RESOLUTION NO. 13-07-39

A RESOLUTION OF THE VILLAGE COUNCIL OF ISLAMORADA, VILLAGE OF ISLANDS, FLORIDA APPROVING CHANGE ORDER NO. 2 TO THE DESIGN BUILD AND OPERATE (DBO) AGREEMENT BETWEEN REYNOLDS WATER ISLAMORADA, LLC AND ISLAMORADA, VILLAGE OF ISLANDS TO PROVIDE VILLAGE PAVING REPAIR AND OVERLAY; AUTHORIZING VILLAGE OFFICIALS TO IMPLEMENT THE TERMS AND CONDITIONS OF CHANGE ORDER NO. 2; AUTHORIZING THE VILLAGE MANAGER TO EXPEND BUDGETED FUNDS; AUTHORIZING THE VILLAGE MANAGER TO EXECUTE THE CHANGE ORDER; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on August 21, 2012, the Village entered into a Design Build and Operate (DBO) Agreement with Reynolds Water Islamorada, LLC (“Reynolds”) to provide design, construction and operation of a Village-wide wastewater system (“DBO Agreement”); and;

WHEREAS, on January 24, 2013, the Village Council approved Change Order No. 1 to the DBO Agreement authorizing Reynolds to provide a Pavement Survey and Evaluation Program of Village roads and streets in North Plantation Key and Middle Plantation Key in order to evaluate existing road characteristics and determine the best available methods to repave roads after the installation of the wastewater system; and

WHEREAS, as directed in Change Order No. 1, Reynolds completed the Pavement Survey and Evaluation Program, which established design guidelines and unit pricing that can be utilized in connection with a complete asphalt overlay of roads within the Village to be approved by subsequent Change Order; and

WHEREAS, the Village Council wishes to approve Change Order No. 2 to the DBO Agreement, substantially in the form attached hereto as Exhibit No. 1, authorizing Reynolds to provide pavement repair and overlay of all roads and streets within the Village, according to the scope of work set forth in Change Order No. 2 and in the manner set forth therein; and
WHEREAS, the Village Council finds that approval of Change Order No. 2 to the DBO Agreement between Reynolds and the Village, attached hereto as Exhibit “1”, is in the best interest of the Village.

NOW, THEREFORE, BE IT RESOLVED BY THE VILLAGE COUNCIL OF ISLAMORADA, VILLAGE OF ISLANDS, FLORIDA, AS FOLLOWS:

Section 1. Recitals. The above recitals are true and correct and incorporated into this Resolution by this reference.

Section 2. Approval of Change Order. Change Order No. 2 between Reynolds and the Village, a copy of which is attached hereto as Exhibit “1”, together with such non-material changes as may be acceptable to the Village Manager and approved as to form and legality by the Village Attorney, is approved.

Section 3. Authorization of Village Officials. The Village Manager and/or his designee and the Village Attorney are authorized to take all actions necessary to implement the terms and conditions of Change Order No. 2.

Section 4. Authorization of Fund Expenditure. Notwithstanding the limitations imposed upon the Village Manager pursuant to the Village’s Purchasing Procedures Ordinance, the Village Manager is authorized to expend budgeted funds to implement the terms and conditions of Change Order No. 2.

Section 5. Execution of Change Order. The Village Manager is authorized to execute Change Order No. 2 on behalf of the Village, to execute any required agreements and/or documents to implement the terms and conditions of Change Order No. 2 and to authorize any further acts necessary to implement the terms thereof, subject to the approval as to form and legality by the Village Attorney.

Section 6. Effective Date. This Resolution shall take effect immediately upon
adoption.

Motion to adopt by Vice Mayor Ted Blackburn, second by Councilwoman Deb Gillis.

FINAL VOTE AT ADOPTION

VILLAGE COUNCIL OF ISLAMORADA, VILLAGE OF ISLANDS:

Mayor Ken Philipson               YES
Vice Mayor Ted Blackburn          YES
Councilman Deb Gillis              YES
Councilman Mike Forster           YES
Councilman Dave Purdo              NO

PASSED AND ADOPTED this 11th day of July, 2013.

