities which are yet to be permitted or constructed. Given the uncertainty which is inherent in the nuclear construction area, what type of issues would you address with JEA regarding issuance of debt to fund its share of the costs of construction. Please address issues such as (1) the advantages and disadvantages of such facilities being a part of the existing JEA Electric System or a separate system (2) address relevant Federal, State and local laws and programs which should be considered by JEA, and (3) issues relating to delay or cancellation of the project.

Please limit your response to 3 pages.

9. Clean Energy Technology

Current and future energy regulations are requiring the utility industry to implement clean energy technology. Please address the following:

(1) enumerate the available clean energy options that may be suitable for JEA to finance with tax exempt debt, BABs or other subsidized monies, such as various other tax credit bonds and grants;

(2) provide a listing of advantages and disadvantages of each.

(3) provide a brief discussion about the potential impact specific from Greenhouse gas emission regulation on JEA.

Please limit your response to 1 page.

10. Describe the applicable Florida statutes relating to JEA's ability to issue debt. Identify your firm's experience in working with Florida issuers in complying with these statues in various debt transactions.

7. Jacksonville Small and Emerging Business Participation

Application of Criterion:

This criterion is used to identify Bidders who are certified Jacksonville Small and Emerging Business Program (JSEB) as defined by Jacksonville Ordinance 2004-602; Chapter 126, Part 6A and 6B. This criterion shall also be used to identify any services that the Bidder will subcontract to JSEB firms.

Required Information:

1. Indicate (Yes or No) if your firm is certified as a Jacksonville Small and Emerging Business Program (JSEB) as defined by Jacksonville Ordinance 2004-602; Chapter 126, Part 6A and 6B.
2. Please provide the JSEB qualified firm or firms, if any, your firm expects to utilize and establish a contractual relationship with relating to the Proposed Scope of Work.
3. If your firm elects to utilize the services of a JSEB, identify any services that will be subcontracted to that firm.

2.6. JSEB REQUIREMENTS

2.6.1. OPTIONAL USE OF JACKSONVILLE SMALL AND EMERGING BUSINESS (JSEB) PROGRAM

For the performance of the Work herein, the Company is not required, but is encouraged, to utilize the services of JSEB qualified firms, as addressed by the City of Jacksonville's and JEA's JSEB program.. All questions and correspondence concerning the JSEB program should be addressed to the following contact:

G. Nadine Carswell
JSEB Manager
21 W. Church Street, CC-6
Jacksonville, FL 32202
(904) 665-6257
carsgs@jea.com

2.7. REQUIRED FORMS TO SUBMIT WITH BID

To submit a Bid in response to this Solicitation, all of the following forms must be completed and submitted as part of the Bid. For a more detailed explanation of the type of form required to be submitted, see Section 4.0 of this Solicitation.

The following forms are required to be submitted at the time of Bid:

Certifying Letter for Minimum Qualifications in Bidders own format (Including certification and acknowledgements of addenda)

Form A, Quotation of Fees/Rates Summary

Form B, Quotation of Forecasted Fees

List of JSEB Certified Firms (If applicable)

List of Subcontractors/ (If applicable)

Proposal Form (In bidders own format)

If the above listed forms are not submitted with the Bid by the Bid Due Time on the Bid Due Date, JEA has the right to reject the Bid.

JEA also requests the following documents to be submitted prior to Award of Contract. A Bid or Proposal will not be rejected if these forms are not submitted at the Bid Due Time and Date. However, failure to submit these documents prior to Award could result in Bid rejection.

Conflict of Interest Certificate Form
W-9

Evidence of registration with the State of Florida Department of Corporations (www.sunbiz.org) Please note that registration with the State of Florida will be required of National firm prior to contract issuance.

3. GENERAL INSTRUCTIONS TO BIDDERS

3.1. SUBMITTING THE BID FORM

The Bidder shall submit one original Bid Form and five duplicate (hardcopies). JEA will not accept Bid Document files transmitted via email.

3.2. CALCULATION OF BID PRICE

If price is a component of the evaluation of a Bid or Proposal, JEA will use the Bidder's base bid when making price comparisons for Award purposes.

3.3. ESTIMATED QUANTITIES

On the Bid Document, JEA sets forth anticipated quantities, or estimates of anticipated purchase volumes by JEA. JEA anticipates that these quantities are reasonable and will not be exceeded. During the Bid process, if the Bidder finds any discrepancy greater than 10% of the estimated quantity, the Bidder shall notify the JEA Representative in writing of the discrepancy. JEA will check the estimated quantity and if it is found to exceed 10% of the estimated quantity, JEA will issue an Addendum to Bidders.

After Award of the Contract, JEA will make payments upon the actual quantities of Work provided and JEA shall not be obligated, in any way, to pay any amounts for quantities other than those actually provided and authorized under this Contract, regardless of amount stated in the Solicitation. In the event that quantities change after Award, the changes to price and/or scope shall be made in accordance with the terms and conditions stated in the Contract Documents in "Change in the Work".

Any item not shown on the Bid Document, but shown in the drawings or Technical Specifications section, that is required to perform the Work, or that is required as part of a complete and operable system, shall be included in the Bid Price.

3.4. JACKSONVILLE SMALL AND EMERGING BUSINESS (JSEB) (NOT USED)

3.5. JEA PUBLICATIONS

Applicable JEA publications are available at www.jea.com.

3.6. CONFLICT OF INTEREST

Pursuant to Florida Statute § 287.057(18), a person or company who receives a contract which was not procured pursuant to public bidding procedures to a perform a feasibility study, or participated in the drafting of an invitation to bid or request for proposals, or developed a program for future implementation shall not be eligible to contract with JEA for any other contracts dealing with that specific subject matter.

Should JEA erroneously Award a Contract in violation of this policy, JEA may terminate the Contract at any time with no liability to Company, and Company shall be liable to JEA for all damages, including but not limited to the costs to rebid the Work. The purpose of this policy is to encourage bidding and eliminate any actual or perceived advantage that one Company may have over another.

3.7. ETHICS

By signing the Bid Document, the Bidder certifies this Bid is made without any previous understanding, agreement or connection with any other person, firm, or corporation submitting a Bid for the same Work other than as a Subcontractor or supplier, and that this Bid is made without outside control, collusion,

fraud, or other illegal or unethical actions. The Bidder shall comply with all JEA and City of Jacksonville ordinances, policies and procedures regarding business ethics.

The Bidder shall submit only one Bid in response to this Solicitation. If JEA has reasonable cause to believe the Bidder has submitted more than one Bid for the same Work, other than as a Subcontractor or subsupplier, JEA may disqualify the Bid and may pursue debarment actions.

The Bidder shall disclose the name(s) of any public officials who have any financial position, directly or indirectly, with this Bid by completing and submitting the Conflict of Interest Certificate. Failure to fully complete and submit the Conflict of Interest Certificate will disqualify the Bid. If JEA has reason to believe that collusion exists among the Bidders, JEA will reject any and all Bids from the suspected Bidders and will proceed to debar Bidder from future JEA Awards in accordance with the JEA Purchasing Code.

JEA is prohibited by its Charter from awarding contracts to JEA officers or employees or companies in which a JEA officer or employee has a financial interest. JEA will reject any and all Bids from JEA officers or employees as well as any and all Bids in which a JEA officer or employee has a financial interest.

In accordance with Florida Statutes sec. 287.133, JEA will reject Bids from any persons or affiliates convicted of a public entity crime as listed on the Convicted Vendor list maintained by the Florida Department of Management Services. JEA shall not make an Award to any officer, director, executive, partner, shareholder, employee, member, or agent active in management of the Bidder listed on the Convicted Vendor list for any transaction exceeding \$10,000 for a period of 36 months from the date of being placed on the Convicted Vendor list.

If the Bidder violates any requirement of this clause, the Bid may be rejected and JEA may debar offending companies and persons.

3.8. EX PARTE COMMUNICATION

Ex Parte Communication is defined as any inappropriate communication concerning a Solicitation between a firm submitting a bid or proposal and a JEA representative during the time in which the Solicitation is being advertised through the time of Award. Examples of inappropriate communications include: private communications concerning the details of Solicitation in which a Bidder becomes privy to information not available to the other Bidders. Social contact between Bidders and JEA Representatives should be kept to an absolute minimum during the bidding process.

Ex Parte Communication is strictly prohibited. Failure to adhere to this policy will disqualify the noncompliant Bidder's Bid. Any questions of clarifications concerning a Solicitation must be sent in writing via email to the JEA Buyer. If determined by JEA, that a question should be answered or an issue clarified, JEA will issue an addendum to all Bidders.

For more information on Ex Parte communications, see JEA Procurement Code, Section 2-103, which is available at www.jea.com.

3.9. QUESTIONS BEFORE BIDS SUBMITTAL

All questions regarding the Solicitation must be submitted in writing to the JEA Buyer, identified in Section 1.6 of this Solicitation, at least (5) five business days prior to the bid opening date.

3.10. ADDENDA

JEA may issue Addenda prior to the opening of Bids to change or clarify the intent of this Solicitation. The Bidder shall be responsible for ensuring it has received all Addenda prior to submitting its Bid and shall acknowledge receipt of all Addenda by completing the Confirmation of Receipt of Solicitation Addenda. JEA will post all Addenda when issued online at JEA.com. Bidders must obtain Addenda from the JEA.com website. All Addenda will become part of the Solicitation and any resulting Contract Documents. It is the responsibility of each Bidder to ensure it has received and incorporated all Addenda into its Bid. Failure to acknowledge receipt of Addenda may be grounds for rejection of a Bid at JEA's sole discretion.

3.11. DEFINED TERMS

Words and terms defined in Section B of this document are hereby incorporated by reference into the entire document.

3.12. RESERVATIONS OF RIGHTS TO JEA

A. The Solicitation provides potential Bidders with information to enable the submission of written offers. The Solicitation is not a contractual offer or commitment by JEA to purchase products or services.

B. Bids shall be good for a period of ninety (90) days following the opening of bids.

C. JEA reserves the right to reject any or all Bids, or any part thereof, and/or to waive Informalities if such action is in its best interest. JEA may reject any Bids that it deems incomplete, obscure or irregular including, but not limited to, Bids that omit a price on any one or more items for which prices are required, Bids that omit Unit Prices if Unit Prices are required, Bids for which JEA determines that the Bid is unbalanced, Bids that offer Equal Items when the option to do so has not been stated, Bids that fail to include a Bid Bond, where one is required, and Bids from Bidders who have previously failed to satisfactorily complete Contracts of any nature or who have been scored "Unacceptable" and as a result, are temporarily barred from bidding additional work.

D. JEA reserves the right to cancel, postpone, modify, reissue and amend this Solicitation at its discretion.

E. JEA reserves the right to cancel or change the date and time announced for opening of Bids at any time prior to the time announced for the opening of Bids. JEA may Award the Contract in whole or in part. In such cases whenever JEA exercises any of these reservations, JEA will make a commercially reasonable effort to notify, in writing, all parties to whom Solicitations were issued. JEA may award multiple or split Contracts if it is deemed to be in JEA's best interest.

3.13. MODIFICATION OR WITHDRAWAL OF BIDS

The Bidder may modify or withdraw its Bid at any time prior to the opening of Bids by giving written notice to JEA's Chief Purchasing Officer. JEA will not accept modifications submitted by telephone, telegraph, email, or facsimile, or those submitted after the opening of Bids. The Bidder shall not modify or withdraw its Bid from time submitted and for a period of 90 days following the opening of Bids.

3.14. CERTIFICATION AND REPRESENTATIONS OF THE BIDDER

By signing and submitting a bid, the Bidder certifies and represents as follows:

A. That it has carefully examined all available records and conditions, including sites if applicable, and the requirements and specifications of these Contract Documents prior to submitting its Bid. Where the Bidder visits sites, no Work or other disturbance is to be performed while at the site without written permission by JEA in advance of the site visit. The Bidder shall comply with all safety requirements described in the Solicitation and shall be prepared to show proof of a minimum of \$1 million of general liability insurance or the amount specified in this solicitation (whichever is greater).

B. That every aspect of its submitted Bid, including the Contract Price and the detailed schedule for the execution of the Work, are based on its own knowledge and judgment of the conditions and hazards involved, and not upon any representation of JEA. JEA assumes no responsibility for any understanding or representation made by any of its representatives during or prior to

execution of the Contract unless such understandings or representations are expressly stated in the Contract and the Contract expressly provides that JEA assumes the responsibility.

C. That the individual signing the Bid is a duly authorized agent or officer of the firm. Bids submitted by a corporation must be executed in the corporate name by the President or Vice President. If an individual other than the President or Vice President signs the Bid, satisfactory evidence of authority to sign must be submitted upon request by JEA. If the Bid is submitted by a partnership, the Bid must be signed by a partner whose title must under the signature. If an individual other than a partner signs the Bid, satisfactory evidence of authority to sign must be submitted upon request by JEA.

D. The corporation or partnership must be in active status at the Florida Division of Corporations (www.sunbiz.org) prior to contract issuance.

E. That the firm maintains in active status any and all licenses, permits, certifications, insurance, bonds and other credentials including not limited to contractor's license and occupational licenses necessary to perform the Work. The Bidder also certifies that, upon the prospect of any change in the status of applicable licenses, permits, certifications, insurances, bonds or other credentials, the Bidder shall immediately notify JEA of status change.

F. That it has read, understands and will comply with the Section entitled Ethics of these instructions to bidders.

3.15. OPENING OF BIDS

At the opening of Bids, a JEA representative will publicly open and read each Bid that was received prior to the announced time for opening of Bids, except those that have been properly withdrawn. JEA has the right to waive any irregularities or Informalities in the Bids.

3.16. MATHEMATICAL ERRORS

In the event of mathematical errors in the prices entered on the Bid Form or in the addition of a total for any base bid, unit prices will prevail. The corrected base bid will be used to determine the low qualified Bidder. The award of this Contract will establish the Contractor and the unit prices which are to be used during the life of the Contract.

3.17. AVAILABILITY OF BIDS AFTER BID OPENING

In accordance with the Florida Public Records Law, Florida Statute Section 119, copies of all Bids are available for public inspection ten (10) days after the opening of Bids or on the date of Award announcement, whichever is earlier. Bidders may review opened Bids once they are available for public inspection by contacting the designated Buyer to arrange a mutually convenient time for such review at the JEA offices. JEA will post a summary of Bid opening results on JEA.com.

