

Legal Services/Outside Counsel hired by JEA to Assist with a Recapitalization Event

Law Firms	Legal Services to be Provided	Not-to-Exceed Amount	Hourly Rate Schedule	Date of Engagement Letter
Pillsbury Winthrop Shaw Pittman, LLP	1. Advise JEA and OGC on JEA corporate, transactional and litigation matters 2. Advise JEA and OGC on JEA governance matters 3. Advise JEA and OGC on internal and intergovernmental JEA delegation of authority matters 4. Engage third party consultants, subject to prior approval by JEA and OGC, who may assist with matters beneficial to supporting the matter described 5. Advise JEA and OGC on all other services as may be required or implied in order to complete the scope of services and such other operational legal matters as requested and approved by JEA and OGC	\$ 500,000.00	In consideration of the scope of the project and the associated risks, a discounted blended rate of \$895 will be charged by all timekeepers on such project	June 28, 2019 retroactive to January 1, 2019
Foley & Lardner, LLP	1. Advise JEA and OGC in negotiations regarding employee benefits, labor negotiations, collective bargaining and other labor and employment matters 2. Advise JEA and OGC in the legal areas of procurement, regulatory matters, corporate and transactional matters and litigation matters 3. Prepare and review documents and agreements and develop positions to assist the JEA and OGC, evaluate legal responses and strategies related to the legal services 4. Attend conferences, meetings, negotiating sessions and other venues at the request of OGC 5. Engage third party consultants, subject to prior approval by the JEA and OGC, who may assist with matters beneficial to supporting the matter described 6. Advise JEA and OGC on all other services as my be required or implied in order to complete the scope of services and such other operational legal matters as requested and approved by JEA and OGC	\$ 250,000.00	Kevin Hyde \$650.00 Robert Hosay \$650.00 Christopher Kise \$830.00 Benjamin Grossman \$600.00 John Tucker \$675.00	July 22, 2019 retroactive to July 1, 2019
Hopping Green & Sams, P.A.	1. Advise JEA on environmental and certain legal matters related to JEA's energy and water operations 2. Advise JEA on public policy and communications related to the capitalization of JEA assets 3. Engage third party consultants, subject to prior approval by the JEA and OGC, who may assist with matters beneficial to supporting the matter described (in items 1 and 2 above) 4. Advise JEA on all other services as my be required or implied in order to complete the scope of services and such other operational legal matters as requested and approved by JEA and OGC	\$ 250,000.00	<u>Item 1 under Legal Services:</u> Lawyers who are Shareholders \$400.00 Lawyers who are not Shareholders \$275.00 Support Staff (Law Clerks/Paralegals) \$100.00 <u>Item 2 under Legal Services:</u> A monthly consultant retainer of \$20,000 <u>Items 3 and 4 under Legal Services:</u> Upon mutual agreement JEA further agrees to compensate the Firm for work performed under items 3 and 4 in the services to be provided	September 3, 2019 retroactive to August 30, 2019
Milam Howard Nicandri Gillam & Renner, P.A.	The Firm shall assist JEA in certain corporate transactional, local government, interlocal, and administrative matters, including JEA ITN 127-19 and the preparation for any transition associated with the recapitalization of JEA and matters related thereto.	\$ 75,000.00	G. Alan Howard (Shareholder) \$500.00 Paul Renner (Shareholder) \$500.00 Justin Kempf (Sr. Associate) \$300.00	August 28, 2019
Pennington P.A.	The Firm shall assist JEA with certain water and wastewater systems, compliance, interlocal, and other local government and regulatory matters, including JEA ITN 127-19 and the preparation for any transaction associated with the recapitalization of JEA and matters related thereto.	\$ 75,000.00	John Pelham (Shareholder) \$350.00 Gene Adams (Attorney) \$350.00 Brian Newman (Shareholder) \$350.00 J. Breck Brannen (Shareholder) \$350.00	August 23, 2019
Carlton Fields	The Firm shall assist JEA in certain cybersecurity, intellectual property, and data privacy matters, including JEA ITN 127-19 and the preparation for any transition associated with the recapitalization of JEA and matters related thereto.	\$ 75,000.00	Ty Giltinan \$580.00 Eleanor Yost \$580.00 Coy Stull \$490.00 Jack Clabby \$570.00 Joe Swanson \$570.00 Steve Blickensderfer \$430.00	August 26, 2019
The Radey Law Firm	The Firm shall assist JEA in Public Service Commission representation, telecommunications-related matters, various utility permitting and licensing tasks, and certain regulatory matters, including JEA ITN 127-19 and the preparation for any transition associated with the recapitalization of JEA and matters related thereto.	\$ 75,000.00	Susan Clark (Partner) \$425.00 Terry Deason (Special Consultant/Regulatory Expert) \$425.00 Tom Crabb (Partner) \$395.00 Laura Dennis (Associate) \$310.00	August 26, 2019