KEN PHILIPSON, MAYOR

ATTEST:

VILLAGE CLERK

APPROVED AS TO FORM AND LEGALITY FOR THE USE AND BENEFIT OF ISLAMORADA, VILLAGE OF ISLANDS:

VILLAGE ATTORNEY
This Change Order will authorize the following change to the Design/Build Work and DBO Agreement:

The Design/Build/ Work as set forth in the DBO Agreement is hereby amended as set forth in Exhibit “A” attached hereto and by this reference made a part hereof for all purposes.

This Change Order constitutes full, final, and complete compensation to the Company for all costs, expenses, overhead, and profit that the Company may incur in connection with the above referenced changes to the Design/Build Work, and any other effect on any of the Design/Build Work under the DBO Agreement. The Company acknowledges and agrees that (a) the Design/Build Price under the DBO Agreement will be changed by this Change Order, (b) the Project Schedule and Contract Time for performance of the Design/Build Work for design and construction of the Wastewater Facilities will be unchanged by this Change Order, and (c) the Project Schedule and Contract Time for the performance of the Paving Work constituting part of the Design/Build Work described in this Change Order No. 2 will provide for a Final Completion Date for Paving Work of May 29, 2016. Except as herein or heretofore expressly modified, all terms of the DBO Agreement shall remain in full force and effect and shall cover the performance of, and payment for, any changes in the Design/Build Work authorized hereunder. Any defined terms not defined in this Change Order shall have the meanings set forth in the DBO Agreement.

By signing below the parties indicate acceptance of this Change Order as set forth herein.
CHANGE ORDER NO. 2

VILLAGE/OWNER: Islamorada, Village of Islands

COMPANY: Reynolds Water Islamorada, LLC

PROJECT: Design, Build, Operate (DBO) Agreement for Wastewater Collection and Transmission

DATE: July 11, 2013

This Change Order will authorize the following change to the Design/Build Work and DBO Agreement:

The Design/Build Work as set forth in the DBO Agreement is hereby amended as set forth in Exhibit "A" attached hereto and by this reference made a part hereof for all purposes.

This Change Order constitutes full, final, and complete compensation to the Company for all costs, expenses, overhead, and profit that the Company may incur in connection with the above referenced changes to the Design/Build Work, and any other effect on any of the Design/Build Work under the DBO Agreement. The Company acknowledges and agrees that (a) the Design/Build Price under the DBO Agreement will be changed by this Change Order, (b) the Project Schedule and Contract Time for performance of the Design/Build Work for design and construction of the Wastewater Facilities will be unchanged by this Change Order, and (c) the Project Schedule and Contract Time for the performance of the Paving Work constituting part of the Design/Build Work described in this Change Order No. 2 will provide for a Final Completion Date for Paving Work of May 29, 2016. Except as herein or heretofore expressly modified, all terms of the DBO Agreement shall remain in full force and effect and shall cover the performance of, and payment for, any changes in the Design/Build Work authorized hereunder. Any defined terms not defined in this Change Order shall have the meanings set forth in the DBO Agreement.

By signing below the parties indicate acceptance of this Change Order as set forth herein.

[Signatures Follow on the Next Page]
VILLAGE/OWNER:

ISLAMORADA, VILLAGE OF ISLANDS
a Florida municipal corporation

By: Maria J. Aguilar
Name: Maria J. Aguilar
Title: Deputy Village Manager
Date Executed: 7/12/2013

COMPANY:

REYNOLDS WATER ISLAMORADA, LLC
a Delaware Limited Liability Company

By: Charles Witt
Name: Mark J. Accetta
Title: President
Date Executed: 7/18/2013

ATTEST:

[Signature]
Village Clerk

Approved as to form and legal sufficiency for the use and benefit of Islamorada, Village of Islands:

[Signature]
Village Attorney
### EXHIBIT “A”