3.18. PROHIBITION AGAINST CONTINGENT FEES

The Bidder warrants that it has not employed or retained any company or person, other than a bona fide employee working for the Bidder, or an independent sales representative under contract to the Bidder, to solicit or secure a contract with JEA, and that it has not paid or agreed to pay any person, company, corporation, individual or firm, other than a bona fide employee working solely for the Bidder, or an independent sales representative under contract to the Bidder, any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the Award or making of the Contract. For the breach or violation of these provisions, JEA shall have the right to terminate the Contract without liability and at its discretion, to deduct from the Contract Price, or otherwise recover, the full amount of such fee, commission, percentage, gift or consideration.

3.19. PROTEST OF BIDDING AND AWARD PROCESS

Bidders shall file any protests regarding this Solicitation in writing, in accordance with the JEA Purchasing Code, as amended from time to time. Copies of the JEA Purchasing Code are available online at JEA.com.

3.20. CONTRACT EXECUTION AND START OF WORK

JEA will present the successful Bidder with the Contract agreement form. Unless expressly waived by JEA, the successful Bidder shall execute a Contract for the Work in within ten (10) days after receiving the Contract from JEA. If the Bidder fails to execute the Contract agreement form or supply associated documents as required, or if it fails to act on a JEA issued PO, JEA may cancel the Award with no further liability to the Bidder, retain the bid security, and Award to the next-ranked Bidder.

Upon receipt of the executed Contract, JEA will issue a Purchase Order (PO), in writing and signed by an authorized JEA representative as acceptance of the Bid and authorization for the Company to proceed with the Work, unless otherwise stated in the Contract or PO.

4. COMPLETING THE BID DOCUMENTS

4.1. COMPLETING THE BID DOCUMENT

Bidders shall complete and submit the enclosed Bid Document with responses typewritten or written in ink. Bidders should refer to Section 2, Special Instructions of this Solicitation to review specific items which may be required with the submittal of the Bid. When a blank is marked "optional", the Bidder shall insert the words "No Bid" in the space provided if the Bidder does not choose to submit a price for that item. Failure to complete each blank with either a price or the words "No Bid" may disqualify the Bid. The Bidder, or its authorized agent or officer of the firm, shall sign the Bid Document. Failure to sign the Bid Document may disqualify the Bid. JEA-approved erasures, interlineations or other corrections shall be authenticated by affixing in the margin, immediately opposite the correction, the handwritten signature of each person executing the Bid. Failure to authenticate changes may disqualify the Bid. JEA may disqualify any Bids that deviate from the requirements of this Solicitation, and those that include unapproved exceptions, amendments, or erasures.

4.2. NOT USED

4.3. SAMPLE CONTRACT DOCUMENTS & FORMS

The reference to and/or inclusion of the sample Contract Documents and other Contract related forms in this Solicitation shall in no way be construed as an Award of the Work, or any portion thereof, or as an intention to award the Work. JEA reserves the right to alter, amend or delete any portion of these forms, to exclude any form, or to require additional forms not listed herein prior to execution of the Contract Documents. All forms are available for reference in the "Public Notices, Bid Forms" section of JEA.com.

4.4. NOT USED

4.5. SUBCONTRACTORS

Prior to using a Subcontractor, the Bidder shall provide the names of the attorneys and firms, along with the area in which the firm will subcontract, to JEA for written approval.

If the Bidder plans to use a Subcontractor to perform over 10% of the Work, the Bidder shall obtain JEA's approval prior to the opening of the Bids. Failure to obtain JEA approval will disqualify the Bid.

4.6. THIRD PARTY AGREEMENT REQUESTS

In the event Bidder will or may request JEA execute a third party agreement (including but not limited to: a joint check agreement, or revocable or irrevocable letter of direction with surety), then Bidder will disclose this fact in writing in its Bid. This information will be taken into consideration by JEA in evaluating Bidder's Bid. In the event Bidder is awarded this Work, then JEA will execute such documents, provided however, the same incorporates any additional language required by JEA's Chief Purchasing Officer.

4.7. UNABLE TO SUBMIT A BID FORM

If you elect not to submit a Bid in response to this Solicitation, please complete the Unable to Submit Bid Form, available for download at JEA.com.

Send the completed Unable to Submit Bid Form to:
JEA Procurement Department
21 West Church St., Bid Office
Jacksonville, FL 32202

or fax the Unable to Submit Bid Form to: (904) 665-7294.

Do not return the entire Solicitation package; simply return the Unable to Submit Bid Form.

SECTION B: TERMS AND CONDITIONS

JEA will provide a Contract Document that will be executed by Company. The Contract Document will incorporate by reference the terms contained in the Solicitation portion of this document provided in Section A, the General Conditions and Supplemental Conditions, provided in Section B, and the Technical Specifications provided in Section C, and any Forms provided in Section D

1. GENERAL CONTRACT TERMS & CONDITIONS

1.1. DEFINITIONS

1.1.1. DEFINITIONS

Words and terms defined in this section shall have the same meaning throughout all parts of the Contract Documents. Where intended to convey the meaning consistent with that set forth in its definition, a defined word or term is marked by initial capitalization. The "Technical Specifications" part may define additional words and terms where necessary to clarify the Work. Unless otherwise stated in the Contract Documents, definitions set forth in the "Technical Specifications" shall apply only within the "Technical Specifications."

1.1.2. ACCEPTANCE

JEA's written notice by the Contract Administrator to the Company that all Work as specified in the Contract has been completed to JEA's satisfaction. Approval or recognition of the Company meeting a Milestone or interim step does not constitute Acceptance of that portion of Work. Acceptance is only applicable to the entirety of Work as specified in the Contract. Acceptance does not in any way limit JEA's rights under the Contract or applicable laws, rules and regulations.

1.1.3. ADDENDUM/ADDENDA

A change or changes to the Solicitation issued in writing by the JEA Procurement Department and incorporated into the Solicitation and Contract Documents.

1.1.4. ANNIVERSARY DATE

The twelve (12) month period beginning on the date of the Contract Award, and each subsequent 12 month period that the Contract is in effect.

1.1.5. AWARD

The lawfully appropriated funds allocated and approved by the JEA Awards Committee. Once an Award is approved, JEA will either issue a Purchase Order or execute a Contract with the successful bidder or proposer.

1.1.6. BID DOCUMENT

The section of the Solicitation submitted to JEA as the Company's offer which includes Bid forms, certifications and/or other required submittals.

1.1.7. BID OR PROPOSAL

The document describing the Bidder's offer submitted in response to this Solicitation. Bid and Proposal shall be considered synonymous for the purpose of this Contract.

1.1.8. BID PRICE

The total dollar amount of the Bidder's offer including, but not limited to, all labor, materials, overheads, profits, other expense, and any and all other cost items incurred by the Bidder in successfully performing the Work in accordance with the Contract Documents.

1.1.9. BID SECTION

The office located at 21 West Church Street, Jacksonville, FL, on the first floor of the JEA Tower building, and where Bids are administered and received.

1.1.10. BIDDER OR PROPOSER

The respondent to this Solicitation.

1.1.11. CHANGE ORDER

A written order issued by the JEA Procurement Department after execution of the Contract to the Company signed by the Contract Administrator or his designated representative and authorizing an addition, deletion, or revision of the Work, or an adjustment in the Contract Price or the Contract Time. Change Orders do not authorize expenditures greater than the monies encumbered by JEA, which is shown on the associated Purchase Order(s). An executed Change Order resolves all issues related to price and time for the work included in the Change Order.

1.1.12. COMPANY

The legal person, firm, corporation or any other entity or business relationship with whom JEA has executed the Contract. Where the word "Company" is used it shall also include permitted assigns. Contractor, Consultant and Company shall be considered synonymous for the purpose of the Contract.

1.1.13. COMPANY REPRESENTATIVE

The individual responsible for representing the Company in all activities concerning the fulfillment and administration of the Contract.

1.1.14. COMPANY SUPERVISOR

The individual, employed or contracted by the Company, to manage the Work on a day-to-day basis and ensure the Work is performed according to the Contract. The Company Supervisor may be authorized by the Company Representative to act on Contract matters. Such authorization shall be in writing and delivered to the Contract Administrator and shall clearly state the limitations of any such authorization. In the event that the Company Supervisor and the Company Representative is the same person, the Company shall notify the Contract Administrator of such situation.

1.1.15. CONTRACT

The agreement between the Company and JEA as evidenced by this Contract including any applicable Exhibits.

1.1.16. CONTRACT ADMINISTRATOR

The individual assigned by JEA to have authority over the Contract, including the authority to negotiate all elements of the Contract with the Company, authorize Change Orders within the maximum amount awarded, terminate the Contract, seek remedies for nonperformance including termination, and otherwise act on behalf of JEA in all matters regarding the Contract. The Contract Administrator may authorize JEA Representative in writing to make minor changes to Field Work with the intent of preventing Work disruption.

1.1.17. CONTRACT DOCUMENTS

Contract Documents means the Contract and any written Change Orders, amendments or Purchase Orders executed by JEA, and insurance and/or bonds as required by the Contract.

1.1.18. CONTRACT PRICE

The total amount payable to the Company under the Contract, as set forth in the Contract Documents.

1.1.19. CONTRACT TIME

The number of calendar days or the period of time from when the written Notice to Proceed is issued to the Company, to the date Company has agreed to complete the Work, as set forth in the Contract Documents.

1.1.20. DEFECT

Work that fails to meet the requirements of any required test, inspection or approval, and any Work that meets the requirements of any test or approval, but nevertheless does not meet the requirements of the Contract Documents.

1.1.21. FINAL COMPLETION

The point in time after JEA makes the determination that the Work is completed and there is Acceptance by JEA, and the Company has fulfilled all requirements of the Contract Documents.

1.1.22. HOLIDAYS

The following days: New Year's Day, Martin Luther King Jr. Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve Day, and Christmas Day.

1.1.23. INVOICE

A document seeking payment to Company from JEA for all or a portion of the Work, in accordance with the Contract Documents, and including at a minimum the following items: the Company name and address, a description of the product(s) or service(s) rendered, a valid JEA PO number, the amount payable, the payee name and address, any associated JSEB forms and any other supporting documentation required by the Contract Documents.

1.1.24. JEA

JEA on its own behalf, and when the Work involves St. Johns River Power Park (SJRPP), as agent for Florida Power & Light Company (FPL). JEA and FPL are co-owners of SJRPP.

1.1.25. JEA REPRESENTATIVES

The Contract Administrator, Contract Inspector, Contract Administrator's Representative, JEA Engineer, Field Engineer, Project Manager, and other persons designated by the Contract Administrator as JEA Representatives acting in a capacity related to the Work or Contract under the authority of the Contract Administrator.

1.1.26. PERFORMANCE - ACCEPTABLE PERFORMANCE/PERFORMER

The Company averages more than 2.80 and less than 4.0 across all performance scorecard evaluation metrics, and does not receive a score of less than 2.0 on any metric.

1.1.27. PERFORMANCE - TOP PERFORMANCE/PERFORMER

The Company averages 4.0 or more across all scorecard evaluation metrics and does not receive a score of less than 4.0 on any one metric. Continuous performance for six months or more at Top Performance, or intermittent performance on at least three Contracts performed over at least a six-month period at Top Performer levels, qualifies the Company for designation as a JEA Blue Ribbon Vendor. JEA Blue Ribbon Vendors receive special promotional recognition from JEA.

1.1.28. PERFORMANCE - UNACCEPTABLE PERFORMANCE/PERFORMER

The Company averages less than 2.80 across all scorecard evaluation metrics, or scores a 1.0 on any one metric regardless of average, or receives a score of 2.0 on the same metric on two sequential performance evaluations.

1.1.29. PURCHASE ORDER (PO)

A Work authorization document issued by the JEA Procurement Department with the words "Purchase Order" clearly marked across the top, a PO number used for reference shown on the front, a description of the Work or a listing of the applicable Contract Documents, an authorized JEA signature and stating the amount of lawfully authorized funds. Purchase Orders are the only documents that authorize changes to the total amount authorized on the Contract.

1.1.30. QUALITY ASSURANCE

Actions that JEA takes to assess the Company's performance under the Contract.

1.1.31. QUALITY CONTROL

Actions that the Company takes to ensure it successfully completes the Work in full accordance with the Contract Documents.

1.1.32. SOLICITATION

The document (which may be electronic) issued by the JEA Procurement Department to solicit Bids or Proposals from Bidders that includes, but is not limited to, the Bid Document, samples of documents and Addenda.

1.1.33. SUBCONTRACTOR

A provider of services performing Work under contract for the Company.

1.1.34. SUPPLEMENTAL CONDITIONS

The Supplemental Conditions amend or supplement the General Conditions of the Contract and other provisions of the Contract Documents.

1.1.35. TASK ORDER

A document that describes the Work or describes a series of tasks that the Company will perform in accordance with the Contract Documents. A Task Order may be issued as an attachment to a Purchase Order, but the Task Order is neither a Purchase Order, nor a Notice to Proceed.

1.1.36. UNIT PRICES

The Company's charges, rounded to the nearest cent, to JEA for the performance of each respective unit of Work as defined on the Bid Documents for all items required for successfully performing the Work through Acceptance.

1.1.37. WORK OR SCOPE OF SERVICES

Work includes as defined in the Contract Documents including all actions, products, documentation, electronic programs, reports, testing, transport, administration, management, services, materials, tools, equipment, and responsibilities to be furnished or performed by the Company under the Contract, together with all other additional necessities that are not specifically recited in the Contract, but can be reasonably inferred as necessary to complete all obligations and fully satisfy the intent of the Contract.

2. CONTRACT DOCUMENTS

2.1. ORDER OF PRECEDENCE

The Contract shall consist of JEA's Contract and/or Purchase Order together with the specifications and conditions including, but not limited to, the executed Bid Document, which shall be collectively referred to as the Contract Documents. This Contract is the complete agreement between the parties. Parol or extrinsic evidence will not be used to vary or contradict the express terms of this Contract. The Contract Documents are complementary; what is called for by one is binding as if called for by all. The Company shall inform JEA in writing of any conflict, error or discrepancy in the Contract Documents upon discovery. Should the Company proceed with the Work prior to written resolution of the error or conflict by JEA, all Work performed is at the sole risk of the Company. JEA will generally consider this precedence of the Contract Documents in resolving any conflict, error, or discrepancy:

1. Executed Change Orders / Amendments
2. Executed Contract Document
3. Supplemental Conditions of Contract
4. General Conditions of Contract
5. Purchase Order
6. Drawings
7. Technical Specifications, Exhibits and Attachments
8. Bid Documents, including all addenda
9. References
10. Company's proposal

The figure dimensions on drawings shall govern over scale dimensions. Contract and detailed drawings

shall govern over general drawings. The Company shall perform any Work that may reasonably be inferred from the Contract as being required whether or not it is specifically called for. Work, materials or equipment described in words that, so applied, have a well-known technical or trade meaning shall be taken as referring to such recognized standards.