Total \$ 1,300,000.00

J.P. Morgan Securities, LLC

Date of Engagement Letter	July 24, 2019				
Term	Effective Date is July 23, 2019 and will expire 24 months after Effective Date				
Services to be Provided	<p>1. Familiarize itself with the financial condition and business of the Company and assist the Company in reviewing the forecast of the Electric Enterprise Fund's and the Water and Sewer Enterprise Fund's projected operating performance prepared by the Company.</p> <p>2. Together with the Company's legal counsel and tax and accounting advisors, advise and assist the Company in the management and administration of the ITN process.</p> <p>3. Together with the Company's legal counsel and tax and accounting advisors, assist the Company in its evaluation of the ITN responses and development of recommendations related to the optimal course of action.</p> <p>4. Assist the Company in familiarizing any prospective Strategic Partner with the financial condition and business of the Company, including the Electric Enterprise Fund's and the Water and Sewer Enterprise Fund's business, as applicable, familiarize itself with the financial condition and business of any Strategic Partner, and advise and assist the Company in considering the relative merits and feasibility of one or more potential Transactions and the desirability of effecting a Transaction.</p> <p>5. Assist the Company in preparing confidential information memorandums and supporting marketing materials for distribution to potential Strategic Partners describing the business and financial condition of the Company.</p> <p>6. Assist the Company in identifying and contacting potential Strategic Partners to ascertain their interest in a Transaction.</p> <p>7. Provide recommendation on the appropriate structure, purchase price, and terms and conditions of a Transaction.</p> <p>8. Advise and assist the Company with respect to the financial aspects of a Transaction.</p> <p>9. Advise and assist the Company in its negotiation of the financial aspects of a Transaction.</p> <p>10. If requested, and if J.P. Morgan determines, in its judgment and consistent with its customary practice, that there are facts to support such materials, following public announcement of any Transaction, assist the Company in preparing materials to be shared with the Company's outside legal counsel on a confidential basis, setting forth the financial factors comprising the Company's underlying business purpose for the Transaction and describing the financial and strategic advantages of effecting the Transaction in comparison to the Company not pursuing a Transaction.</p> <p>11. Assist the Company in coordinating site visits, meetings, negotiation and discussion sessions, due diligence sessions, management presentations and similar matters with potential Strategic Partners, including, if requested, assisting the Company in populating and administering a data room to be used in connection with a Transaction.</p> <p>12. If requested by the Company, provide such other M&A financial advisory services in connection with the Transaction as may be agreed in writing between the Company and J.P. Morgan during the term hereof.</p>				
Retainer per Quarter	\$100,000 or Maximum of \$800,000				
Opinion Fee	\$3,000,000 or if more than one opinion is issued, \$2,250,000 per opinion				
If the Net Consideration for a Strategic Transaction¹ Is:	Less than or equal to \$3.5 billion	Greater than \$3.5 billion but less than or equal to \$4.5 billion	Greater than \$4.5 billion but less than or equal to \$5.5 billion	Greater than \$5.5 billion but less than or equal to \$6.5 billion	Greater than \$6.5 billion
Applicable % of Net Consideration	0.200%	0.275%	0.350%	0.425%	0.500%
Range of Transaction Fee²	\$ 6,000,000	\$ 7,000,000	\$ 9,750,000	\$ 13,250,000	\$ 17,500,000
	\$ 7,000,000	\$ 9,750,000	\$ 13,250,000	\$ 17,500,000	∞ ⁵
Transaction Fee for a Recapitalization Transaction³	An amount equal to \$7,500,000				
Break-up Fee	If a fee is paid in the event of a termination, abandonment, or failure to occur of any proposed Transaction, J.P. Morgan will receive 12.5% of the fee paid, not to exceed \$7.5 million				
Tail Period	J.P. Morgan will be entitled to receive the compensation provided during the term of this agreement or at any time within 18 months after expiration or termination of this Agreement, unless J.P. Morgan terminates this Agreement or Company terminates this Agreement for Cause.				
Other Assignments	During the term of the Agreement, if the Company decides to undertake any investment banking activity, the Company shall offer J.P. Morgan the right to make a proposal. If J.P. Morgan agrees to act in any such capacity, the Company and J.P. Morgan will enter into the appropriate form of agreement relating to the type of transaction involved.				
Other Expenses and Payments⁴	Not to Exceed \$200,000 for J.P. Morgan counsel fees				

¹ A Strategic Transaction shall mean, whether in one or a series of transactions, (a) any merger, consolidation, joint venture, or other business combination pursuant to which the business of any member of the Company Group is combined with that of any other person (Strategic Partner) or (b) the acquisition by a Strategic Partner, directly or indirectly, of substantially all of the assets, properties and/or businesses of any member of the Company Group, by way of a direct or indirect purchase, lease, license, exchange, joint venture or other means.