### CHANGE ORDER NO. 2

<table>
<thead>
<tr>
<th>Date of Change Order:</th>
<th>July 11, 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title of Change Order:</td>
<td>Village-Wide Pavement Repair and Overlay (&quot;Paving Work&quot;)</td>
</tr>
<tr>
<td>Original Design/Build Price:</td>
<td>$90,900,000.00</td>
</tr>
<tr>
<td><strong>This Change Order Value:</strong> (Increase or Decrease in Design/Build Price)</td>
<td>$6,868,300.00 (Phase I of Paving Work). Up to a maximum lump sum amount of $7,357,419.00 should Village issue Notice-To-Proceed for Phase 2 of Paving Work ($489,119.00). Up to a maximum lump sum amount of $8,250,347.00 should Village issue Notice-To-Proceed for Phase 2 of Paving Work and authorize all private roads within Phase 3 of Paving Work ($892,928.00)</td>
</tr>
<tr>
<td>Value of Previous Change Order:</td>
<td>$94,000.00</td>
</tr>
</tbody>
</table>
| **Current Design/Build Price (including this CO):** | $97,862,300.00 (Phase 1 of Paving Work) 
$98,351,419.00 (should Village issue Notice-To-Proceed for Phase 2 of Paving Work) 
$99,244,347.00 (should Village issue Notice-To-Proceed for Phase 2 of Paving Work and authorize Paving Work on all private roads within Phase 3) |
| Original Project Completion Dates: | Substantial: June 1, 2015  
Final: December 1, 2015 |
| Changes in Contract Time from this Change Order as to Paving Work only: | Substantial: 0 Days  
Final: 180 Days |
| Previous Changes in Contract Time: | Substantial: 0 Days  
Final: 0 Days |
| Current Project Completion Dates (Wastewater Facilities): | Substantial: June 1, 2015  
Final: December 1, 2015  
Final: May 29, 2016 |

*Note: Change in the Contract Time applies only to the Paving Work constituting part of the Design/Build Work described in this Change Order No. 2. Existing Contract Dates and Project Completion Dates, including Substantial Completion Date and Final Completion Date as defined in the DBO Agreement, remain unchanged and are firm and applicable as to the Design/Build Work for the Wastewater Facilities.*
DESCRIPTION OF CHANGE(S) IN DESIGN/BUILD WORK AND/OR CONTRACT TIME; SCOPE OF WORK:

The patching asphalt work specified in the Design Standards Manual of the DBO Agreement shall be replaced by the following Scope of Work specified in this Change Order No. 2. The Company shall complete the work associated with the Design/Build of pavement repairs and overlay of Village roads and streets in accordance with the following phasing and Scope of Work:

Upon execution of this Change Order No. 2, the Company shall begin the Design/Build work associated with Phase 1 of the Paving Work consisting of the Village’s Public Roads and Streets (including all of SR 905 located within the Village, also known as “Old Highway”), excluding Private Roads, and further excluding all roads and streets (private and public) located in the Venetian Shores Subdivision or neighborhood. Tasks for this Phase 1 shall be included in the Project Schedule to complete this Scope of Work.

Phase 2. Venetian Shores Subdivision Roads and Streets (excluding any private roads or streets therein, including Venetian Way, San Marco Drive, San Juan Drive, and Gulfside Drive).
Paving Work in the Venetian Shores Subdivision (excluding any private roads and streets therein, including Venetian Way, San Marco Drive, San Juan Drive, and Gulfside Drive) shall only commence upon issuance by the Village of a separate Notice to Proceed for this Phase 2 Paving Work. Once a Notice-To-Proceed is received by the Company, tasks shall be included in the Project Schedule to complete this Phase 2 Scope of Work. A Notice-To-Proceed shall be provided to the Company for Phase 2 of the Paving Work no later than March 1, 2014 or is hereby deleted from this Change Order No. 2, unless otherwise extended or amended by mutual agreement of the parties.

For purposes of this Phase 2 Paving Work, Venetian Shores Subdivision roads and streets shall include all roads and streets commencing at the entry to the Subdivision from US Highway 1 (Overseas Highway) at Venetian Boulevard and including all roads east and west of Venetian Boulevard and located within the Subdivision.