3. INSURANCE, INDEMNITY & RISK OF LOSS

3.1. INSURANCE REQUIREMENTS

Insurance requirements are described in the Supplemental Conditions attached hereto.

3.2. INDEMNIFICATION

Indemnification requirements are described in the Supplemental Conditions attached hereto.

3.3. RISKS AND PROPERTY

Ownership, risks of damage to or loss of the items shall pass to JEA upon Acceptance. The Company shall retain the sole risk of loss to the Work up to and including the time of Acceptance. In the event of loss or damage to the Work, the Company shall bear all costs associated with any loss or damage.

4. PRICE & PAYMENTS

4.1. INVOICING AND PAYMENT TERMS

The Company shall submit all Invoices in accordance with the payment method agreed upon in these Contract Documents. JEA will pay the Company the amount requested within 30 calendar days after receipt of an Invoice from the Company subject to the provisions stated below.

JEA may reject any Invoice within 20 calendar days after receipt. JEA will return the Invoice to the Company stating the reasons for rejection. Upon receipt of an acceptable revised Invoice or Application for Payment, JEA will pay the Company the revised amount within 30 days.

JEA may withhold payment if the Company is in violation of any conditions or terms of the Contract Documents.

In the case of early termination of the Contract, all payments made by JEA against the Contract Price prior to notice of termination shall be credited to the amount, if any, due the Company. If the parties determine that the sum of all previous payments and credits exceeds the sum due the Company, the Company shall refund the excess amount to JEA within 10 days of determination or written notice.

4.2. JACKSONVILLE SMALL AND EMERGING BUSINESS (JSEB) – INVOICING AND PAYMENT

If the Company utilizes JSEB certified firms, regardless of whether these Contract Documents require or encourage the use of such firms, the Company shall invoice for and report the use of JSEB certified firms according to the format and guidelines established by the City of Jacksonville.

4.3. OFFSETS

In case the Company is in violation of any requirement of the Contract, JEA may withhold payments that may be due the Company, and may offset existing balances with any JEA incurred costs against funds due the Company under this and any other Company Contract with JEA, as a result of the violation, or other damages as allowed by the Contract Documents and applicable law.

4.4. COST SAVINGS PLAN

During the term of this Contract, JEA and Company are encouraged to identify ways to reduce the total cost to JEA related to the Supplies provided by the Company. JEA and Company may negotiate Amendments to this Contract that support and allow such reductions in total costs including, but not limited to, the sharing of savings resulting from implementation of cost-reducing initiatives between JEA and Company. The decision to accept any cost savings plan shall be in the sole discretion of JEA, and

JEA shall not be liable to Company for any cost that may be alleged to be related to a refusal to accept a Cost Savings Plan.

4.5. TRUTH IN NEGOTIATION CERTIFICATE

COMPANY understands and agrees that execution of the Agreement by COMPANY shall be deemed to be simultaneous execution of a truth-in-negotiation certificate under this provision to the same extent as if such certificate had been executed apart from the Agreement, such certificate being required by Section 287.055, Florida Statutes. Pursuant to such certificate, COMPANY hereby states that the wage rates and other factual unit costs supporting the compensation hereunder are accurate, complete and current at the time of contracting. Further, COMPANY agrees that the compensation hereunder shall be adjusted to exclude any significant sums where JEA determines the contract price was increased due to inaccurate, incomplete or noncurrent wage rates and other factual unit costs, provided that any and all such adjustments shall be made within one year following the completion date of the Agreement.

4.6. TAXES

JEA is authorized to self-accrue the Florida Sales and Use Tax (Direct Payment Certificate Number 0138) and is exempt from Manufacturer's Federal Excise Tax when purchasing tangible personal property for its direct consumption.

5. TERM & TERMINATION

5.1. TERM OF CONTRACT

Term of the Contract is set forth in the Supplemental Conditions attached hereto.

5.2. TERMINATION FOR CONVENIENCE

JEA shall have the absolute right to terminate in whole or part the Contract, with or without cause, at any time after Award upon written notification of such termination.

In the event of termination for convenience, JEA will pay the Company for all disbursements and expenses that the Company has incurred, or those for which it becomes obligated prior to receiving JEA's notice of termination. JEA will also pay the Company costs incurred less the reasonable resale value, of materials or equipment that the Company has already ordered, obtained or fabricated in connection with the Contract.

Upon receipt of such notice of termination, the Company shall stop the performance of the Work hereunder except as may be necessary to carry out such termination and take any other action toward termination of the Work that JEA may reasonably request, including all reasonable efforts to provide for a prompt and efficient transition as directed by JEA.

JEA will have no liability to the Company for any cause whatsoever arising out of, or in connection with, termination including, but not limited to, lost profits, lost opportunities, resulting change in business condition, except as expressly stated within these Contract Documents.

5.3. TERMINATION FOR DEFAULT

JEA may give the Company written notice to discontinue all Work under the Contract in the event that:

- The Company assigns or subcontracts the Work without prior written permission;
- Any petition is filed or any proceeding is commenced by or against the Company for relief under any bankruptcy or insolvency laws;
- A receiver is appointed for the Company's properties or the Company commits any act of insolvency (however evidenced);
- The Company makes an assignment for the benefit of creditors;
- The Company suspends the operation of a substantial portion of its business;

- The Company suspends the whole or any part of the Work to the extent that it impacts the Company's ability to meet the Work schedule, or the Company abandons the whole or any part of the Work;
- The Company, at any time, violates any of the conditions or provisions of the Contract Documents, or the Company fails to perform as specified in the Contract Documents, or the Company is not complying with the Contract Documents.
- The Company attempts to willfully impose upon JEA items or workmanship that are, in JEA's sole opinion, defective or of unacceptable quality.
- The Company breaches any of the representations or warranties
- The Company is determined, in JEA's sole opinion, to have misrepresented the utilization of funds or misappropriate property belonging to JEA.
- Any material change in the financial or business condition of the Company.

If, within five (5) days after service of such notice upon the Company, an arrangement satisfactory to JEA has not been made by the Company for continuance of the Work, then JEA may declare Company to be in default of the Contract.

JEA will charge the expense of completing the Work to the Company and will deduct such expenses from monies due, or which at any time thereafter may become due, to the Company. If such expenses are more than the sum that would otherwise have been payable under the Contract, then the Company shall pay the amount of such excess to JEA upon notice of the expenses from JEA. JEA shall not be required to obtain the lowest price for completing the Work under the Contract, but may make such expenditures that, in its sole judgment, shall best accomplish such completion. JEA will, however, make reasonable efforts to mitigate the excess costs of completing the Work.

The Contract Documents shall in no way limit JEA's right to all remedies for nonperformance provided under law or in equity, except as specifically set forth herein. In the event of termination for nonperformance, the Company shall immediately surrender all Work records to JEA. In such a case, JEA may set off any money owed to the Company against any liabilities resulting from the Company's nonperformance.

JEA has no responsibility whatsoever to issue notices of any kind, including but not limited to deficient performance letters and scorecards, to the Company regarding its performance prior to default by Company for performance related issues.

JEA shall have no liability to the Company for termination costs arising out of the Contract, or any of the Company's subcontracts, as a result of termination for default.

6. CONFIDENTIALITY & OWNERSHIP OF DOCUMENTATION

6.1. CONFIDENTIALITY AND PUBLIC RECORD LAWS

Any information disclosed by one party ("Disclosing Party") to the other party ("Recipient") in connection with this Contract that is marked confidential or that due to its character and nature, a reasonable person under like circumstances would treat as confidential (the "Confidential Information") will be protected and held in confidence by the Recipient. Confidential Information will be used only for the purposes of this Contract and related internal administrative purposes. Disclosure of the Confidential Information will be restricted to the Recipient's employees, contractors, or alliance companies on a "need to know" basis in connection with the Work, who are bound by confidentiality obligations no less stringent than these prior to any disclosure. Each party may disclose Confidential Information relating to the Work to providers of goods and services for the engagement to the extent such disclosure is necessary and reasonably anticipated. Confidential Information does not include information which: (i) is already known to Recipient at the time of disclosure; (ii) is or becomes publicly known through no wrongful act or failure of the Recipient; (iii) is independently developed by Recipient without benefit of Disclosing Party's Confidential Information; or (iv) is received from a third party which is not under and does not thereby breach an

obligation of confidentiality. Each party agrees to protect the other's Confidential Information at all times and in the same manner as each protects the confidentiality of its own proprietary and confidential materials, but in no event with less than a reasonable standard of care. A Recipient may disclose Confidential Information to the extent required by law, but that disclosure does not relieve Recipient of its confidentiality obligations with respect to any other party. Except as to the confidentiality of trade secrets, these confidentiality restrictions and obligations will terminate five (5) years after the expiration or termination of the Contract under which the Confidential Information was disclosed, unless the law requires a longer period.

The parties acknowledge that JEA is a body politic and corporate that is subject to Chapter 119, Florida Statutes, and related statutes known as the "Public Records Laws". If a request is made to view such Confidential Information, JEA will notify Company of such request and the date that such records will be released to the requester unless Company obtains a court order enjoining such disclosure. If the Company fails to obtain that court order enjoining disclosure, JEA will release the requested information on the date specified. Such release shall be deemed to be made with the Company's consent and will not be deemed to be a violation of law, including but not limited to laws concerning trade secrets, copyright or other intellectual property. In the event the Company breaches this Contract, then the Company hereby grants JEA a limited license to use the Confidential Information in any reasonable way in order to mitigate JEA's damages.

6.2. PUBLICITY AND ADVERTISING

The Company shall not take any photographs, make any announcements or release any information concerning the Contract or the Work to any member of the public, press or official body unless prior written consent is obtained from JEA. JEA is governed by the Florida Public Records Laws so all Contract Documents are available for public inspection. In addition, JEA is governed by Florida Sunshine Laws and as such, certain meetings are required to be open to the public.

6.3. PATENTS & COPYRIGHTS

In consideration of ten dollars (\$10.00), receipt and sufficiency is hereby acknowledged, COMPANY shall hold harmless and indemnify JEA from and against liability or loss, including but not limited to any claims, judgments, court costs and attorneys' fees incurred in any claims, or any pretrial, trial or appellate proceedings on account of infringements of patents, copyrighted or uncopyrighted works, secret processes, trade secrets, patented or unpatented inventions, articles or appliances, or allegations thereof, pertaining to the Services, or any part thereof, combinations thereof, processes therein or the use of any tools or implements used by COMPANY.

COMPANY will, at its own expense, procure for JEA the right to continue use of the Services, parts or combinations thereof, or processes used therein resulting from a suit or judgment on account of patent or copyright infringement.

If, in any such suit or proceeding, a temporary restraining order or preliminary injunction is granted, COMPANY will make every reasonable effort, by giving a satisfactory bond or otherwise, to secure the suspension of such restraining order or temporary injunction.

If, in any such suit or proceeding, any part of the Services is held to constitute an infringement and its use is permanently enjoined, COMPANY will, at once, make every reasonable effort to secure for JEA a license, authorizing the continued use of the Services. If COMPANY fails to secure such license for JEA, COMPANY will replace the Services with non-infringing Services, or modify the Services in a way satisfactory to JEA, so that the Services is non-infringing.

6.4. OWNERSHIP OF DOCUMENTS AND EQUIPMENT

The Company agrees that upon completion of the Services, all drawings, designs, specifications, renderings, notebooks, tracings, photographs, reference books, equipment, expendable equipment and materials, negatives, reports, findings, recommendations, data and memoranda of every description (hereinafter referred to as "Works"), arising out of or relating to the Services rendered by the Company under this Agreement, are to become the property of JEA. Company and JEA agree that said Works shall be considered as works made for hire under the United States Copyright laws. JEA shall have the

absolute and exclusive right to own and use all said Works together with any and all copyrights, patents, trademark and service marks associated with said Works. The use of these Works in any manner by JEA shall not support any claim by the COMPANY for additional compensation.

6.5. INTELLECTUAL PROPERTY

The Company grants to JEA an irrevocable, perpetual, royalty free and fully paid-up right to use (and such right includes, without limitation, a right to copy, modify and create derivative works from the subject matter of the grant of the right to sublicense all, or any portion of, the foregoing rights to an affiliate or a third party service provider) the Company's intellectual property (including, without limitation, all trade secrets, patents, copyright and know-how) that is contained or embedded in, required for the use of, that was used in the production of or is required for the reproduction, modification, maintenance, servicing, improvement or continued operation of any applicable unit of Work.

If the Work contains, has embedded in, requires for the use of any third party intellectual property, or if the third party intellectual property is required for the reproduction, modification, maintenance, servicing, improvement or continued operation of the Work, the Company shall secure for JEA an irrevocable, perpetual, royalty free and fully paid-up right to use all third party intellectual property. The Company shall secure such right at its expense and prior to incorporating any third party intellectual property (including, without limitation, all trade secrets, patents, copyright and know-how) into any Work, including, without limitation, all drawings or data provided under the Contract, and such right must include, without limitation, a right to copy, modify and create derivative works from the subject matter of the grant of the right and a right to sublicense all or any portion of the foregoing rights to an affiliate or a third party service provider.

Should JEA, or any third party obtaining such work product through JEA, use the Work or any part thereof for any purpose other than that which is specified herein, it shall be at JEA's sole risk.

The Company will, at its expense, defend all claims, actions or proceedings against JEA based on any allegation that the Work, or any part of the Work, constitutes an infringement of any patent or any other intellectual property right, and will pay to JEA all costs, damages, charges, and expenses occasioned to JEA by reason thereof. JEA will give the Company written notice of any such claim, action or proceeding and, at the request and expense of the Company, JEA will provide the Company with available information, assistance and authority for the defense.

If, in any action or proceeding, the Work, or any part thereof, is held to constitute an infringement, the Company will forthwith either secure for JEA the right to continue using the Work or will, at the Company's expense, replace the infringing items with noninfringing Work or make modifications as necessary so that the Work no longer infringes.

The Company will obtain and pay for all patent and other intellectual property royalties and license fees required in respect of the Work.