² The Transaction fee will be net of any related Opinion Fee paid. If J.P. Morgan does not deliver an Opinion, the Transaction Fee will be reduced by an amount equal to the greater of (a) the fee the Company pays to obtain an additional Opinion from another investment banking firm (other than the Co-Advisor) in an amount not to exceed \$3,000,000 and (b) \$1,500,000.

³ A Recapitalization Transaction shall mean, whether in one or a series of transactions, (a) a public-private partnership between a Strategic Partner and the business of any member of the Company Group by way of a direct or indirect purchase, investment, lease, license, concession agreement or other means or (b) the reorganization or transfer of assets of any member of the Company Group to another member of the Company Group or to an entity established by the Company for the sole purpose thereof.

⁴ Other Expenses and Payments include reasonable counsel fees and expenses associated with legal review of Florida Statutes and any required administrative legal work related to the Transaction.

⁵ J.P. Morgan would receive \$17,500,000 plus one-half of a percent of the Net Consideration over \$6.5 billion.

Morgan Stanley & Co., LLC

Date of Engagement Letter	July 23, 2019				
Term	No term was specified in the engagement letter				
Services to be Provided	<ol style="list-style-type: none"> 1. Familiarize itself with the financial condition and business of the Company and assist the Company in reviewing the forecast of the Electric Enterprise Fund's and the Water and Sewer Enterprise Fund's projected operating performance prepared by the Company. 2. Together with the Company's legal counsel and tax and accounting advisors, advise and assist the Company in the management and administration of the ITN process. 3. Together with the Company's legal counsel and tax and accounting advisors, assist the Company in its evaluation of the ITN responses and development of recommendations related to the optimal course of action. 4. Assist the Company in familiarizing any prospective Strategic Partner with the financial condition and business of the Company, including the Electric Enterprise Fund's and the Water and Sewer Enterprise Fund's business, as applicable, familiarize itself with the financial condition and business of any Strategic Partner, and advise and assist the Company in considering the relative financial and operational merits and feasibility of one or more potential Transactions and the desirability of effecting a Transaction. 5. Assist the Company in preparing confidential information memorandums and supporting marketing materials for distribution to potential Strategic Partners describing the business and financial condition of the Company. 6. Assist the Company in identifying and contacting potential Strategic Partners to ascertain their interest in a Transaction. 7. Provide financial advice on the appropriate structure, purchase price, and terms and conditions of a Transaction. 8. Advise and assist the Company with respect to the financial aspects of a Transaction. 9. Advise and assist the Company in its negotiation of the financial aspects of a Transaction. 10. Assist the Company in coordinating site visits, meetings, negotiation and discussion sessions, due diligence sessions, management presentations and similar matters with potential Strategic Partners, including, if requested, assisting the Company in populating and administering a data room to be used in connection with a Transaction. 11. If requested by the Company, provide such other financial advisory services in connection with any proposed transaction as may be agreed between the Company and Morgan Stanley. 				
Retainer per Quarter	\$100,000				
Opinion Fee	\$3,000,000 or if more than one opinion is issued, \$2,250,000 per opinion				
If the Net Consideration for a Strategic Transaction¹ Is:	Less than or equal to \$3.5 billion	Greater than \$3.5 billion but less than or equal to \$4.5 billion	Greater than \$4.5 billion but less than or equal to \$5.5 billion	Greater than \$5.5 billion but less than or equal to \$6.5 billion	Greater than \$6.5 billion
Applicable % of Net Consideration	0.200%	0.275%	0.350%	0.425%	0.500%
Range of Transaction Fee²	\$ 6,000,000	\$ 7,000,000	\$ 9,750,000	\$ 13,250,000	\$ 17,500,000
	\$ 7,000,000	\$ 9,750,000	\$ 13,250,000	\$ 17,500,000	∞ ⁴
Transaction Fee for a Recapitalization Transaction³	An amount equal to \$7,500,000				
Break-up Fee	If a fee is paid in the event of a termination, abandonment, or failure to occur of any proposed Transaction, Morgan Stanley will receive 12.5% of the fee paid, not to exceed \$7.5 million				
In Lieu of a Transaction	If in lieu of a Transaction, the Company, either directly or through any member of the Company Group, completes another transaction, other than a Transaction, with the assistance of Morgan Stanley, Morgan Stanley and the Company will negotiate in good faith appropriate compensation.				
Total Compensation	In no event shall the compensation received by Morgan Stanley be less than the compensation of any other financial advisor, including J.P. Morgan, retained by the Company in connection with the Transaction.				
Other Assignments	During the term of the Agreement, if the Company decides to undertake any investment banking activity, the Company shall offer Morgan Stanley the right to make a proposal. If Morgan Stanley agrees to act in any such capacity, the Company and Morgan Stanley will enter into the appropriate form of agreement relating to the type of transaction involved.				
Other Expenses and Payments	Reasonable fees of outside counsel relating to the Transaction shall not exceed \$200,000				