Phase 3. Village-wide Paved Private Roads and Streets (including Venetian Way, San Marco Drive, San Juan Drive, and Gulfside Drive).
Paving Work for the Village-wide paved private roads and streets (including Venetian Way, San Marco Drive, San Juan Drive, and Gulfside Drive) shall only commence upon issuance by the Village of a separate work order or other written authorization to the Company, prior to commencement of any patching work on said road, authorizing overlay paving of the road at issue. Once a work order or written authorization is received by the Company, tasks shall be included in the Project Schedule to complete the road(s) within this Phase 3 Scope of Work.

Unit Pricing for each road authorized shall be $16.50 per square yard of roadway paved.

The following Definitions are hereby added to the DBO Agreement or amended in connection with the paving work required in this Change Order No. 2:

“Paving Work” means everything required to be furnished and done for and relating to the design, permitting, construction and Acceptance of the pavement repairs and overlay of Village roads and streets as set forth in this Change Order No. 2 as to Phase 1, and as may be further authorized by the Village as to Phases 2 and 3, including the employment and furnishing of all labor, materials, equipment, supplies, tools, scaffolding, transportation, Utilities, insurance,
temporary facilities and other things and services or every kind whatsoever necessary for the full performance and completion of the Company's design, engineering, construction and Acceptance, obtaining and maintaining Governmental Approvals and related obligations with respect to the design and construction of the pavement repairs and overlay of the Village roads and streets. The Design/Build Work shall include all Paving Work as authorized by this Change Order No. 2. The Paving Work shall consist of the Phase 1 Work, and, if authorized by the Village by separate Notice-To-Proceed for the Phase 2 Work and by work order or written authorization for roads within the Phase 3 Work, may include Phase 2 and Phase 3 Work.

"Final Completion Date for Paving Work" means the date on which Final Completion of the Paving Work occurs or is deemed to have occurred in accordance with this Change Order No. 2 and the DBO Agreement. The required date for Final Completion of the Paving Work shall be set forth in the Project Schedule, but shall not be later than May 29, 2016.

Change in the Contract Time applies only to the Paving Work constituting part of the Design/Build Work described in this Change Order No. 2. Existing Contract Dates and Project Completion Dates, including Substantial Completion Date and Final Completion Date as defined in the DBO Agreement, remain unchanged and are firm and applicable as to the Design/Build Work for the Wastewater Facilities.

"Contract Time" or the “Design/Build Period” shall include the duration of all Paving Work made a part of the Design/Build Work either as a part of the total work thereof or the total time from Notice(s)-to-Proceed to the Final Completion Date for Paving Work.

The Scope of Work for the Paving Work is as follows:

I. Design

Design services will be provided to repair and overlay (along with all required pavement markings) all public roads and streets (including SR 905 or "Old Highway" in its entirety) as part of the Phase 1 Paving Work within the Village's limits, and Phase 2 and 3 Paving Work should the Village issue a Notice-To-Proceed, or work order or written authorization for such work. Design services to be completed under this Change Order include:

Task D.1 - Road Survey
This task focuses on gathering information about the existing road conditions using Google Earth, road maps, aerial photography, Village drawings, the Monroe County Property Appraiser's Office and site visits. Specific road details to be determined in the survey include:

1. A review of the existing information from reports, maps, aerials, surveys and The Monroe County Property Appraiser's Office to determine existing road characteristics and conditions.
2. Road Names
3. Length of Roads
4. Average Width of Roads
5. Number of manholes, catch basins, and valve boxes to be adjusted
6. Type and length of striping
7. Driveway elevation compared to the street, by street
8. General Road Conditions
   a. Good, Fair, Poor, Failing
   b. Cracked and alligator pavement
   c. Potholes, roots, settlement making the surface uneven
d. Curb and/or gutter on one side
f. Curb and/or gutter on two sides
g. Speed bumps
h. Uneven and/or undulating surface

*Failing roadways will be listed so the Village can determine if additional study and design are required.