6.6. WORK MADE FOR HIRE

With the exception of Company's pre-existing intellectual capital and third-party intellectual capital as described in Intellectual Property, as stated herein, JEA shall own all right, title and interest, including ownership of copyright (limited to the extent permitted by the terms of any governing licenses), in and to any project generated by the Work including, but not limited to, software, source code, reports, deliverable, or work product developed by the Company specifically for JEA in connection with the Work, and derivative works relating to the foregoing. Such Work shall include, but shall not be limited to, those reports and deliverables specified in the Contract Documents. The Company understands and agrees that the "work made for hire", or any portion of the Work, shall be a "work made for hire" for JEA pursuant to federal copyright laws. Any software, report, deliverable, or work product as used in connection with the Work, but, previously developed by the Company specifically for other customers of the Company or for the purpose of providing substantially similar services to other Company customers, generally shall not be considered "work made for hire", so long as the foregoing are not first conceived or reduced to practice

as part of the Work. To the extent any of JEA deliverables are not deemed works made for hire by operation of law, the Company hereby irrevocably assigns, transfers, and conveys to JEA, or its designee, without further consideration all of its right, title and interest in such Work, including all rights of patent, copyright, trade secret, trademark or other proprietary rights in such materials. Except as provided in the foregoing sentences, the Company acknowledges that JEA shall have the right to obtain and hold in its own name any intellectual property right in and to the Work. The Company agrees to execute any documents or take any other actions as may reasonably be necessary, or as JEA may reasonably request, to perfect or evidence JEA's ownership of the Work.

6.7. PROPRIETARY INFORMATION

The Company shall not copy, reproduce, or disclose to third parties, except in connection with the Work, any information that JEA furnishes to the Company. The Company shall insert in any subcontract a restriction on the use of all information furnished by JEA. The Company shall not use this information on another project. All information furnished by JEA will be returned to JEA upon completion of the Work.

7. JSEB COMPLIANCE

7.1. COMPLIANCE WITH JACKSONVILLE SMALL AND EMERGING BUSINESS (JSEB) REQUIREMENTS

The City of Jacksonville requirements as outlined in the City of Jacksonville Ordinance relating to JSEBs shall apply in their entirety to this Contract. The Company shall achieve the participation goal as set forth in the Supplemental Conditions of this Contract, except as allowed under the good faith efforts exception as defined in the City of Jacksonville Ordinance.

Where the City of Jacksonville ordinance refers to "Chief", it shall be construed to mean, for purposes of this Contract, JEA's Chief Purchasing Officer. In a like manner, where it refers to "City", or "City of Jacksonville", it shall be construed to mean JEA.

Use of brokering, as defined in the City of Jacksonville Ordinance, or other techniques that do not provide a commercially useful function are strictly prohibited as means of achieving the JSEB requirements of the Contract.

The Company must use the JSEB firms it listed on the Bid Documents to perform the actual Work or provide the materials/and or suppliers, unless this requirement is waived in writing by JEA due to hardship or lack of JSEB firm diligence in performing the Work or providing the materials and/or supplies. In no case shall the Company make changes to JSEB qualified firms, scope, or amount of Work without prior written notice to the Contract Administrator, and without subsequent receipt of written approval from the Contract Administrator. JSEB firms that qualify for this Contract are those shown on the current JEA or City of Jacksonville JSEB directories appearing at jea.com and coj.net respectively. Certification of JSEB firms must come from JEA or City of Jacksonville. No other agency or organization is recognized for purposes of this Contract.

Payment terms for participating JSEB firms shall be the same or better than the payment terms the Company receives from JEA, except that in all cases JSEB firms shall be allowed to submit invoices to the Company at least bimonthly, and the Company shall pay proper invoices no later than 3 days after receipt. The Company shall obtain written approval from the Contract Administrator prior to withholding any payment from JSEB firm.

The Company agrees to let JEA audit its financial and operating records with one day of notice, and during normal business hours, at its corporate offices for the purpose of determining compliance with all JSEB requirements of the Contract Documents.

If the Company violates any provision regarding JSEB, including, but not limited to, program intent, the Company shall be subject to any or all of the following, plus any other remedies available to JEA under law:

Terminate the Contract for breach
Suspend the Company from bidding any JEA projects as follows:
First offense: six months
Second offense: one year
Third offense: three years
Revoke Company JSEB certification if the Company itself is certified as a JSEB.

8. PERFORMANCE

8.1. COMPANY'S KNOWLEDGE OF THE WORK

The Company represents that the Contract Price and the detailed schedule for the execution of the Work are based on its own knowledge and judgment of the conditions and hazards involved, and not upon any representation of JEA. JEA assumes no responsibility for any understanding or representation made by any of its representatives during or prior to execution of the Contract unless such understandings or representations are expressly stated in the Contract and the Contract expressly provides that JEA assumes the responsibility.

8.2. COMPANY REVIEW OF PROJECT REQUIREMENTS

The Company shall review the Work requirements and specifications prior to commencing Work. The Company shall immediately notify the Contract Administrator in writing of any conflict with applicable law, or any error, inconsistency or omission it may discover. JEA will promptly review the alleged conflicts, errors, inconsistencies or omissions, and issue a Change Order or Purchase Order as appropriate if JEA is in agreement with the alleged conflict, and issue revised specifications. Any Work the Company performs prior to receipt of approved Change Order will be at the Company's sole risk.

8.3. COORDINATION OF SERVICES PROVIDED BY JEA

The JEA Representative for the Work will, on behalf of JEA, coordinate with the Company and administer this Contract. It shall be the responsibility of the Company to coordinate all assignment related activities with the designated JEA Representative. The JEA Representative will be assigned to perform day-to-day administration and liaison functions, and to make available to the Company appropriate personnel, to the extent practical, and to furnish records and available data necessary to conduct the Work. The JEA Representative will also authorize the Company to perform work under this Contract.

8.4. COMPANY REPRESENTATIVES

The Company shall provide JEA with the name and responsibilities of the Company Representative, in writing after Award of the Contract and before starting the Work under the Contract. Should the Company need to change the Company Representative, the Company shall promptly notify JEA in writing of the change.

8.5. COMPATIBILITY OF PRODUCTS

Regardless of whether JEA requests the use of, or indicates a preference for, products of a particular type, brand, or manufacturer, or whether the Company offers a value engineered alternative to the same, the Company shall be responsible for ensuring the compatibility of all specified products, that the products are fit and suitable for the Work, and that the products will meet any specified performance tests for the Work. The Company shall promptly provide JEA with written notice of the incompatibility or unsuitability of any JEA preferred product or value engineered product upon discovery of such.

8.6. COMPLETION OF WORK (PO)

The Company shall begin Work within 10 days after the date of written Purchase Order from JEA to begin Work, and shall complete the Work by the date set forth in the Contract Documents. The Company further understands and agrees that time is of essence and should the Company fail to complete the Work on or before the date established for Final Completion, the Company shall be solely responsible for

additional costs as defined in the Contract.

8.7. LICENSES

The Company shall comply with all licensing and/or certification requirements pursuant to applicable laws, rules and regulations. The Company shall secure all licenses as required for the performance of the Work and shall pay all fees associated with securing them. The Company shall produce written evidence of licenses and other certifications immediately upon request from JEA.

8.8. SAFETY AND PROTECTION PRECAUTIONS

The Company shall comply with all applicable federal, state and local laws, ordinances, all JEA procedures and policies including, and orders of any public body having jurisdiction for the safety of persons or protection of property. The Company understands and agrees that violation of any provision of this clause is grounds for immediate termination of the Contract and the Company is responsible for all JEA damages associated with such termination.

The Company understands and agrees that JEA Representatives may stop Work at any time that JEA, at its sole discretion, considers the Company's Work to be unsafe or a risk to property, and to direct the Company to, at a minimum, perform as directed in such a way as to render the Work environment safe. The Company understands and agrees that it is responsible for paying all costs associated with providing a safe work environment including, but not limited to, any costs associated with any JEA directed safety improvements. The Company further understands and agrees that it is solely responsible for the safety of personnel and property associated with the Work, and that any actions taken by JEA to prevent harm to persons or damage to equipment does not, in any way, relieve the Company of this responsibility.

The Company Representative, or alternatively, the Company Supervisor, shall be designated as the Company's individual responsible for the prevention of accidents.

8.9. VENDOR PERFORMANCE EVALUATION

Use of Vendor Performance Evaluation Scorecards

JEA may evaluate the Company's performance using the evaluation criteria shown on the vendor scorecard available at JEA Procurement Bid Section, JEA Tower Suite 103, 21 W. Church Street, Jacksonville, FL 32202 or online at JEA.com. Scores for all metrics shown on the evaluation range from a low of 1, meaning significantly deficient performance, to a high of 5, meaning exceptionally good performance. The Company's performance shall be classified as Top Performance, Acceptable Performance, or Unacceptable Performance, as defined herein. The evaluator will be a designated JEA employee or JEA contractor familiar with the performance of the Company. The evaluator's supervisor and the Chief Purchasing Officer will review deficient performance letters and Unacceptable Performance scorecards, as described below, prior to issuance. When evaluating the Company's performance, JEA will consider the performance of the Company's Subcontractors and suppliers, as part of the Company's performance.

Frequency of Evaluations

JEA may conduct performance evaluations and prepare scorecards in accordance with the procedures described herein at any time during performance of the Work or soon after the completion of the Work. JEA may conduct one or more evaluations determined solely at the discretion of JEA.

Unacceptable Performance

If at any time, JEA determines, using the criteria described on the scorecard, that the performance of the Company is Unacceptable, the Contract Administrator and Chief Purchasing Officer or his designated alternate will notify the Company of such in a letter. The Company shall have 10 days to respond to the Contract Administrator. Such response shall include, and preferably be delivered in-person by an officer of the Company, the specific actions that the Company will take to bring the Company's performance up to at least Acceptable Performance.

Within 30 days from date of the first Unacceptable Performance letter, the Contract Administrator and

Chief Purchasing Officer or his designated alternate will notify the Company by letter as to whether its performance, as determined solely by JEA, is meeting expectations, or is continuing to be Unacceptable. If the Company's performance is described in the letter as meeting expectations, no further remedial action is required by the Company, as long as Company's performance continues to be Acceptable.

If the Company's performance as described in the letter continues to be Unacceptable, or is inconsistently Acceptable, then the Company shall have 15 days from date of second letter to demonstrate solely through its performance of the Work, that it has achieved Acceptable Performance. At the end of the 15-day period, JEA will prepare a scorecard documenting the Company's performance from the start of Work, or date of most recent scorecard, whichever is latest, and giving due consideration to improvements the Company has made in its performance, or has failed to make. If the scorecard shows Company's performance is Acceptable, then no further remedial action is required by Company as long as Company's performance remains Acceptable. If the scorecard shows the Company's performance is Unacceptable, JEA will take such actions as it deems appropriate including, but not limited to, terminating the Contract for breach, suspending the Company from bidding on any JEA related solicitations, and other remedies available in the JEA Purchasing Code and in law. Such action does not relieve the Company of its obligations under the Contract, nor does it preclude an earlier termination.

In the event that the Contract Term or the remaining Term of the Contract does not allow for the completion of the deficient performance notification cycles described above for those in danger of receiving an Unacceptable Performance scorecard, JEA may choose to accelerate these cycles at its sole discretion.

If the Company receives five or more letters of deficiency within any 12 month period, then JEA will prepare a scorecard describing the deficiencies and the Company's performance will be scored as Unacceptable.

Acceptable Performance

JEA expects the Company's performance to be at a minimum Acceptable.

Top Performance

Where the Company is able to demonstrate consistent Top Performance for a period of not less than six months, JEA shall, to the extent reasonably possible and practical, provided preferential consideration when awarding emergency-related work that cannot be competitively publicly bid, and may also be subject to consideration for a reduction in lower retainage and bonding requirements after Award, as determined by the Chief Purchasing Officer at the time of Award.

Disputes

In the event that the Company wants to dispute the results of its scorecard performance evaluation, the Company must submit a letter to the Chief Purchasing Officer supplying supplemental information that it believes JEA failed to take into account when preparing the scorecard. Such letter, along with supplemental information, must be submitted no later than 10 days following the Company's receipt of the scorecard. If the Chief Purchasing Officer decides to change the scorecard, the Company will be notified and a revised scorecard will be prepared, with a copy issued to the Company. If the Chief Purchasing Officer decides that no change is warranted, the decision of the Chief Purchasing Officer is final. If the Company is to be suspended from consideration for future award of any contracts, the Company may appeal to the Procurement Appeals Board as per JEA Purchasing Code.

There can be no expectation of confidentiality of performance-related data in that all performance-related data is subject to disclosure pursuant to Florida Public Records Laws. All scorecards are the property of JEA.

9. JEA FURNISHED ITEMS

9.1. CONDITIONS OF PROVISIONING

The Company understands and agrees that it shall be solely responsible for providing everything

necessary to perform the Work and to be in full compliance with the Contract Documents, except for those items specifically listed herein as being provided by JEA.

Any use of JEA furnished items on non-JEA work is a breach of the Contract and a violation of the law. All JEA furnished items are the property of JEA when issued, stored by Company, and used in performance of the Work. The Company agrees that it shall use all JEA furnished items in a manner consistent with industry practice, codes, laws, considering the condition of the JEA furnished item, the skills of the individuals using the JEA furnished item, and all environmental conditions. The Company understands and agrees that where JEA and the Company shall share JEA furnished items, JEA usage shall always have priority over Company usage, and the Contract Administrator shall have sole authority to resolve any usage dispute and such resolution shall not result in any claim by Company.

The Company agrees to return to JEA, and to the location as established by a JEA Representative, any unused or salvageable items prior to final payment. The Company agrees that JEA has the right to audit and investigate the Company at any time how the Company is using JEA furnished items. JEA will bill the Company for unaccountable JEA furnished material at the current JEA cost.

10. CHANGES TO WORK

10.1. CHANGE IN SCOPE OF SERVICES

From time to time, JEA may direct changes and modifications in the scope of the services, as contained in the Contract Documents, to be performed under this Contract as may be necessary to carry out the purpose of this Contract. The Company is willing and agreeable to accommodate such changes, provided it is compensated for additional services in accordance with its professional fees and expenses under the terms of this Contract. Such changes shall be in the form of a written amendment to this Contract reflecting, as appropriate, an amendment to the Work rendered and adjustment to Company's professional fees, including an extension to the duration of this Contract, as well as the maximum indebtedness of JEA. Maximum indebtedness is the maximum total cost that may be paid to the Company hereunder, including travel related costs, per year during the initial term of the Contract for the Work rendered under the terms of this Contract. The JEA Representative directly responsible for each project will make the final determination as to whether any compensable change exists.

10.2. DELAYS

Neither party shall be considered in default in the performance of its obligations hereunder to the extent that the performance of such obligation is prevented or delayed by any cause beyond the reasonable control of the affected party, and the time for performance of either party hereunder shall in such event be extended for a period equal to any time lost due to such prevention or delay.