¹A Strategic Transaction shall mean, whether in one or a series of transactions, (a) any merger, consolidation, joint venture, or other business combination pursuant to which the business of any member of the Company Group is combined with that of any other person (Strategic Partner) or (b) the acquisition by a Strategic Partner, directly or indirectly, of substantially all of the assets, properties and/or businesses of any member of the Company Group, by way of a direct or indirect purchase, lease, license, exchange, joint venture or other means.

²The Transaction Fee will be net of any related Opinion Fee paid.

³A Recapitalization Transaction shall mean, whether in one or a series of transactions, (a) a public-private partnership between a Strategic Partner and the business of any member of the Company Group by way of a direct or indirect purchase, investment, lease, license, concession agreement or other means or (b) the reorganization or transfer of assets of any member of the Company Group to another member of the Company Group or to an entity established by the Company for the sole purpose thereof.

⁴Morgan Stanley would receive \$17,500,000 plus one-half of a percent of the Net Consideration over \$6.5 billion.

JEA Lobbyists

Firms	Services to be Provided	Monthly Rate	Not-to-Exceed Amount	Term of Agreement	Date of Engagement Letter
Hopping, Green & Sams, P.A.	1. Assistance in developing and executing policy strategies at the state level 2. Issue identification and analysis 3. Advocacy on issues of importance to JEA 4. Interaction with the administration, agencies, regulatory bodies, legislative bodies and committees on policies, actions, hearings, developing regulations and funding opportunities that may impact the utility or utility industry 5. Serve as a liaison with state and regional industry and user interest groups on matters of mutual concern 6. Coordinate efforts between state issues/policies/regulations where appropriate 7. Provide issue summaries and reports as needed	\$3,875 for 24 months plus \$2,000 estimated per year to cover travel expenses	\$ 97,000.00	Two years or until the Contract's Maximum Indebtedness is reached, whichever occurs first	September 1, 2018
Anfield Consulting, Inc.	The main objective of this proposal is to assist in securing state funding support for the implementation of the H2.0 Water Purification Program. 1. Represent JEA before the Florida Cabinet, the Florida Legislature, as well as, state, and regional government agencies 2. Facilitate introductions to all targeted entities with relevant decision-makers 3. Participate in meetings with relevant decision-makers to discuss JEA's proposal to significantly enhance the regions water supply and reduce nutrients currently going into the St. John River 4. Identify the appropriate legislators to sponsor JEA's appropriation requests 5. Work with JEA to review and submit the required House and Senate appropriation request forms for the H2.0 Program 6. Once the session begins, continuously work with JEA, other members of the legislative team, legislators, state agencies, and all interested stakeholders to secure approval through the committee process and full chamber approval in both the Florida Senate and House of Representatives 7. Once the state budget is passed, work with the Executive Office of the Governor to secure the Governor's approval of the line item 8. As requested, serve as a JEA representative and spokesperson in meetings with state, regional and local governmental entities, and other stakeholders involved in water resources management	October 1, 2019 through September 30, 2020 twelve monthly payments of \$10,000 or \$120,000	\$299,000 for all fees, incentive payments, reimbursable items or other costs including but not limited to travel related costs	One year and JEA has the option to renew for an additional two, one year periods	October 25, 2019
The Southern Group of Florida, Inc.	1. Assistance in developing and executing policy strategies 2. Issue identification and analysis 3. Provide advocacy and strategic communication on issues of importance to JEA 4. Interaction with the Jacksonville City Council and other local governments within JEA's territory, including representing JEA upon request in hearings, meetings and other interaction with local governments 5. Serve as a liaison with local and regional industry and user interest groups on matters of mutual concern 6. Coordinate efforts between local/regional issues/policies/regulations where appropriate 7. Provide issue summaries and reports as needed	Retainer Fee \$10,000 monthly rate	\$120,000 for all fees, incentive payments, reimbursable items or other costs including but not limited to travel related costs	One year and JEA has the option to renew for an additional two, one year periods	November 15, 2019

Total \$ 516,000.00