9. Sections of road where it is recommended that the road should be removed and re-built

10. Type and length of striping and pavement markings

Information gathered from the above sources will be put into a spreadsheet. The existing road conditions will be documented with photographs. The scope of this Task D.1 for North Plantation Key and Middle Plantation Key public and paved private roads and streets was included in Change Order No. 1, and is set forth in the Company’s Pavement Survey and Evaluation dated May, 2013.

**Task D.2 - Repaving Recommendations**

This Task will focus on developing repaving methods based upon the data collected about each road during Task D.1 road survey and site visits. 11” x 17” drawing sheets drawn at a scale of 1” = 100' will be prepared to detail the paving repairs and overlay work. Depending on the existing road condition, one or more of the following methods will be recommended.

1. Overlay the existing roads which are in good condition. Recommendations will include asphalt depth, mix design and overlay method consistent with RWI’s Pavement Survey and Evaluation dated May, 2013.

2. Mill and overlay (due to pavement being in poor condition). Recommendations will include proposed depth of milling and asphalt overlay depth consistent with RWI’s Pavement Survey and Evaluation dated May, 2013.

3. Repair potholes and overlay. Recommendations will include repaving details and procedures for potholes and overlay consistent with the Company’s Survey and Evaluation dated May 2013.

In addition, this Task shall include the following work:

4. Develop notes and typical details for replacement of pavement markings including bike lane pylons, speed bumps, stop bars, center stripes, edge stripes, etc., consistent with the Company’s Pavement Survey and Evaluation dated May 2013, Monroe County requirements, and Section 02577 of the Design Standards Manual.

5. Areas where there are obvious drainage problems, such as observed ponding after rainstorms or staining of the pavement, will be noted. Within the scope of this Change Order No. 2, pavement improvements such as milling, sloping newly placed pavement, thickening low areas, etc., within the paving limits will be made in an attempt to improve and mitigate drainage problems when possible.

The scope of this Task for North Plantation Key and Middle Plantation Key public and paved private roads and streets was included in Change Order No. 1.
Task D.3 - Final Plans

This Task consists of preparing final design drawings which describe the methodology used in the road evaluation, providing a summary of the work to be completed, and will contain the detailed spreadsheets with all of the information gathered for each road and construction plan sheets showing the planned re-pavement overlay technique within the Village. The construction plan sheets will be completed to 90% completion level for Village and Owner’s Representative review and approval. The Company may, at its discretion, develop separate paving design packages for portions of the Village. The Village and Owner’s Representative will review and comment on the 90% drawings within 14 calendar days and provide them to the Company. Once the 100% design drawings are completed, the Village and Owner’s Representative will review, and comment or approve the drawings within 14 days. Design drawings will meet the specifications and criteria set forth in the Project’s Design Standards Manual, Design Criteria Package, and the Company’s Pavement Survey and Evaluation dated May, 2013. The design drawings shall include at least all of the following information and minimum requirements for all Paving Work:

- Technical specifications
- Maintenance of Traffic Plans (typical and general details)
- Street marking and striping plans in accordance with Monroe County requirements
- Surface preparation details, asphalt depths, and mix design
- Milling locations and details as applicable
- Pothole repair details
- Pavement removal and replacement details
- Repair details for spalled and alligator cracking
- Repair details for the removal of organic materials (roots, etc.) beneath existing pavement
- Repair details to address drop-offs with the edge of pavement to the existing shoulder after the overlay is applied bringing the shoulder up to grade using Design Engineer approved fill material in areas that require such improvements.
- Construction details showing how the new pavement will be constructed to best match existing elevations of all residential and commercial driveways.
- Acceptable details and acceptable responses provided as requested in the Village and Owner’s Representative comments to Project Submittal 074B
- Trench preparation will include a minimum FDOT Optional Base Group 6 prior to paving
- The standards established in Project Submittal 074B and the Agreement will be used as a minimum for designing the remainder of the Village-wide publically owned and paved private roads and streets, including Old Highway.