10.3. SUSPENSION OF SERVICES

JEA may suspend the performance of the Services rendered by providing COMPANY with five (5) days written notice of such suspension. Schedules for performance of the Services shall be amended by mutual agreement to reflect such suspension. In the event of suspension of Services, the COMPANY shall resume the full performance of the Services when directed in writing to do so by JEA. Suspension of Services for reasons other than the COMPANY's negligence or failure to perform, shall not affect the COMPANY's compensation as outlined in this Agreement.

10.4. AMENDMENTS

This Contract may not be altered or amended except in writing, signed by JEA Procurement, the Company Representative, or their duly authorized representatives.

10.5. FORCE MAJEURE

No party shall be liable for any default or delay in the performance of its obligations under this Contract due to an act of God or other event to the extent that: (a) the non-performing party is without fault in causing such default or delay; (b) such default or delay could not have been prevented by reasonable precautions; and (c) such default or delay could not have been reasonably circumvented by the non-performing party through the use of alternate sources, work-around plans or other means. Such causes

include, but are not limited to: act of civil or military authority (including but not limited to courts or administrative agencies); acts of God; war; terrorist attacks; riot; insurrection; inability of JEA to secure approval, validation or sale of bonds; inability of JEA or the Company to obtain any required permits, licenses or zoning; blockades; embargoes; sabotage; epidemics; fires; hurricanes, tornados, floods; or strikes.

In the event of any delay resulting from such causes, the time for performance of each of the parties hereunder (including the payment of monies if such event actually prevents payment) shall be extended for a period of time reasonably necessary to overcome the effect of such delay, except as provided for elsewhere in the Contract Documents.

In the event of any delay or nonperformance resulting from such causes, the party affected shall promptly notify the other in writing of the nature, cause, date of commencement and the anticipated impact of such delay or nonperformance. Such written notice, including Change Orders, shall indicate the extent, if any, to which it is anticipated that any delivery or completion dates will be thereby affected.

11. LABOR

11.1. PERSONNEL & CHANGES IN COMPANY'S PROFESSIONAL PERSONNEL

Unless otherwise agreed in writing by the parties, all Services shall be rendered by employees: (a.) who are full time employees of COMPANY or approved subcontractors; (b.) qualified to perform the Services, and (c.) fluent in the English language.

Subsequent to the execution of this Agreement, COMPANY shall notify the JEA Project Representative in writing prior to making changes in professional personnel assigned, or to be assigned, as provided in COMPANY 's proposal to manage or perform Services under this Agreement. The JEA Project Representative shall have the right to reject any personnel assigned by COMPANY to perform work under this Agreement. If the right of rejection is exercised by the JEA Project Representative, COMPANY shall submit for approval of the JEA Project Representative, the name or names of substitute personnel to fill the positions resulting from said rejection. The JEA Project Representative shall have the right to require the removal of COMPANY 's previously assigned personnel and COMPANY shall promptly replace the same, subject to the JEA Project Manager's approval at no cost to JEA.

11.2. COMPANY'S LABOR RELATIONS

The Company shall negotiate and resolve any disputes between the Company and its employees, or anyone representing its employees. The Company shall immediately notify JEA of any actual or potential labor dispute that may affect the Work and shall inform JEA of all actions it is taking to resolve the dispute.

11.3. NONDISCRIMINATION

The Company represents that it has adopted and will maintain a policy of nondiscrimination against employees or applicants for employment on account of race, religion, sex, color, national origin, age or handicap, in all areas of employee relations, throughout the Term of this Contract. The Company agrees that on written request, it will allow JEA reasonable access to the Company's records of employment, employment advertisement, application forms and other pertinent data and records for the purpose of investigation to ascertain compliance with the nondiscrimination provisions of this Contract; provided however, the Company shall not be required to produce, for inspection, records covering periods of time more than one year from the effective date of this Contract.

The Company shall comply with the following executive orders, acts, and all rules and regulations implementing said orders or acts, which are by this reference incorporated herein as if set out in their entirety:

- the provisions of Presidential Order 11246, as amended, and the portions of Executive Orders

- 11701 and 11758 as applicable to Equal Employment Opportunity;
- the provisions of section 503 of the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act (ADA); and
- the provisions of the Employment and Training of Veterans Act, 38 U.S.C. 4212 (formerly 2012).

The Company agrees that if any of the Work of this Contract will be performed by a Subcontractor, then the provisions of this subsection shall be incorporated into and become a part of the subcontract.

11.4. LEGAL WORKFORCE

All persons performing work on the Work Location must be United States Citizens or legally authorized to reside and work in the United States. Owner may request at any time during the Contract period the following, which shall be furnished to Owner within twenty-four (24) hours of request:

- Proof of U.S. citizenship or other legal authorization to reside in U.S. for all persons performing work at the Work Location; and
- Proof that the salaries for all persons performing work on the Work Location are at or above state and federal minimum wage requirements; and
- Proof of eligibility of all persons performing work on the Work Location to legally work in the United States.

Additionally, to ensure all Company employees assigned to the Work are eligible to be legally employed in the United States, Company should register as a Federal Contractor on the E-Verify website, and within 30 days of the Effective Date of this Contract, verify the eligibility of all new employees. Failure of Company to perform this verification may be considered a breach of contract and Company will be liable for any fines or penalties assessed for the employment of illegal aliens.

The Company shall include the requirements of this clause, including this part, in each subcontract

12. AUDIT

12.1. RIGHT TO AUDIT AND FINANCIAL REPORTING

Upon JEA's requests, the Company agrees to allow JEA to audit its financial and operating records for the purpose of determining invoice accuracy, or otherwise assessing compliance with the Contract Documents. The Company agrees to let JEA personnel, or their qualified representative access the records at Company's office, with three days written notice, for a reasonable period, not less than five days, in a workspace suitable for the audit provided by Company. All audit work will be done on Company premises, and no Company documentation will be removed from Company offices. The Company agrees to have knowledgeable personnel available to answer questions for the auditors during the time they are at the Company's offices and for a period of two weeks thereafter. The Company shall provide to JEA audited financial statements for the most recent fiscal year upon JEA's request, not later than five days after receipt of written request.

13. REPRESENTATIONS & WARRANTIES

13.1. WARRANTY

Warranty requirements are described in the Supplemental Conditions attached hereto.

13.2. PERFORMANCE OF THE WORK

The Company represents and warrants that it has the full corporate right, power and authority to enter into the Contract and to perform the acts required of it hereunder, and that the performance of its obligations and duties hereunder does not and will not violate any Contract to which the Company is a party or by which it is otherwise bound. The Company warrants that all items provided under the Contract shall be free from Defect and services shall be performed in a professional manner and with professional diligence and skill, consistent with the prevailing standards of the industry. The Company warrants that the Work will meet the functional and performance requirements defined in the Contract.

14. MISCELLANEOUS PROVISIONS

14.1. AMBIGUOUS CONTRACT PROVISIONS

The parties agree that this Contract has been the subject of meaningful analysis and/or discussions of the specifications, terms and conditions contained in this Contract. Therefore, doubtful or ambiguous provisions, if any, contained in this Contract will not be construed against the party who physically prepared this Contract. The rule commonly known as "Fortius Contra Proferentum" will not be applied to this Contract or any interpretation thereof.

14.2. CHOICE OF LAW

This Contract, and the rights and duties of the parties arising from or relating to this Contract or its subject matter, shall be construed in accordance with the laws of the State of Florida, and the ordinances of the City of Jacksonville without regard to its conflicts of laws provisions. Each of the parties irrevocably submits to the exclusive jurisdiction of the courts of Florida, and further agree that the venue for any legal action brought by or files against JEA relating to any matter arising under this Contract shall be exclusively in that state or federal court, sitting in Duval county, Florida that has jurisdiction over such legal actions.

14.3. PROHIBITION AGAINST CONTINGENT FEES

Company warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Company, to solicit or secure the Agreement, and that it has not paid or agreed to pay any person, company, corporation, individual or firm, other than a bona fide employee working solely for the Company, any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of the Agreement. For the breach or violation of these provisions, JEA shall have the right to terminate the Agreement without liability and, at its discretion, to deduct from the contract price, or otherwise recover, the full amount of such fee, commission, percentage, gift or consideration.

14.4. CUMULATIVE REMEDIES

Except as otherwise expressly provided in this Contract, all remedies provided for in this Contract shall be cumulative and in addition to and not in lieu of any other remedies available to either party at law, in equity or otherwise.

14.5. EXPANDED DEFINITIONS

Unless otherwise specified, words importing the singular include the plural and vice versa and words importing gender include all genders. The term "including" means "including without limitation", and the terms "include", "includes" and "included" have similar meanings. Any reference in this Contract to any other agreement is deemed to include a reference to that other agreement, as amended, supplemented or restated from time to time. Any reference in the Contract to "all applicable laws, rules and regulations" means all federal, state and local laws, rules, regulations, ordinances, statutes, codes and practices.

14.6. NEGOTIATED AGREEMENT

Except as otherwise expressly provided, all provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties, their legal representatives, successors and assigns. The parties agree that they have had meaningful discussion and negotiation of the provisions, terms and conditions contained in this Agreement. Therefore, doubtful or ambiguous provisions, if any, contained in the Agreement shall not be construed against the party who physically prepared this Agreement. The rule commonly referred to as *Fortius Contra Proferentum* shall not be applied to this Agreement or any interpretation thereof.

14.7. SURVIVAL

Any provision of this Agreement that, but its nature, is applicable to circumstances arising after the termination or expiration of this Agreement shall survive such termination or expiration and remain in full force and effect.

14.8. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties hereto for the Services to be performed and furnished by the Company hereunder. No statement, representation, writing, understanding, or agreement made by either party, or any representative of either party, which are not expressed herein shall be binding. All changes to, additions to, modifications of, or amendment to this Agreement, or any of the terms, provisions and conditions hereof, shall be binding only when in writing and signed by the authorized officer, agent or representative of each of the parties hereto.

14.9. INDEPENDENT CONTRACTOR

Company is performing the Services as an independent contractor and nothing in this Agreement will be deemed to constitute a partnership, joint venture, agency, or fiduciary relationship between JEA and Company. Neither Company nor JEA will be or become liable or bound by any

14.10. HEADINGS

Headings appearing herein are inserted for convenience or reference only and shall in no way be construed to be interpretations of text.

14.11. LANGUAGE AND MEASUREMENTS

All communication between the Company and JEA, including all documents, notes on drawings, and submissions required under the Contract, will be in the English language. Unless otherwise specified in the Contract, the US System of Measurements shall be used for quantity measurement. All instrumentation and equipment will be calibrated in US System of Measures.

14.12. NONEXCLUSIVE

Notwithstanding anything herein contained that may appear to be the contrary, this Contract is "non-exclusive" and JEA reserves the right, in its sole discretion, to retain other companies.

14.13. REFERENCES

Unless otherwise specified, each reference to a statute, ordinance, law, policy, procedure, process, document, drawing, or other informational material is deemed to be a reference to that item, as amended or supplemented from time to time. All referenced items shall have the enforcement ability as if they are fully incorporated herein.

14.14. SEVERABILITY

In the event that any provision of this Contract is found to be unenforceable under applicable law, the parties agree to replace such provision with a substitute provision that most nearly reflects the original intentions of the parties and is enforceable under applicable law, and the remainder of this Contract shall continue in full force and effect.

14.15. MEETINGS AND PUBLIC HEARINGS

The COMPANY will, upon request by JEA, attend all meetings and public hearings as required, in any capacity, as directed by JEA.

14.16. SUBCONTRACTING OR ASSIGNING OF CONTRACT

Each party agrees that it shall not subcontract, assign, delegate, or otherwise dispose of the Contract, the duties to be performed under the Contract, or the monies to become due under the Contract without the other party's prior written consent.

The assignment of the Contract will not relieve either of the parties of any of its obligations until such

obligations have been assumed in writing by the assignee. If the Contract is assigned by either of the parties, it will be binding upon and will inure to the benefit of the permitted assignee. The Company shall be liable for all acts and omissions of its assignee or its Subcontractor.

14.17. TIME AND DATE

Unless otherwise specified, references to time of day or date mean the local time or date in Jacksonville, Fla. If under this Contract any payment or calculation is to be made, or any other action is to be taken, on or as of a day that is not a regular business day for JEA, that payment or calculation is to be made, and that other action is to be taken, as applicable, on or as of the next day that is a regular business day. Where reference is made to day or days, it means calendar days. Where reference is made to workday, workdays, business day, or business days, it means regular working days for JEA Procurement.

14.18. TIME OF ESSENCE

For every requirement of this Contract, time is of the essence.

14.19. WAIVER OF CLAIMS

A delay or omission by JEA hereto to exercise any right or power under this Contract shall not be construed to be a waiver thereof. A waiver by JEA under this Contract shall not be effective unless it is in writing and signed by the party granting the waiver. A waiver by a party of a right under, or breach of, this Contract shall not be construed to operate as a waiver of any other or successive rights under, or breaches of, this Contract.

The Company's obligations to perform and complete the Work in accordance with the Contract shall be absolute. None of the following will constitute a waiver of any of JEA's rights under the Contract: approval or payment of any progress payments or any other payments, including final payment; issuance of the Certificate of Substantial Completion or Certificate of Contract Completion; any use or occupancy of the Work by JEA; nor any correction of faulty or defective work by JEA.

15 SUPPLEMENTAL CONTRACT TERMS & CONDITIONS

15.1. CONTRACT TERMS AND CONDITIONS

The Supplemental and General Contract conditions contained herein will be incorporated by reference into the executed Contract which will signed by both JEA and the Company.

15.1. INTRODUCTION

These Supplementary Conditions amend or supplement the General Conditions of the Contract and other provisions of the Contract Documents as indicated below.

15.2 REQUIRED INSURANCE

Before starting and until acceptance of the Work by JEA, and without further limiting its liability under the Contract, Company shall procure and maintain at its sole expense, insurance of the types and in the minimum amounts stated below:

<u>Schedule</u>	<u>Amount</u>
<u>Workers' Compensation</u> Florida Statutory coverage and Employer's Liability	Statutory Limits (Workers' Compensation) \$500,000 each accident (Employer's Liability)
<u>Commercial General Liability</u> Premises-Operations Products-Completed Operations	\$1,000,000 each occurrence \$2,000,000 annual aggregate for bodily injury

Contractual Liability
Independent Contractors

and property damage, combined single limit

Automobile Liability

All autos-owned, hired,
or non-owned

\$1,000,000 each occurrence, combined single limit

Excess or Umbrella Liability

**(This is additional coverage and limits
above the following primary insurance:
Employer's Liability, Commercial General
Liability, and Automobile Liability)**

\$2,000,000 each occurrence and annual aggregate

Professional Liability

Errors & Omissions

\$5,000,000 each claim and annual aggregate

Valuable Papers

\$100,000 each claim

Company's Commercial General Liability, Excess or Umbrella Liability, and Professional Liability policies shall be effective for two years after Work is complete. The below Indemnification provision is separate and is not limited by the type of insurance or insurance amounts stated above.

Company shall specify JEA and Florida Power & Light Company (FPL) as additional insureds for all coverages except Workers' Compensation, Employer's Liability, and Professional Liability. Such insurance shall be primary to any and all other insurance or self-insurance maintained by JEA or FPL. Company shall include a Waiver of Subrogation on all required insurance in favor of JEA, FPL, their governing boards, officers, employees, agents, successors and assigns.

Such insurance shall be written by a company or companies licensed to do business in the State of Florida and satisfactory to JEA. Prior to commencing any Work under this Contract, certificates evidencing the maintenance of the insurance shall be furnished to JEA for approval.

Company's and its subcontractors' certificates of insurance shall be mailed to JEA (Attn. Procurement Services), Customer Care Center, 6th Floor, 21 West Church Street, Jacksonville, FL 32202-3139.

The insurance certificates shall provide that no material alteration or cancellation, including expiration and non-renewal, shall be effective until 30 days after receipt of written notice by JEA.

Any subcontractors of Company shall procure and maintain the insurance required of Company hereunder during the life of the subcontracts. Subcontractors' insurance may be either by separate coverage or by endorsement under insurance provided by Company. Company shall submit subcontractors' Certificates of Insurance to JEA prior to allowing subcontractors to perform Work on JEA's job sites.

15.3. INDEMNIFICATION

Company agrees to defend, indemnify, and protect JEA and Florida Power & Light Company (hereinafter referred to as FPL) from all claims and damages which arise solely from the Company's negligence in the performance of legal services under this agreement. This duty to defend, indemnify and protect shall not include any claim related to or arising from the negligence or willful misconduct of JEA and FPL and nothing in this indemnity should be read to preclude or limit in any way a defense that would be available but for this provision. The obligations under this section shall survive for the period of time that a comparable negligence action in tort would survive under the applicable statute of limitations and no longer.

For purposes of this Indemnification, the term "JEA" shall mean JEA as a body politic and corporate and shall include its governing board, officers, employees, agents, successors and assigns. For purposes of this Indemnification, FPL has been included with JEA, as co-owner for their St. Johns River Power Park facility (hereinafter referred to as SJRPP). The term "FPL" shall include its governing board, officers, employees, agents, successors and assigns. This indemnification shall survive the term of a Contract entered into pursuant to this solicitation, for events that occurred during the Contract term. This indemnification shall be separate and apart from, and in addition to, any other indemnification provisions set forth elsewhere in this Contract.

15.2. PAYMENT METHOD

15.2.1. PAYMENT METHOD – TIME AND MATERIALS

The Company shall submit to JEA an Invoice once a month for payment of all fees and expenses incurred during that month by the Company in performing the Work. JEA may elect to make a partial payment or no payment if JEA determines, at its sole discretion, and after due consideration of relevant factors, that either all, or part of the Work being invoiced is not in accordance with the Contract Documents.

15.3. TERM

15.3.1. TERM OF CONTRACT – DEFINED DATES

This Agreement shall commence on the Effective Date, and continue and remain in full force and effect as to all its terms, conditions and provisions as set forth herein for five (5) years, (the "Initial Term"), with five (5) optional renewal options of one (1) year each (each, a "Renewal Term," together with the Initial Term, the "Term").

JEA's decision to renew will be based on the performance of the Company and current market conditions at that time.

This Contract, after the initial year, shall be contingent upon the existence of lawfully appropriated funds for each subsequent year of the Contract.

15.4. WARRANTY

The Company represents and warrants that it has the full corporate right, power and authority to enter into the Contract and to perform the Work, and that the performance of its obligations and duties hereunder does not and will not violate any Contract to which the Company is a party or by which it is otherwise bound.

The Company represents and warrants that it will conduct the Work in a manner and with sufficient labor, materials and equipment necessary to affect a diligent pursuance of the Work through Final Completion.

The Company represents and warrants that it has the responsibility and capacity to train and supervise its employees, Subcontractors and suppliers to ensure the Work complies with all safety requirements of the Contract Documents.

The Company represents and warrants that its employees and Subcontractors shall exercise the degree of skill and care required by customarily accepted good practices and procedures.

The Company warrants all Work for a period of one year following Acceptance of the Work. If any failure to meet the foregoing warranty appears within one year after Work is Accepted, the Company shall again perform the Work directly affected by such failure at the Company's sole expense.

The Company warrants that all items provided under the Contract shall be free from Defect and services shall be performed in a professional manner and with professional diligence and skill, consistent with the

prevailing standards of the industry. The Company warrants that the Work will meet the functional and performance requirements defined in the Contract.

The obligations and representations contained in this "Company's Professional Warranties" are Company's sole warranty and guarantee obligations and JEA's exclusive remedy in respect of quality of the Work. EXCEPT AS PROVIDED IN THIS ARTICLE, COMPANY MAKES NO OTHER WARRANTIES OR GUARANTEES, EXPRESS OR IMPLIED, RELATING TO COMPANY'S SERVICES AND COMPANY DISCLAIMS ANY IMPLIED WARRANTIES OR WARRANTIES IMPOSED BY LAW INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. This clause governs, modifies, and supersedes any other terms in this Contract which may be construed to address warranties or guarantees or the quality of the Work.

15.5. ACCEPTANCE OF WORK NOT USED

15.6. PRICE ADJUSTMENT - ANNUAL

Contract prices for the Work will remain firm through the first year of the Contract. Company must request a Consumer Price Increase (CPI) thirty (30) days prior to the Anniversary Date of the Contract. If Company fails to request the CPI price adjustment within thirty (30) days of the Anniversary Date, the Company will be denied the increase and Company will have to request the CPI again in accordance with this clause. When a timely CPI request is received, JEA will recognize the CPI price adjustment within thirty (30) days after receipt of Company's written request, and it will be applied for the latest 12 month period. No retroactive price adjustments will be allowed.

Unless the Company and JEA make other agreements, the annual price adjustment for the Contract shall be in accordance with the consumer price index for all urban consumers published monthly by the U.S. Department of Labor, Bureau of Labor Statistics. The index used will be the unadjusted percent change for the previous 12 months after the written CPI request is received. In the event the applicable price index publication ceases, the Company and JEA shall mutually agree on a replacement index. If the Company and JEA fail to agree on a replacement index, the Contract shall terminate 90 days following the end of the then current fiscal year.

15.7. WORK SCHEDULES NOT USED

SECTION C: TECHNICAL SPECIFICATIONS/ DETAILED SCOPE OF WORK

A. Services to be provided by Bond Counsel for JEA shall include, but are not limited to, the following items associated with bond issues and will be billed at per-bond rates stipulated in the final agreement:

1. Debt Issuances that are Not Issued Pursuant to the Annual Delegation Resolution:

Preparing, obtaining, reviewing, delivering and drafting bond resolutions in connection with the sale and issuance of debt.

Debt Issued Pursuant to the Annual Delegation Resolution:

Work performed and compensated separately through the preparation of the Annual Delegation Resolution should result in a lower per bond fee since a portion of the work has already been incurred and paid.

2. Preparing or assisting in preparation of the preliminary official statement (POS) and official statement (OS) and preparation of the award resolution, and any amendments thereto, for the issuance of debt and reviewing the bond purchase agreement. Such assistance may require actual word processing of the draft POS and OS and distribution of these documents to the relevant parties prior to delivering such documents to the printer and shall include filing of such documents with the Municipal Securities Rulemaking Board Electronic Municipal Market Access (EMMA) or as otherwise required by regulation or statute.

3. Preparing, obtaining, reviewing, delivering and filing all closing papers necessary in connection with the sale and issuance of debt, including but not limited to certified copies of all minutes, ordinances, resolutions, and orders; certificates such as officers, seal, incumbency, signature, no prior pledge, arbitrage and others as is customary and required; and verifications, consents and opinions from accountants, engineers, special consultants and attorneys.

Included herein is the compiling of all closing documents and causing the production of a hard-bound transcript for the bond issue, and providing not less than one (1) hard-bound transcript and not less than three (3) electronic copies on CD-ROM disks for JEA, and such other copies in such format as may be necessary or required for other participants in the transaction, including Office of General Counsel of the City. These shall be completed and delivered to JEA and other participants, including paying agent, bond registrar, and/or tender agent, if applicable no later than 90 days after closing, or Liquidated Damages as set forth in paragraph C shall apply.

4. Issuing of standard, comprehensive bond counsel opinions as to the legality of any debt, the security for the payment of debt and the status of exemption from taxation of the interest on debt as well as the customary Rule 10(b)(5) opinion, and any other compliance as may be required, as to the accuracy of the Official Statement. At closing, delivery of any other certification or opinions that may be required of a Bond Counsel.

5. Reviewing necessary additional marketing documents in conjunction with a specific bond issue, such as the investor road show presentation for a Build America Bond issue.

6. If sale is by competitive bid, assisting in preparation of the bid documents, notice of sale, evaluation of bids and any other documentation or action necessary to conduct a sale of the debt in such manner. If a negotiated sale is advised, the Bond Counsel shall make recommendations appropriate to assure an optimum sale of the bonds and recommend to JEA whether to accept or reject the offer of the investment bankers.

7. Evaluating the advice given to JEA as to the legal feasibility of any financing program proposed by JEA's financial advisor and/or managing underwriters and/or underwriter's counsel and advising as to compliance of the program(s) with applicable law and pending or proposed

revisions in the law including U.S. Treasury regulations.

8. Advising as to procedures, required approvals and filings, schedule of events for timely issuance, potential cost-saving techniques and other legal matters relative to issuance of debt instruments, whether the financing is undertaken by competitive sale or negotiated sale.

9. Attending meetings and teleconferences relating to specific bond deals, including but not limited to meetings with JEA's financial advisor and representatives of the selected underwriters, pre-closing and closing conferences, and meetings of the JEA Board or the Jacksonville City Council and its committees, when so requested.

10. Preparing any trust indenture; escrow deposit agreement; trustee, remarketing agent, registrar or paying agent agreement; and any other agreement or similar document necessary, related or incidental to any financing.

11. Preparing or reviewing necessary material events disclosure notices or documents for compliance with SEC secondary market filings and disclosure rules, and MSRB or EMMA requirements relating to Bond financings (e.g., refunding).

12. Assisting JEA in negotiating and preparing the necessary documents to obtain liquidity support for commercial paper notes; VRDOs, or for any short term financial facilities, and/or any other borrowing or financing facilities, either for capital or short term working capital purposes, relating to the initial Bond deal.

13. Advising JEA and preparing documents required to comply with applicable laws and regulations including Internal Revenue Services requirements to receive cash subsidies from the U.S. Treasury for issuance of federally subsidized debt, including but not limited to Build America Bonds.

B. Services to be provided by Bond Counsel for JEA shall include, but are not limited to, the following items not associated with particular bond issues and will be billed at hourly rates stipulated in the final agreement:

1. Preparing, obtaining, reviewing, delivering and drafting annual bond delegation and/or authorization resolutions. These resolutions summarize debt parameters under which JEA's CEO/Managing Director is delegated and/or authorized by the Board to award a Bond issue. It is anticipated that these resolutions will be prepared prior to the beginning of each fiscal year.

2. Performing an analysis of the tax and other legal consequences to JEA associated with major potential transactions that may not involve a debt issuance but which may involve other utilities, electric power producers or marketers, or current or potential new JEA customers. This includes but is not limited to review of existing contracts and drafts of proposed contracts as well as participation in the negotiation of contracts. Major potential transactions may include, but are not limited to, power supply purchase or power sale contracts, co-generation contracts, independent power producer contracts, other tax advantaged transactions, acquisitions, and any other contracts or transactions which may affect or be affected by existing debt covenants.

3. Advising JEA as to compliance with Internal Revenue Service regulations (e.g., arbitrage, rebate, private use, etc.), Securities and Exchange Commission (SEC) disclosure and other relevant rules, federal anti-trust laws, regulations of the Federal Energy Regulatory Commission (FERC), and any other federal, state, and local legislation applicable to JEA and assisting JEA in any litigation arising therefrom.

4. Attending meetings not related to specific bond deals, including but not limited to conferences

of JEA officials, bond rating agencies, or others, when so requested.

5. Preparing future bond resolutions and any amendments thereto or amendments to the current bond resolutions in order to authorize the issuance of debt. Recommending provisions and covenants of JEA to be contained in the bond resolutions and other financing documents including but not limited to bond amounts, dates, maturities, interest rates, redemption provisions, flow of funds, debt service coverage requirements, reserve funds, rates and charges, security pledges and conditions relating to the issuance of any additional bonds.

6. Preparing any pleading (e.g., complaint, notice of service, proposed answer, memorandum of law, proposed order, etc.) and conducting the validation hearing and any appeals related thereto or arising there from, on any bond or bond resolutions JEA chooses to validate.

7. Reviewing the transcript of all proceedings in connection with the foregoing and indicating any necessary corrective action.

8. Assisting JEA in obtaining and complying with any necessary Internal Revenue Service private letter rulings.

9. Preparing or reviewing necessary material events disclosure notices or documents for compliance with SEC secondary market filings and disclosure rules, and MSRB or EMMA requirements, not related to Bond financings.

10. Assisting JEA in negotiating and preparing the necessary documents to obtain liquidity support for commercial paper notes, VRDOs, or for any short term financial facilities, and/or any other borrowing or financing facilities, either for capital or short term working capital purposes, relating to obtaining substitute liquidity facilities for existing programs or for short term working capital purposes.

11. Assisting JEA in any necessary duties required of bond counsel in executing transactions relating to securities lending, interest rate swaps and hedges, interest rate caps or collars, options or futures programs or any risk management transactions.

12. Preparing and/or providing direct assistance in calculating the arbitrage bond yield in connection with the termination of swaps integrated with debt issues.

13. Reviewing and revising, if necessary, current and future bond documents subsequent to execution for any possible omissions, errors or changes in federal, state and local laws that affect the original financing, including but not limited to tax certificates.