The scope of this Task for North Plantation Key and Middle Plantation Key is included in Change Order No. 1 up to completion of 90% design drawings. Change Order No. 2 includes scope and cost to complete the North Plantation Key and Middle Plantation Key 100% design drawings.
II. Construction

Task C.1 – Construction Services

Only after the Owner’s Representative and Village approve (per the submittal review process in the DBO Agreement) the 100% design drawings for a specific area and accept all required shop drawings for the Paving Work will the Company commence the paving repair and overlay construction work. Prior to the Paving Work commencing, the Company and Owner’s Representative will inspect the condition of all backfilled trenches to ensure existing base material is properly placed and compacted. If base material has been removed over time since its placement and prior to the paving/overlay work commencing, the Company shall place additional base material as needed and re-compact areas as directed by the Engineer of Record. All construction for the Paving Work shall be completed in accordance with the DBO Agreement, including the Design Standards Manual.

REASON FOR CHANGE(S) IN DESIGN/BUILD WORK AND/OR CONTRACT TIME:

Article 9.3.5 of the DBO Agreement between the Village and the Company contains the following provision:

“9.3.5 Provisionary Allowance for Complete Asphalt Overlay of Village Roads and Streets. The Village may allocate an amount over and above the Design Build Price in a fixed sum for the Village’s Provisionary Allowance for Complete Asphalt Overlay of Village Roads and Streets in an amount designated in Appendix 6. This sum shall be for the Village’s use to pay the Company for the costs to complete the pavement survey, evaluation, and asphalt overlay as described herein under Section 6.1.21. Should the Village and the Company negotiate an acceptable scope and fee to complete this complete asphalt overlay of Village roads and streets, the Company shall receive a Change Order in accordance with Article X.”

Appendix 6 of the DBO Agreement includes a provisionary allowance of up to $8,500,000.00 to complete the Pavement Survey and Evaluation and the overlay of the Village’s public and privately owned roads and streets.

Change Order No. 1 was approved to initiate the pavement survey, evaluation, and preliminary design for North Plantation Key and Middle Plantation Key. Change Order No. 2 initiates the final Design/Build Work for North Plantation Key and Middle Plantation Key, and initiates the Paving Work of the Design/Build Work for the remainder of the Village’s public roads and streets, including Old Highway, and would authorize the Phase 2 work (all public roads and streets within the Venetian Shores Subdivision) and the Phase 3 work (paved private roads and streets) upon the issuance by the Village of Notice(s)-To-Proceed for such additional work.

SCHEDULE:

Phase 1. Public Roads and Streets, Including Old Highway

Upon execution of this Change Order No. 2, the Company shall begin the Paving Work associated with the Village’s Public Roads and Streets (including all of SR 905 located with the Village, also known as “Old Highway”), excluding Private Roads, and further excluding all roads and streets (private and public) located in the Venetian Shores Subdivision or neighborhood. Tasks shall be included in the Project Schedule to complete this Scope of Work, and submitted to the Village for review and approval as required by the DBO Agreement.
Phase 2. **Venetian Shores Subdivision or Neighborhood Roads and Streets (excluding private streets known as Venetian Way, San Marco Drive, San Juan Drive, and Gulfside Drive).**

Paving Work in the Venetian Shores Subdivision or Neighborhood (excluding the private streets known as Venetian Way, San Marco Drive, San Juan Drive, and Gulfside Drive) shall only commence upon the issuance of a separate Notice-To-Proceed by the Village for such Phase 2 Paving Work. Once a Notice-To-Proceed is received by the Company, tasks shall be included in the Project Schedule to complete this Phase 2 Scope of Work. No Paving Work for Phase 2 shall be authorized or commenced until such time as the Village issues a separate Notice-To-Proceed for such work, and the Village shall have no obligation to issue such Notice-To-Proceed or authorize the Phase 2 Paving Work. A Notice-To-Proceed shall be provided to the Company for this Phase 2 Paving no later than March 1, 2014, or is hereby deleted from this Change Order No. 2, unless otherwise extended or amended by mutual agreement of the parties. Tasks shall be included in the Project Schedule to complete this Phase 2 Scope of Work, and submitted to the Village for review and approval as required by the DBO Agreement.