14. Preparing, reviewing and/or commenting on documentation to be utilized in conjunction with, and recommending the structure and economic benefits of derivative products such as variable rate/residual rate financings, interest rate swap transactions, bond insurance, tax information regarding any changes in tax laws that may affect JEA, its bonds or its investors, etc.

15. Issuing any necessary certificates, notices of call, legal opinions, or other documents that may be required on or before the redemption date of outstanding debt, unrelated to an original bond financing or refunding.

16. Issuing necessary bond counsel opinions relating to the effects on the tax exempt status of outstanding debt if a re-optimization of the investments held in an established escrow is performed.

17. Advising JEA and assisting in preparing required documents for future joint financing and/or investment activities.

18. Assisting in development and implementation of a rating agency strategy to improve the ratings of JEA debt and advise JEA on its overall debt management program.

19. Preparing the Annual Disclosure Report and associated services for meeting annual disclosure requirements, including filing all Rule 12c2-12 event notices within ten (10) business days of occurrence, and any other disclosure requirements. The Bond Counsel not selected to prepare the Annual Disclosure Report shall be responsible for reviewing the Annual Disclosure Report and providing comments within required timeframe.

20. Provide all other complimentary legal counsel services on JEA's overall debt program or other projects as may be required.

C. In addition to the foregoing, all Bidders must adhere to the following requirements, which will be included in the Agreement

1. Subcontracting.

a. JEA prefers that 90% of the services required under this Agreement be provided by the selected firm. If your firm requires subcontracting the work required under the Agreement, prior written approval of JEA is required. In order to obtain approval, please state the type of work which must be subcontracted, and the specific attorneys and law firm you plan to utilize.

2. Compatible Software.

a. Bidder shall maintain ability to transmit and receive files compatible with JEA's software (e.g., Adobe and Microsoft Word and Excel) at the Bidder's expense.

3. Retainage and Liquidated Damages for Failure to Deliver Transcript:

a. Company understands and agrees that timely completion of transcripts is important, and agrees that an amount of \$10,000 from the bond issue closing proceeds due to Company for each bond closing relating to preparation and delivery of each such transcript shall be held in retainage and paid following receipt of the transcript. It is further understood and agreed that retained fees are to be paid only from proceeds of closed bond transactions. If the transcripts are not delivered within 18 months of the bond closing, the retainage is subject to forfeiture.

b. If any transcript required pursuant to the terms of the Contract Documents is not delivered to JEA within 90 days of the respective bond closing, it shall be considered an event of default under the contract, and JEA shall be entitled to Liquidated Damages the amount of \$1,000 per day, not as a penalty, but as liquidated damages.

SECTION D: FORMS

SEE ATTACHED



PROCUREMENT SERVICES PROCEDURE:

OS A0500 PS 120B Contractor Travel

TITLE:

Travel Approval and Expense Reimbursement (Contractor)

CREATION DATE: May 26, 1988

REVISED: April 1, 2010

POLICY: JEA's travel requirements for contractors parallel the same travel guidelines in OS A0500 PS 120A for JEA Employee Travel. JEA is authorized to provide reimbursements for certain expenses incurred by a non-JEA employee upon the traveler meeting all the requirements stated in this procedure. The proper approval process must be followed for a non-JEA employee to travel and receive reimbursements for expenses incurred.

OBJECTIVES: Provide assistance to the non-JEA traveler in making travel arrangements and filing a travel claim for reimbursement of travel expenses occurred.

ASSIGNMENT: Director, Procurement Services is responsible for maintenance and implementation of this procedures. All using employees are responsible for compliance herewith.

PROCEDURE:

- I. **TRAVEL REQUESTS -** Contractors must request approval for travel on official JEA business prior to commencement of travel. A Travel Request/Reimbursement Form is located in **Quest, Enabling Processes, Travel** and must be completed and submitted to the traveler's approving authority before travel begins.

- II. **GENERAL TRAVEL GUIDELINES**
 - A. **Constructive Point of Origin -** The application of the constructive point of origin regulation will ensure that the traveler travels the shortest reasonable distance on business. Travel shall be deemed to have begun at the usual place of business or residence, or the place where travel actually began, whichever is less.

 - B. **Constructive Travel Time** is the time the traveler actually departs for his/her destination, or at the latest time the traveler could reasonably have departed in order to arrive at his/her destination in time to accomplish the official business, whichever is later. The same applies to the return back to the point of origin.
 1. **Common Carrier (excluding rental automobile)** Travel Time begins two hours prior to the time the traveler's conveyance actually departs.
 2. **Motor vehicle (including rental automobile)** Travel Time begins at the time travelers actually begin driving to their destination.
 3. If a traveler conducts personal business during official travel, the personal business shall be considered to have been conducted at the beginning or at the end of the travel.

 - C. **Transportation**
 1. The traveler requesting approval to travel shall choose the most economical means of transportation, considering the nature of the business, the traveler's time, cost of transportation, meals, lodging and incidental expenses required.
 2. Reimbursement shall be made only for travel performed over usually regularly traveled routes to the destination. When travel is by indirect route for the traveler's own convenience, reimbursement for

expenses shall be based only on such charges as would have been incurred over the usually traveled route.

3. If the total miles from the departure point to destination exceeds 400 miles round trip, the mileage reimbursement for use of a private motor vehicle shall be limited to the lesser of:
 - a. IRS-authorized mileage rates described in Section 106.706 of the Ordinance Code, City of Jacksonville; or
 - b. the lowest airline common carrier coach fare available to the nearest airport plus IRS-authorized mileage rate per mile from the airport to the destination.

IV. AUTHORIZED EXPENSES

A. Airplane

1. Travel by Common Carrier shall be reimbursed at the lowest coach fare rate available (except that the first class rate is authorized if coach fare is not available). The Common Carrier shall complete The Certification of Unavailability of Coach Accommodation (Appendix A)
2. Reservations for a Saturday night stay over are encouraged if it results in a net savings after considering all incremental travel related expenses.
3. Reimbursement for rented aircraft shall be based on the hourly rental rate for the aircraft, including fuel, if the cost of renting the aircraft can be demonstrated to be less than the lowest available common carrier coach fare.
4. A copy of the ticket and itinerary must be submitted along with the expense statements.

B. Automobiles

1. If travel is by private automobile, reimbursement shall be based on IRS authorized mileage rate in existence at the time of travel. All mileage shall be completed from the constructive point of origin to the point of destination. Vicinity mileage incurred while driving on official business may also be reimbursed. Current mileage rates are listed on **Quest, Enabling Processes, Travel**.
2. No other reimbursement for expenses related to the operation, maintenance and ownership of a vehicle shall be allowed when a private motor vehicle is used on public business.

C. Car Rental

1. Rental cars shall be approved only if taxis or other means of transportation are less economical or otherwise impractical. Avis Car Rental is JEA's current rental car agency. Complete rental car information on **Quest, Enabling Processes, Travel**.
2. Every effort shall be made to coordinate travel so that travelers share a rental car and thereby eliminate multiple cars at the same location.
3. Travelers shall use the Compact (Class B) vehicles unless the number of passengers or the volume of equipment makes the compact class impractical.
4. Personal accident insurance purchased by the traveler will not be reimbursed by JEA.
5. A copy of itemized rental car charges will be made and submitted with the expense statement.

D. Lodging

1. Reasonable reimbursement will be made for the cost of overnight lodging when a traveler is away from his/her place of residence. Travelers shall select lodging which is the most economically available, consistent with the duties being performed.
2. Travelers will be reimbursed for a single room rate; double occupancy rates may be obtained if two travelers share a room.
3. An extended stay facility may be obtained, however the expense must be reasonable and the daily cost shall not exceed \$100 per night.
4. Travelers must document all lodging expenses with itemized statement and paid receipt from lodging facility. A copy of the receipt must be submitted with the expense statement.

E. Meals

1. IRS per diem rates vary from City to City. The maximum rate allowed for JEA travel is \$50 per day. You may travel in cities whose IRS per diem rates are less than JEA's per diem rates. If that is the

case, the lesser rate applies. There are no meal reimbursements over the maximum JEA rate of \$50 unless travel is international. International travel is calculated at twice the JEA per diem rate of \$50.

2. Per diem is reimburseable as follows:
 - a. Breakfast - when Travel Time begins before 6:00 a.m. and extends beyond 8:00 a.m.
 - b. Lunch - when Travel Time begins before 12:00 noon and extends beyond 2:00 p.m.
 - c. Dinner - when Travel Time begins before 6:00 p.m. and extends beyond 8:00 p.m.
 - d. International Travel – for travel outside of the United States, the per diem rate is doubled to \$100 per day.
3. The maximum JEA per diem rate of up to \$50 will be paid for an entire day when Travel Time for that day begins before 6:00 a.m. and extends beyond 8:00 p.m. Lessor IRS rates apply if applicable to your travel city.
4. Per diem rates may not be claimed for meals (except those provided by common carrier transportation) made available without specific charge at a seminar, conference or training session.
5. Current per diem for various cities is located on **Quest, Enabling Processes, Travel.**

F. Telephone Calls

1. Communication expenses, necessary to conduct official JEA business shall be allowed as a reimbursable expense.
2. Personal long distance phone charges shall be allowed as a reimbursable expense when travelers must call family members, or caretakers for dependents, to tell of travel delays. Any other routine or non-emergency personal calls shall be at the expense of the traveler and shall not be reimbursed.
3. A receipt documenting the telephone charges shall be submitted with the Travel Expense Statement.

G. Incidental Transportation Expenses

The following expenses incidental to transportation of the traveler may be reimbursed:

1. Taxi fare
2. Ferry fares, bridge, rail and tunnel tolls
3. Storage and parking fees
4. Reasonable tips for transportation of baggage (not to exceed \$1.00 per bag per transfer/2 bags maximum). Receipts not required.

V. TRAVEL REIMBURSEMENT:

- A. JEA will reimburse the contractor in accordance with the payment terms and conditions as outlined in the company's contract or purchase order. All invoices must be submitted to Travel Services for auditing purposes. Once approved, the traveler's claim will be submitted to Accounts Payable for payment. A Direct Deposit form must be completed for payment. Form located on **Quest, Enabling Processes, Travel.**
- B. JEA will only reimburse the contractor for travel expenses that are documented with receipts submitted with the expense statement.
- C. The traveler's copy of the itinerary, ticket stubs, detailed paid hotel bill, rental car receipt, parking receipts, toll receipts, storage receipts, taxi receipts, telephone charges receipt, must accompany the request for reimbursement.

VI. DOCUMENTATION AND FORMS REQUIRED:

The Contractor's Travel Request/Reimbursement Form shall include, but not be limited to:

- A. Name of each traveler
- B. Destination of the traveler (place of departure and destination)
- C. Dates encompassed by the travel (the time & date of departure and the time & date of return)
- D. Each day of travel will be entered in a separate column/line. Items of travel applicable to that day will be entered on the appropriate column/line. The cost of transportation (air, rental car) may be entered on day 1 of the travel.

- E. Per diem or meal allowance will be claimed as provided in Section IV. E. of this document. Subsistence rates for eligible meals will be entered in the column/line of the day claimed.

- F. Traveler shall include the actual miles traveled on official business. Current IRS mileage rates may be viewed on **Quest, Enabling Processes, Travel**.

- G. All other expenses associated with travel are to be itemized and entered on the specific day incurred on the appropriate column/line of the form.

- H. A Direct Deposit form must be completed and submitted to Accounts Payable. A Direct Deposit Form is located on **Quest, Enabling Processes, Travel**.

SIGNED: John P. McCarthy

EFFECTIVE DATE: April 1, 2010

Revised: 6/25/07; 12/11/2001; 6/18/2001; 11/29/200

EXHIBIT B
PROPOSAL AND QUOTATION OF FEES

APPENDIX A

Form A, Quotation of Fees/Rates Summary

**JEA Request for Proposal for Bond Counsel Services
Form A, Quotation of Fees/Rates Summary**

**Use this form to summarize fee information requested in items referenced from Section 2.5.1
Evaluated Bid, Quotation of Fees**

1. Debt issuances related fees:

- a. Fee per \$1,000 of fixed rate new money bonds, fee per \$1,000 of fixed rate refunding bonds, and fee per \$1,000 of new money Variable Rate Demand Obligation Bonds (VRDO) and/or Tax Exempt Commercial Paper (TECP) and fee per \$1,000 for refunding VRDOs and/or TECP.

Specify fee per \$1,000 of bonds charged for bond resolution related work included in the above quoted fees.

	Fee per \$1,000	Portion of fee per \$1,000 for resolution related work
Fixed rate new money bonds	\$1.15	\$.65
Fixed rate refunding bonds	1.45	.70
New money Variable Rate Demand Obligation bonds (VRDO) and/or Tax Exempt Commercial Paper (TECP)	1.55	1.00
Refunding VRDOs and/or TECP	1.65	1.10

- b. Quote the maximum (cap) and minimum fee charged per bond transaction which shall be applicable to the total bonds of a single system issued pursuant to the transaction described in a single Official Statement or Offering Memorandum, and issued and closed on a single day, irrespective of whether there are two or more series of bonds or split between a senior and subordinated structure.

Quote the applicable fee per each debt type listed in (a) above. The fees represent services outlined in Section C: Technical Specifications/Detailed Scope of Work—A.1-13.

	Maximum Fee	Minimum Fee
Fixed rate new money bonds	\$150,000.00	\$75,000.00
Fixed rate refunding bonds	\$170,000.00	\$85,000.00
New money VRDOs and/or TECPs	\$180,000.00	\$90,000.00
Refunding VRDOs and/or TECPs	\$190,000.00	\$95,000.00

**JEA Request for Proposal for Bond Counsel Services
Form A, Quotation of Fees/Rates Summary**

2. Hourly fee for all assigned attorneys, for project related work other than a financing as listed above if authorized by JEA. Refer to Proposed Assigned Staff section for a description of attorney designations. For the purposes of fees quoted in this section indicate which proposed assigned attorney shall be the "primary" attorney (whether a Bidder shareholder, partner or other) and which proposed assigned attorney shall be the "secondary" attorney (whether associate; staff; special, e.g., tax, regulatory compliance, etc.; subcontracted or other) and other attorneys. Fees will be evaluated on the basis of the hourly rates for the primary attorney and for the secondary attorney for the categories of work indicated on Section D, Response Form B, Quotation of Forecasted Fees. Billable hours for special projects do not include travel time. These fees represent services outlined in Section C: Technical Specifications/Detailed Scope of Work—B.1-20.

a. Quote hourly fees for all attorneys assigned to JEA designating the "primary", the "secondary" and all others.

<u>Attorney Designation</u>	<u>Attorney Name</u>	<u>Hourly Fee</u>	<u>Optional Description (e.g., external tax, etc.)</u>
Primary	Elizabeth Mihalyak Columbo	\$625	Primary Contact
Secondary	Arthur F. McMahon, Jr.	\$675	Secondary Contact
Other	Mitch Rapaport	\$750	Primary Tax
Other	Jeff Piemont	\$700	Secondary Tax
Other	Barry Rothchild	\$500	Associate
Other	Jennifer Wheeler	\$395	Associate
Other	Paralegals	\$200	Paralegals

b. Quote maximum fee per transaction for:

- i. Liquidity substitution
- ii. Liquidity amendment
- iii. Annual Disclosure Report preparation
- iv. Delegation resolution preparation and drafting

	<u>Maximum Per Transaction</u>
i. Liquidity substitution	\$50,000.00
ii. Liquidity amendment	\$25,000.00
iii. Annual Disclosure Report preparation	\$50,000.00
iv. Delegation resolution preparation and drafting	\$10,000.00

**JEA Request for Proposal for Bond Counsel Services
Form A, Quotation of Fees/Rates Summary**

- c. As Bond Counsel: include a maximum annual fee for reviewing and commenting on (not drafting) delegation resolutions for debt issuances within each fiscal year for all JEA systems.

Maximum annual fee for reviewing and commenting on
(not drafting) annual delegation resolutions \$20,000.00

- d. As Bond Counsel: include a maximum annual fee for reviewing and commenting on (not drafting) JEA's Annual Disclosure Report.

Maximum annual fee for reviewing and commenting on
(not drafting) JEA's Annual Disclosure Report \$35,000.00

3. Fee estimates based on forecasted situations provided – use Response Form B, Quotation of Forecasted Fees.

4. JEA allows for a CPI adjustment in contracts after the first year of the contract, in accordance with paragraph 15.6 of the General Conditions. For each year of the remaining four (4) years of the contract, please indicate if you will or will not require a CPI Adjustment. JEA uses the annual CPI-U for calculating all CPI contractual adjustments. This information will be used to calculate the total fees for evaluation purposes. The annual CPI rate to be used shall be 1.1% whenever a CPI inflation factor is used in calculating quoted fees for the forecasted situations in Response Form B. CPI adjustments will only be for hourly rates and for the per bond costs, but will not affect the minimum-maximum amounts.

CPI adjustment – Indicate (Yes/No) whether you intend to require a CPI adjustment for each year during the contract term.

Contract year 1	<u>Year 1: not allowed</u>
Contract year 2	<u>No</u>
Contract year 3	<u>Yes</u>
Contract year 4	<u>Yes</u>
Contract year 5	<u>Yes</u>

5. Please provide any methods of compensation your firm may have employed in the past with other similar public issuers, or would be willing to employ in the future, which would be cost-effective for small and frequent issuers (transaction size under \$50 million).

We would be willing to agree to caps on fees on an issue by issue basis.

6. Are there other fees or costs not included in the preceding items that Bidder anticipates charging or passing along to JEA? Please state the nature, basis and estimated amounts of such items, if any.

Certain expenses would be charged in accordance with the schedule attached hereto as Schedule I.

**JEA Request for Proposal for Bond Counsel Services
Form A, Quotation of Fees/Rates Summary**

7. JEA prepares a delegated bond authorization on at least an annual basis, and pays on an hourly basis for work incurred in the preparation of the delegated bond authorization. Will your firm be willing to negotiate an offset of fees (full or partial) for authorization resolution work against a bond financing executed for an issuance authorized under the delegation authorization? Please indicate yes or no, and whether full or partial offset will be allowed.

Yes, we would be willing to negotiate a full offset of fees for authorization resolution work against a bond financing executed for an issuance authorized under the delegation authorization.

**JEA Request for Proposal for Bond Counsel Services
Form A, Quotation of Fees/Rates Summary**

DISBURSEMENTS SCHEDULE

2009 POLICY ON CHARGES AND DISBURSEMENTS

(REV. 07/01/09)

U.S. Offices Only

The following are the major categories of our current charges and disbursements and the basis thereof:

1. **Travel Costs** – Includes the actual cost of airfare, taxi or other transportation; lodging, meals and other costs that are reasonable and necessary to conduct client business. The standard automobile mileage rate, adjusted periodically by the U.S. Government is used for reimbursement of business mileage in privately owned vehicles.
2. **Duplicating** – Paper copies are charged on a per page basis as follows:

Upstate New York.....	\$0.07
All Other Offices.....	\$0.07
Color Copies – all offices.....	\$1.00
3. **Document Binding (in-house)** – All binding, including velo, spiral, wire, tape and notebooks are \$5.00 per binder/spiral.
4. **Long Distance Telephone Calls** – Charged at vendor cost plus overhead.
5. **Conference Call using an Outside Vendor** - Charged at vendor cost
6. **Meals in Office** – Meals served in offices for meeting necessitated by client business will be charged at vendor cost subject to \$20 cap per person.
7. **Postage** – Charged at vendor cost.
8. **Air Express/Overnight Mail** – Charged at vendor cost for express deliveries.
9. **Database Services** – Clients will be charged vendor cost for database services such as Lexis or Westlaw. A portion of the firm discount will be allocated to the client.
10. **Messenger** – Services are provided at either vendor cost of the outside vendor/courier or at the rates listed below for internal services:

Car Messenger:

Albany, NY	\$10.00 plus standard auto mileage
Buffalo, NY	\$8.50 per delivery
Jericho (LD), NY	\$10.00 - \$50.00 per delivery (zoned)
Rochester, NY	\$10.00 in Monroe Co.; \$10.00 per hour plus Standard auto mileage outside Monroe County.
All Other Offices	Outside service cost

Foot Messenger:

Albany, NY	\$4.50 per delivery
Boston, MA	\$5.00 per delivery
Buffalo, NY	\$6.00 per delivery
Chicago, IL	\$6.50 - \$12.00 (Zoned)
Manchester, NH	\$5.00 per delivery
New York, NY	\$8.65 - \$13.65 (Zoned)

**JEA Request for Proposal for Bond Counsel Services
Form A, Quotation of Fees/Rates Summary**

Palm Beach Garden, FL	\$5.00 per delivery
Providence, RI	\$9.75 per delivery (Less in Financial District)
Rochester, NY	\$5.00 per delivery
Wash. DC	\$6.50 - \$12.00 (Zoned)

11. **Choicepoint** – Charged at vendor cost.
12. **Trademark Searches** – Charged at vendor cost.
13. **Third-party Expenses** – If a bill is received for \$500 or more for services rendered by a third party, such as local counsel, court reporters or expert witnesses, the bill will generally be sent directly to the client for payment. There are times, however, where it is advantageous for NP, as client attorney, to make direct payment. In such cases, NP may request a client check for the required amount before making payment to the third party.
14. **Video Conferencing** – Charged at a flat \$136.00 per hour rate.
15. **Compact Disk Production/Duplication (CD burning)** – Charged at \$25.00 per disk and includes document preparations and machine reproduction time.
16. **Document Delivery Services** – Clients will be charged at vendor cost for document delivery services, such as Canada Institute for Scientific and Technical Information (CISTI)

APPENDIX B
Form B, Quotation of Forecasted Fees

**JEA Request for Proposal for Bond Counsel Services
Form B, Quotation of Forecasted Fees**

Use this form to summarize fee information requested in Section 2.5.1 Evaluated Bid, Quotation of Fees, Item 3.

DEBT ISSUANCES RELATED FEES:

Year of Bond Issue	System	Type	\$ Amount (millions)	Fees/per \$1,000 of Bonds	CPI adjusted Fees ³	Annual Maximum	Annual Minimum
			<i>a</i>	<i>b</i>	<i>c = a x b x 1000</i>	<i>No CPI Adjustment</i>	
Fixed Rate New Money fee per \$1,000 from Form A:				<u>\$1.15</u>			
Fixed Rate Refunding fee per \$1,000 from Form A:				<u>\$1.45</u>			

Electric System New Money Bonds

FY 2012	Electric	Fixed Rate	65	\$1.15	\$74,750.00	N/A	\$89,700.00	\$34,500.00
FY 2013	Electric	Fixed Rate	30	1.15	34,500.00	N/A		
FY 2014	Electric	Fixed Rate	37	1.15	42,550.00	\$43,018.05		
FY 2015	Electric	Fixed Rate	53	1.15	60,950.00	61,620.45		
FY 2016	Electric	Fixed Rate	78	1.15	89,700.00	90,686.70		

Electric System Refunding Bonds²

FY 2012	Electric	Fixed Rate	200	\$1.45	\$290,000.00	N/A	\$290,000	\$217,500.00
FY 2013	Electric	Fixed Rate	200	1.45	290,000.00	N/A		
FY 2014	Electric	Fixed Rate	200	1.45	290,000.00	\$293,190.00		
FY 2015	Electric	Fixed Rate	150	1.45	217,500.00	219,892.50		
FY 2016	Electric	Fixed Rate	150	1.45	217,500.00	219,892.50		

Water and Sewer System New Money Bonds

FY 2012	Water and Sewer	Fixed Rate	91	\$1.15	\$104,650.00	N/A	\$104,650.00	\$34,500.00
FY 2013	Water and Sewer	Fixed Rate	30	1.15	34,500.00	N/A		
FY 2014	Water and Sewer	Fixed Rate	66	1.15	75,900.00	\$76,734.90		
FY 2015	Water and Sewer	Fixed Rate	39	1.15	44,850.00	45,343.35		
FY 2016	Water and Sewer	Fixed Rate	40	1.15	46,000.00	46,506.00		

Water and Sewer System Refunding Bonds²

FY 2012	Water and Sewer	Fixed Rate	150	\$1.45	\$217,500.00	N/A	\$217,500.00	\$145,000.00
FY 2013	Water and Sewer	Fixed Rate	150	1.45	217,500.00	N/A		
FY 2014	Water and Sewer	Fixed Rate	150	1.45	217,500.00	\$219,892.50		
FY 2015	Water and Sewer	Fixed Rate	100	1.45	145,000.00	146,595.00		
FY 2016	Water and Sewer	Fixed Rate	100	1.45	145,000.00	146,595.00		

¹ Fees do not include out of pocket expenses.

² Amounts of refunding bonds represent both current and advance refunding opportunities. Actual refunding amounts will vary depending upon market conditions.

³ Calculated based upon the current factor of the CPI adjustment. For the purposes of this form use 1.1% annual increase in all years for which Bidder intends to require a CPI adjustment, as described in Section 2.5.1. Evaluated Bid - 1. Quotation of Fees, Item 4.

**JEA Request for Proposal for Bond Counsel Services
Form B, Quotation of Forecasted Fees**

NON-DEBT ISSUANCES RELATED FEES:

Year	System	Estimated Number of Engagements	Hourly Rate	Total Hours Estimated	Fees ¹	CPI adjusted Fees ³	Maximum per transaction ⁴
			<i>a</i>	<i>b</i>	<i>c = a x b</i>		<i>No CPI Adjustment</i>

Primary Attorney hourly rate from Form A: \$625

Secondary Attorney hourly rate from Form A: \$675

Miscellaneous Projects - Primary Attorney

FY 2012	All	2	\$625	10	\$6,250	N/A	N/A
FY 2013	All	2	\$625	10	\$6,250	N/A	
FY 2014	All	2	\$625	10	\$6,250	\$6,318.75	
FY 2015	All	2	\$625	10	\$6,250	\$6,318.75	
FY 2016	All	2	\$625	10	\$5,250	\$6,318.75	

Miscellaneous Projects - Secondary Attorney

FY 2012	All	1	\$675	7	\$4,725	N/A	N/A
FY 2013	All	2	\$675	15	\$10,125	N/A	
FY 2014	All	1	\$675	10	\$6,750	\$6,824.25	
FY 2015	All	2	\$675	15	\$10,125	\$10,236.38	
FY 2016	All	1	\$675	10	\$6,750	\$6,824.25	

VRDO Liquidity Facilities Substitutions - Primary Attorney. Include Maximum per transaction. >

FY 2012	All	2	\$625	200	\$125,000	N/A	\$187,500.00
FY 2013	All	2	\$625	200	\$125,000	N/A	
FY 2014	All	3	\$625	300	\$187,500	\$189,562.50	
FY 2015	All	2	\$625	200	\$125,000	\$126,375.00	
FY 2016	All	2	\$625	200	\$125,000	\$126,375.00	

VRDO Liquidity Facilities Amendments - Primary Attorney. Include Maximum per transaction. >

FY 2012	All	3	\$625	30	\$18,750	N/A	\$25,000.00
FY 2013	All	4	\$625	40	\$25,000	N/A	
FY 2014	All	3	\$625	30	\$18,750	\$18,956.25	
FY 2015	All	2	\$625	20	\$12,500	\$12,637.50	
FY 2016	All	2	\$625	20	\$12,500	\$12,637.50	

Drafting of Annual Disclosure Report -

\$128,500.00

Calculate Hourly Rate based on blended fee of **65% Primary and 35% Secondary Attorney** working on Disclosure Report. Provide Maximum Fee.

FY 2012	All	1	\$642.50	200	\$128,500	N/A	
FY 2013	All	1	\$642.50	200	\$128,500	N/A	
FY 2014	All	1	\$642.50	200	\$128,500	\$129,913.50	
FY 2015	All	1	\$642.50	200	\$128,500	\$129,913.50	
FY 2016	All	1	\$642.50	200	\$128,500	\$129,913.50	

Drafting of Annual JEA Board Delegated Bond Authorization Resolutions - One for each System

\$63,500.00

Calculate Hourly Rate based on blended fee of **80% Primary and 20% Secondary Attorney** working on Resolutions. Provide Maximum Fee.

FY 2012	All	1	\$635.00	100	\$63,500	N/A	
FY 2013	All	1	\$635.00	100	\$63,500	N/A	
FY 2014	All	1	\$635.00	100	\$63,500	\$64,198.50	
FY 2015	All	1	\$635.00	100	\$63,500	\$64,198.50	
FY 2016	All	1	\$635.00	100	\$63,500	\$64,198.50	

¹ Fees do not include out of pocket expenses.

² Amounts of refunding bonds represent both current and advance refunding opportunities. Actual refunding amounts will vary depending upon market conditions.

³ Calculated based upon the current factor of the CPI adjustment. For the purposes of this form use **1.1% annual increase in all years for which Bidder intends to require a CPI adjustment**, as described in Section 2.5.1, Evaluated Bid - 1. Quotation of Fees, Item 4.

⁴ Per transaction maximums from Form A, items 2.b. i.-iv.