Phase 3. **Village-wide Paved Private Roads and Streets (including Venetian Way, San Marco Drive, San Juan Drive, and Gulfside Drive).**

Paving Work for the Village-wide paved private roads and streets (including Venetian Way, San Marco Drive, San Juan Drive, and Gulfside Drive) shall only commence upon issuance by the Village of a separate work order or other written authorization to the Company, prior to commencement of any patching work on said road, authorizing overlay paving of the road at issue. Once a work order or written authorization is received by the Company, tasks shall be included in the Project Schedule to complete the road(s) within this Phase 3 Scope of Work. A Notice-To-Proceed shall be provided to the Company with a list of private roads to be paved as part of this Phase 3 Paving Work no later than March 1, 2014, or is hereby deleted from this Change Order No. 2, unless otherwise extended or amended by mutual agreement of the parties. Once a Notice To Proceed is issued for this Phase 3 work, tasks will be included in the Project Schedule to complete the Phase 3 scope of work, and submitted to the Village as required in the DBO Agreement. Unit pricing for each road authorized pursuant to the Notice To Proceed shall be $16.50 per square yard.

Upon completion of the Wastewater Facilities’ installation, Acceptance and Start-Up in distinct or specific Village subdivisions or neighborhoods, Paving Work shall commence in those neighborhoods within sixty (60) days thereafter, and shall progress continuously without interruption until such time as the Paving Work in that area achieves Final Completion. All Paving Work (including Phases 2 and 3 should they be authorized by Notice-To-Proceed, work order or other written authorization issued by the Village) shall achieve Final Completion of the Paving Work no later than May 29, 2016. Should the Company fail to achieve Final Completion of the Paving Work authorized and included in this Change Order No. 2 on or before May 29, 2016, the Company shall be subject to liquidated damages in the amount of $1,000.00 per day and in accordance with the liquidated damages provisions of the DBO Agreement.
COST BREAKDOWN/CHANGE IN DESIGN/BUILD PRICE:

The cost breakdown associated with Changes in the Design/Build Work in connection with the Paving Work in this Change Order No. 2, including the deletion of asphalt patching for which the Village has received a credit or reduction in the Design/Build Price, and the addition of complete paving overlay of Village roads and streets representing an increase to the Design/Build Price, is as follows:

<table>
<thead>
<tr>
<th>AREA</th>
<th>COST/CHANGE TO DESIGN/BUILD PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phase 1 - Public Roads and Streets, Including all of SR 905 or &quot;Old Highway&quot;</td>
<td>Lump Sum Amount of $6,868,300.00</td>
</tr>
<tr>
<td>Phase 2 - Venetian Shores Subdivision or Neighborhood Roads and Streets (excluding Venetian Way, San Marco Drive, San Juan Drive, and Gulfside Drive)</td>
<td>Lump Sum Amount of $489,119.00</td>
</tr>
<tr>
<td>Phase 3 - Village-wide Paved Private Roads and Streets (including Venetian Way, San Marco Drive, San Juan Drive, and Gulfside Drive)</td>
<td>Based on Unit Pricing of $16.50 per square yard of roadway paved, Up to a Maximum Lump Sum Amount of $892,928.00</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$8,250,347.00</td>
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Within 60-days of the execution of this Change Order No. 2, and as the Company receives Notice(s)-To-Proceed for Phases 2 and 3 of the Paving Work detailed in this Change Order No. 2, the Company shall incorporate the Paving Work as part of the Design/Build Work into an updated Schedule of Values in sufficient detail to allow the Village to adequately assess the amount of Paving Work completed on a monthly basis. Payment for the Paving Work will be made in accordance with Article IX of the Agreement.

WARRANTY:

Pursuant to Article VIII, Performance Standards, of the DBO Agreement, the Company warrants all Paving Work authorized pursuant to this Change Order No. 2 for a period of one (1) year from the Final Completion Date for Paving Work.

INSURANCE AND BONDS:

All insurance and Bonds required by the DBO Agreement for the Design/Build Work during the Design/Build Period shall be in full force and effect in connection with all Paving Work authorized by this Change Order No. 2.